GENERAL AGREEMENT ON
TARIFFS AND TRADE

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GENERAL AGREEMENT ON TARIFFS AND TRADE

DECISIONS, RESOLUTIONS AND DECLARATIONS AND RECOMMENDATIONS

OF THE

CONTRACTING PARTIES

Between the End of the Eighth Session and the End of the Ninth Session (October 1953 - March 1955)

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DECISIONS AND RESOLUTIONS

1. "DECLARATION ON THE CONTINUED APPLICATION OF SCHEDULES TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE" - EXTENSION OF THE TIME LIMIT FOR SIGNATURE

(Decision of 22 February 1954)[1]

CONSIDERING that the Declaration of 24 October 1953 on the continued application of schedules to the General Agreement on Tariffs and Trade remained open for signature until 31 December 1953,

CONSIDERING that the Government of Australia was not able to sign the Declaration by the said date and has requested an extension of time,

CONSIDERING that the Governments of Austria, Germany and Norway, which signed the Declaration ad referendum on 24 October 1953, were not able to obtain the necessary parliamentary authority to confirm their signatures by 31 December 1953, and

CONSIDERING the desirability of affording an additional opportunity to the Government of Australia to sign the Declaration and to the Governments of Austria, Germany and Norway to confirm their signatures,

THE CONTRACTING PARTIES

DECIDE that, notwithstanding the provisions of the third paragraph of the Declaration,

(a) signature by the Government of Australia, if affixed not later than 30 April 1954, shall have the same effects as if it had been affixed by 31 December 1953, and

(b) the signatures of the Governments of Austria, Germany and Norway, if confirmed not later than 30 April 1954, shall have the same effects as if they had been confirmed by 31 December 1953, and

INSTRUCT the Executive Secretary to forward a copy of the present Decision to the Secretary-General of the United Nations.

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[1] Adopted by postal ballot.

2. "DECLARATION ON THE CONTINUED APPLICATION OF SCHEDULES" - EXTENSION OF THE TIME LIMIT FOR PERU'S SIGNATURE

(Decision of 20 April 1954)[1]

1. Text of the Decision

CONSIDERING that the Declaration of 24 October 1953 on the Continued Application of Schedules to the General Agreement on Tariffs and Trade remained open for signature until 31 December 1953,

CONSIDERING that the Government of Peru was not able to sign the Declaration by the said date and has requested an extension of time, and

CONSIDERING the desirability of affording an additional opportunity to the Government of Peru to sign the Decelaration,

THE CONTRACTING PARTIES

DECIDE that, notwithstanding the provisions of the third paragraph of the Declaration, signature by the Government of Peru, if affixed not later than 30 April 1954, shall have the same effects as if it had been affixed by 31 December 1953, and

INSTRUCT the Executive Secretary to forward a copy of this Decision to the Secretary-General of the United Nations.

3. DECLARATION ON THE CONTINUED APPLICATION OF SCHEDULES - EXTENSION OF THE TIME LIMIT FOR CONFIRMATION OF GERMANY'S SIGNATURE

(Decision of 31 May 1954)[1]

CONSIDERING that the Declaration of 24 October 1953 on the Continued Application of Schedules to the General Agreement on Tariffs and Trade remained open for signature until 31 December 1953,

CONSIDERING that the Government of Germany, which signed the Declaration ad referendum on 24 October 1953, was not able to obtain the necessary parliamentary authority to confirm its signature by 31 December 1953 and was granted an extension of time until 30 April 1954, by the Decision of the CONTRACTING PARTIES of 22 February 1954, but was unable to obtain the authority to confirm its signature by that date, and

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[1] Adopted by postal ballot.

CONSIDERING the desirability of affording an additional opportunity to the Government of Germany to confirm its signature of the Declaration,

THE CONTRACTING PARTIES

DECIDE that, notwithstanding the provisions of the third paragraph of the Declaration, the signature of the Government of Germany, if confirmed not later than 15 June 1954, shall have the same effects as if it had been confirmed by 31 December 1953, and

INSTRUCT the Executive Secretary to forward a copy of this Decision to the Secretary-General of the United Nations.

4. EXPENDITURE OF THE CONTRACTING PARTIES IN 1955 AND THE WAYS AND MEANS TO MEET SUCH EXPENDITURE

(Resolution of 29 October 1954)[1]

THE CONTRACTING PARTIES

HAVING CONSIDERED the estimates of expenditure of the CONTRACTING PARTIES during 1955, as set forth in the Schedules annexed to this Resolution,

RESOLVE that:

1. The Executive Secretary is authorized to repay promptly ICITO for services rendered during the year 1955, provided that such repayment does not exceed a total of US $422,550.00;

2. The repayment referred to in paragraph 1 shall be financed as follows:

   (a) by contributions from contracting parties for an amount of US $342,000.00;

   (b) by miscellaneous income estimated at US $16,600.00;

   (c) by the transfer of an amount of US $63,950.00 from the Reserve set up on 27 November 1950;

3. Any cash balance as at 31 December 1954 not otherwise assigned in accordance with this Resolution or former Resolutions of the CONTRACTING PARTIES, as well as payments of outstanding contributions and other receivables which may be received in 1955,

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[1] See SR.9/3.

shall be left at the disposal of the Executive Secretary for use as approved by the CONTRACTING PARTIES, provided that such approval shall not be necessary to finance approved expenditure in 1955 pending receipt of contributions;

4. The Executive Secretary shall report to the CONTRACTING PARTIES at the Tenth Session on the status of budgetary expenditure including all commitments entered into to meet unforeseen and extraordinary expenses;

5. The contributions of the contracting parties in 1955 shall be assessed in accordance with the scale of contributions set forth in Annex C to this Resolution. Contributions from present contracting parties are considered as due and payable in full as from 1 January 1955. In the case of an acceding government the contribution is considered as due and payable in full as from 1 January 1955 or the date on which this government becomes a contracting party, whichever is the later.

5. UNITED STATES IMPORT RESTRICTIONS ON DAIRY PRODUCTS

(Resolution of 5 November 1954)[1]

HAVING RECEIVED the report of the United States Government requested by the Resolution of 13 October 1953 regarding certain restrictions maintained by the United States Government on the importation of a number of dairy products,

NOTING from this report that some progress has been made by the United States Government in the direction of correcting the situation that in its opinion still makes the restrictions necessary,

NOTING, however, that import restrictions, the effect of which has been substantially unchanged compared with those which were the subject of Resolutions passed on 8 November 1952 and 13 October 1953, continue to be applied by the United States Government, and

RECOGNIZING that a number of contracting parties have indicated that they continue to suffer serious damage,

THE CONTRACTING PARTIES

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[1] See SR.9/7.

CONSIDER that concessions granted by the United States Government have been impaired in the sense of Article XXIII and affirm the right of the affected contracting parties to have recourse to the appropriate provisions of that Article while the restrictions remain in effect,

AUTHORIZE The Netherlands Government to suspend the application to the United States of its obligations under the General Agreement to the extent necessary to allow it to apply a limit of 60,000 metric tons on imports of wheat flour from the United States during the calendar year 1955,

RECOMMEND to the United States Government that it have regard to the harmful effects on international trade relations generally and on the trade of a number of countries individually of the continued application of the present restrictions, and

REQUEST the United States Government to report before the opening of the Tenth Session on the action which it has taken.

6. AMENDMENT TO THE WAIVER FOR THE APPLICATION BY ITALY OF SPECIAL CUSTOMS TREATMENT TO CERTAIN PRODUCTS OF LIBYA

(Decision of 17 November 1954)[1]

TAKING NOTE of the proposal submitted by the Government of Italy, in response to a request of the Government of Libya, for a modification of the Decision of 9 October 1952, on continued application of special customs treatment to certain products of Libya, by increasing the annual duty-free quota for olive oil from 10,000 quintals to 25,000 quintals, until 31 December 1955, and

TAKING NOTE of the statement by the representative of the Government of Libya to the effect that there was an exceptionally large production of olive oil in Libya in 1954 and that efforts are being made to promote national production to a standard which will permit Libya to participate in international trade on a normal competitive basis, and

CONSIDERING that the Decision of 9 October 1952 will expire on 31 December 1955 and the situation will be reviewed at a session of the CONTRACTING PARTIES in 1955,

THE CONTRACTING PARTIES, pursuant to Article XXV:5(a),

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[1] See SR.9/19.

DECIDE that the Annex to the Decision of 9 October 1952 shall be amended by substituting 25,000 quintals for 10,000 quintals as the annual tariff quota for olive oil.

7. CUSTOMS UNION AGREEMENT BETWEEN THE GOVERNMENTS OF THE UNION OF SOUTH AFRICA AND SOUTHERN RHODESIA

(Decision of 17 November 1954)[1]

CONSIDERING that, on 18 May 1949, they declared that the Governments of the Union of South Africa and Southern Rhodesia were entitled to claim the benefits of the provisions of Article XXIV of the General Agreement relating to the formation of customs unions,

CONSIDERING FURTHER that, in the preamble of the Declaration of 18 May 1949, they took note of the undertaking of the two Governments to submit to them not later than 1 July 1954 a definite plan and schedule for the completion of a customs union between their customs territories,

TAKING INTO CONSIDERATION the exceptional circumstances which prevented the Governments of the Union of South Africa and of the Federation of Rhodesia and Nyasaland - which succeeded to the rights and obligations of Southern Rhodesia under the Agreement - from submitting a definite plan and schedule within the time limit laid down in the Declaration of 18 May 1949,

THE CONTRACTING PARTIES

DECIDE:

1. To authorize the Governments of the Union of South Africa and of the Federation of Rhodesia and Nyasaland to continue to avail themselves of the Declaration of 18 May 1949 until the Tenth Session; and

2. To review the situation at that Session in the light of the specific proposals which those Governments intend to submit by that time.

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[1] See SR.9/19.

8. FRENCH SPECIAL TEMPORARY COMPENSATION TAX ON IMPORTS

(Decision of 17 January 1955)[1]

HAVING CONSIDERED the complaint submitted by the Italian Government regarding a special temporary compensation tax imposed by the French Government on certain goods imported into its customs territory,

HAVING EXAMINED carefully, in the light of the provisions of Articles I and II of the General Agreement, the circumstances in which the French Government introduced the tax,

HAVING HEARD the explanation given by the French Government that its purpose has not been to replace the incidental protection afforded by the maintenance of quantitative restrictions under Article XII of the General Agreement by additional tariff protection, but solely to resort to a temporary and transitional device designed to facilitate the removal of quantitative restrictions on imports into France of the goods affected from the other countries members of the Organization for European Economic Co-operation that the French Government would otherwise have felt entitled, under the provisions of the said Article XII, to maintain these restrictions; and that there was no question of charging the tax on any imports for which these restrictions were maintained,

THE CONTRACTING PARTIES have reached the following conclusions:

1. Whatever may have been the reasons which motivated the French Government's decision, and whatever may have been the French Government's interpretation of the relevant provisions of the General Agreement in respect of many of the goods affected the tax has increased the incidence of customs charges in excess of maximum rates bound under Article II, and the application of the tax introduces, in respect of the products affected, an increase in the incidence of preferences in excess of the maximum margins permissible under Article I; and

2. It follows that the action of the French Government justifies the invocation of the provisions of Article XXIII and that any contracting party whose trade is adversely affected has grounds to propose under paragraph 2 of that Article such compensatory action as it may think appropriate for authorization by the CONTRACTING PARTIES.

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[1] See SR.9/29.

THE CONTRACTING PARTIES regret, in view of the foregoing, that the French Government should have decided to impose the tax without first presenting its case to them for their consideration.

THE CONTRACTING PARTIES

TAKE NOTE of the action taken on 16 November 1954 by the French Government to reduce the incidence of the tax for a number of goods,

TAKE NOTE further of the declaration in which the French Government

(a) has undertaken to remove the tax as soon as it is possible to do so, and

(b) has expressed its firm intention of adopting definite measures to assure effective progress towards a more liberal system of trade,

INSTRUCT the Ad Hoc Committee on Agenda and Intersessional Business to follow closely the measures taken by the French Government to implement the undertaking referred to in paragraph (a) of the above-mentioned declaration,

RECOMMEND that the French Government take steps to reduce the present degree of discrimination against the trade of contracting parties whose exports are subject to the tax but to which the liberalization measures taken by the French Government do not apply,

CALL UPON the French Government to report to the Ad Hoc Committee on the measures taken by it to implement the undertaking and recommendation referred to above, the first report to be communicated to the Executive Secretary before 1 April 1955 and circulated forthwith to all contracting parties; and to participate in any consultations which the Ad Hoc Committee may initiate at the request of any contracting party or contracting parties,

DECIDE to review this matter at the Tenth Session in the light of progress achieved in carrying out the aforesaid undertakings of the French Government and recommendation of the CONTRACTING PARTIES.

9. WAIVER GRANTED TO NEW ZEALAND OF THE PROVISIONS OF ARTICLE XV:6

(Decision of 20 January 1955)[1]

HAVING RECEIVED from the Government of New Zealand a request to be relieved temporarily from the requirement prescribed in paragraph 6 of Article XV of the General Agreement that any contracting party which is not a member of the International Monetary Fund shall either become a member of the Fund or failing that enter into a special exchange agreement with the CONTRACTING PARTIES,

NOTING that, owing to special circumstances, New Zealand has not joined the Fund or signed a special exchange agreement in terms of the text adopted by the CONTRACTING PARTIES in their Resolution of 20 June 1949,

NOTING, however, that New Zealand, in conformity with the provisions of paragraph 4 of Article XV, has taken no exchange action which has frustrated the intent of the General Agreement, and

NOTING, furthermore, the assurances given by New Zealand that it will continue to act in exchange matters in a manner fully consistent with the Fund's principles and in accordance with the intent of the General Agreement,

THE CONTRACTING PARTIES, acting in pursuance of paragraph 5(a) of Article XXV,

DECIDE that:

1. Without derogation from any other provisions of Article XV New Zealand shall be relieved from the provisions of paragraph 6 of Article XV for such limited period of time as New Zealand satisfies the CONTRACTING PARTIES by means of annual consultations and such other consultations as may be held pursuant to this Decision, together with the information required therefor, that its action in exchange matters continues to be fully consistent with the Fund's principles and with the intent of the provisions of the General Agreement;

2. Notwithstanding the provisions of paragraph 1(f) of Article XIV New Zealand may take action under paragraph 1 of that Article for such time and to such extent as such action would be available if New Zealand had joined the Fund or signed the special exchange agreement;

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[1] See SR.9/31.

3. New Zealand shall report to and consult with the CONTRACTING PARTIES annually on any action taken by it during the preceding year which would have been required to be reported to the CONTRACTING PARTIES had New Zealand signed the special exchange agreement;

4. New Zealand shall consult at any time, subject to thirty days' notice, with the CONTRACTING PARTIES at the request of any contracting party which considers that New Zealand has taken exchange action which has frustrated the intent of the provisions of the General Agreement; and

5. If as a result of the consultations referred to in paragraphs 3 and 4, the CONTRACTING PARTIES find that New Zealand has taken exchange action contrary to the intent of the General Agreement they may determine that the present waiver shall cease to apply and New Zealand will thereafter be bound by the provisions of paragraph 6 of Article XV of the General Agreement.

10. PARTICIPATION OF JAPAN IN THE SESSIONS OF THE CONTRACTING PARTIES

(Decision of 31 January 1955)[1]

CONSIDERING that the Decision of the CONTRACTING PARTIES of 23 October 1953 providing for the participation of Japan in the Sessions of the CONTRACTING PARTIES will cease to have effect on 30 June 1955 unless the CONTRACTING PARTIES agree to extend it to a later date, and

CONSIDERING that the tariff negotiations for the accession of Japan in accordance with the provisions of Article XXXIII, which are to commence on 21 February 1955, may not have resulted in the accession of Japan by 30 June 1955,

THE CONTRACTING PARTIES, acting under paragraph 3 of the aforementioned Decision,

AGREE to extend the validity of the aforementioned Decision until 31 December 1955 unless before that date the Decision has ceased to have effect by reason of Japan's accession to the General Agreement in accordance with the provisions of Article XXXIII.

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[1] See SR.9/32.

11. EXTENSION OF RELEASES GRANTED TO CEYLON UNDER ARTICLE XVIII

(Decisions of 2 March 1955)[1]

1. Plywood chests and glassware

With respect to the application by the Government of Ceylon for an extension of the releases granted by the CONTRACTING PARTIES in their Decision of 13 August 1949 with respect to the import of:

Ex III U 783[2]	Plywood chests and boxes for packing Ceylon produce including shooks for fittings, n.e.s.
Ex III B 279[3]	Glass and glassware, n.e.s. Tumblers Chimneys

THE CONTRACTING PARTIES, acting under the provisions of paragraph 5 of Article XVIII,

DECIDE to extend the period of validity of the releases granted to Ceylon in their Decision of 13 August 1949, to 14 March 1958 in the case of plywood chests, to 1 September 1956 in the case of tumblers, and to 15 October 1957 in the case of chimneys, such extension to become effective upon agreement being reached between Ceylon and the United Kingdom in the case of plywood chests, and between Ceylon and both the United Kingdom and the United States with respect to glassware, subject to any limitations agreed between the negotiating parties, and with the understanding that Ceylon will promptly notify the CONTRACTING PARTIES of the results of the negotiations conducted with the two contracting parties mentioned above.

2. Cotton sarongs

With respect to the application by the Government of Ceylon for a change in the period of validity of the release granted by the CONTRACTING PARTIES with respect to the import of:

Ex III I 344	Cotton sarongs

THE CONTRACTING PARTIES

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[1] See SR.9/40

[2] Ex III U 492 when the release was originally granted.

[3] Ex III B 235 when the release was originally granted.

DECIDE that the release granted to Ceylon under paragraph 7 of Article XVIII for a period of five years, in their Decision of 13 August 1939, should be available until 13 October 1957.

12. EXTENSION OF RELEASE GRANTED TO CUBA UNDER ARTICLE XVIII

(Decision of 2 March 1955)[1]

With respect to the application by the Government of Cuba for an extension of the release granted by the CONTRACTING PARTIES under paragraph 8(b)(i) of Article XVIII, in their Decision of 10 August 1949, with respect to the application of an import quota on:

Ex 129 - A Fibres of henequen and sisal

THE CONTRACTING PARTIES, pursuant to the provisions of paragraph 8(a) of Article XVIII,

DECIDE to grant an extension until 10 August 1959 of the release granted to Cuba in their Decision of 10 August 1949.

13. ADJUSTMENT OF SPECIFIC DUTIES IN SCHEDULE XXIV - FINLAND

(Decision of 3 March 1955)[2]

CONSIDERING that the Government of Finland, consistently with the Articles of Agreement of the International Monetary Fund on 5 July 1949, devalued the Finnish Markka from 136 to 160 Markkas per United States dollar and on 19 September 1949, further devalued the Markka to 230 Markkas per United States dollar (when the official selling rate became 231 Markkas), which changes resulted in a total increase of 69.85 per cent in the number of Markkas equivalent to one United States dollar,

CONSIDERING that the first of these devaluations occurred after the commencement of negotiations for Finland's accession and after the conclusion of most of these negotiations, the remainder being completed shortly after; and that the second took place after the completion of these negotiations but before the date of the Annecy Protocol, which is the "date of the Agreement" so far as Finland is concerned,

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[1] See SR.9/40

[2] See SR.9/41.

CONSIDERING that the Finnish Government has presented a request to the CONTRACTING PARTIES for the adjustment of specific duties, negotiated at Annecy, notifying adjustments proposed to Schedule XXIV, and

CONSIDERING that, in the circumstances described above, it may be reasonably assumed that the negotiations for the specific duties included in Schedule XXIV (Annecy) were based on the Finnish Markka at the value existing before 5 July 1949, and that in those circumstances the Government of Finland might have, but did not, stipulate by a reservation in Schedule XXIV that the specific duties in the Schedule should be adjusted to take account of the devaluations prior to the date of the Annecy Protocol,

THE CONTRACTING PARTIES, acting pursuant to paragraph 5(a) of Article XXV of the General Agreement,

DECIDE that, in view of the above exceptional circumstances, the obligations of the Government of Finland under this Agreement shall be waived to the extent necessary to permit that Government to make such adjustments in specific rates of duty as it might have made had paragraph 6(a) of Article II of the General Agreement been applicable to the above devaluations of the Finnish Markka, and

DECIDE, accordingly, that the Government of Finland may give effect to the adjustments notified to the CONTRACTING PARTIES if, within thirty days after the date of this Decision, no contracting party shall have claimed that the adjustments would impair the value of concessions provided for in Schedule XXIV. If, within thirty days of the date of this Decision, any contracting party claims that any particular adjustment would impair the value of concessions provided for in Schedule XXIV, the Government of Finland shall defer such adjustment pending consultation with the contracting party concerned. If, after such consultation, the claim concerning impairment is maintained, the question shall be decided by the CONTRACTING PARTIES.

14. INTERNATIONAL INVESTMENT FOR ECONOMIC DEVELOPMENT

(Resolution of 4 March 1955)[1]

HAVING REGARD

(a) to the objectives of the General Agreement which include inter alia raising the standards of living, developing the full use of the resources of the world, and expanding the production and exchange of goods,

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[1] See SR.9/42.

(b) to the fact that the General Agreement recognizes by special provisions relating to governmental assistance for economic development, the contribution which the economic development of the less-developed territories of contracting parties could make to the attainment of these objectives,

(c) to the fact revealed in the periodic review of quantitative restrictions maintained by many contracting parties that such restrictions are widely maintained in countries engaged in substantial programmes of economic development,

RECOGNIZING that an increased flow of capital into countries in need of investment from abroad and, in particular, into under-developed countries would facilitate the objectives of the General Agreement by stimulating economic development of these countries whilst at the same time rendering it less necessary for them to resort to import restrictions,

THE CONTRACTING PARTIES

RECOMMEND that the contracting parties who are in a position to provide capital for international investment and the contracting parties who desire to obtain such capital use their best endeavours to create conditions calculated to stimulate the international flow of capital having regard in particular to the importance for this purpose of providing by appropriate methods for security for existing and future investment, the avoidance of double taxation, and facilities for the transfer of earnings upon foreign investments, and

URGE that contracting parties upon the request of any contracting party enter into consultation or participate in negotiations directed to the conclusion of bilateral and multilateral agreements relating to these matters.

15. DISPOSAL OF SURPLUSES

(Resolution of 4 March 1955)[1]

RECOGNIZING

1. That surpluses of agricultural products may be expected to arise from time to time in the territories of certain contracting parties,

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[1] See SR.9/42

2. That the disposal for export of such surpluses without adequate regard to the effect on the normal commercial trade of other contracting parties could cause serious damage to their interests by restricting markets for their regular competitive exports and by disrupting market prices,

3. That the disturbing effects of such disposals can be substantially diminished, and that the risk of injury can be minimized, if interested contracting parties consult with respect to the disposal of such surpluses,

NOTING that the contracting parties hereby express their intention to liquidate any agricultural surpluses they may hold in such a way as to avoid unduly provoking disturbances on the world market that would adversely influence other contracting parties,

THE CONTRACTING PARTIES

CONSIDER that when arranging the disposal of surplus agricultural products in world trade contracting parties should undertake a procedure of consultation with the principal suppliers of those products and other interested contracting parties, which would contribute to the orderly liquidation of such surpluses, including where practicable disposals designed to expand consumption of the products, and to the avoidance of prejudice to the interests of other contracting parties, and that they should give sympathetic consideration to the views expressed by other contracting parties in the course of such consultations.

16. LIQUIDATION OF STRATEGIC STOCKS

(Resolution of 4 March 1955)[1]

THE CONTRACTING PARTIES

RECOGNIZING

1. That if a contracting party should liquidate a substantial part or the whole of stocks of a primary product accumulated as part of a national stockpile for purposes of national defense, such liquidation without adequate regard to the commercial interests of producers and consumers of the primary product affected could cause serious damage by unduly disrupting world markets,

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[1] See SR.9/42.

2. That any disturbing effects of such liquidations and the risk of injury may be avoided or minimized by consultations between the substantially interested contracting parties,

NOTING that contracting parties holding stocks of primary products accumulated as a part of a national strategic stockpile for purposes of national defense, and wishing to liquidate such stocks, in whole or in part, intend to proceed with such liquidation, in so far as practicable, in such a manner as to avoid or minimize injury to the interests of producers and consumers of the primary product affected and any undue disruption of world markets for such primary products,

RECOMMEND

1. That, whenever practicable, any contracting party intending to liquidate a substantial quantity of such stocks should give at least forty-five days prior notice of such intention,

2. That a contracting party, intending to liquidate and giving notice in accordance with paragraph 1, should consult fully with any contracting party which considers itself substantially interested and requests such consultations, with a view to avoiding or minimizing substantial injury to the economic interests of that contracting party and undue disruption of the markets for the product concerned and should give full and sympathetic consideration to the views expressed by such other interested contracting parties.

17. APPROPRIATION FOR UNFORESEEN EXPENDITURE

(Decision of 5 March 1955)[1]

CONSIDERING that additional expenditure incurred in connection with the Ninth Session has exhausted the provision made in the 1955 Budget for unforeseen expenditure and that it may be necessary for the Executive Secretary to have additional funds available to meet unforeseen expenditure that may result from the Review Session or additional expenditure that may result from decisions taken at that Session,

THE CONTRACTING PARTIES

DECIDE

1. To increase from $20,000 to $50,000 the provision for unforeseen in Part III of the 1955 Budget Expenditure,

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[1] See SR.9/44.

2. To authorize the Executive Secretary to draw on the provision for unforeseen in order to meet additional expenditure specifically authorized under decisions taken by the CONTRACTING PARTIES,

3. To authorize the Executive Secretary to draw, in accordance with paragraph 3 of the Resolution adopted by the CONTRACTING PARTIES on 29 October 1954, from the reserve set up in accordance with their Resolution of 27 November 1950 to meet such unforeseen expenditure as would not be covered by the original appropriation contained in Part III of the 1955 Budget.

18. PROBLEMS RAISED FOR CONTRACTING PARTIES IN ELIMINATING IMPORT RESTRICTIONS MAINTAINED DURING A PERIOD OF BALANCE-OF-PAYMENTS DIFFICULTIES

(Decision of 5 March 1955)[1]

CONSIDERING that all contracting parties have accepted an obligation not to institute or maintain any prohibitions or restrictions on imports other than duties, taxes or other charges, whether made effective through quotas, licences, or other measures, except in so far as resort to such restrictions is specifically provided for in the General Agreement,

CONSIDERING further that deviation from this obligation would impair the value of tariff concessions enjoyed by contracting parties and generally prejudice the interests of contracting parties,

BEING CONVINCED that contracting parties which have been obliged, for balance-of-payments reasons, to maintain restrictions, should, without delay, take all the necessary measures which would enable them to remove all restrictions as soon as they are no longer justified under Article XII or any other provision of the Agreement,

RECOGNIZING, however, that in certain cases restrictions have been maintained during a period of persistent balance-of-payments difficulties spreading over a number of years, and that some transitional measure of protection by means of quantitative restrictions may be required for a limited period to enable an industry having received incidental protection from those restrictions which were maintained during the period of balance-of-payments difficulties to adjust itself to the situation which would be created by removal of those restrictions,

THE CONTRACTING PARTIES, acting pursuant to paragraph 5(a) of Article XXV,

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[1] See SR.9/45.

A. DECIDE that, subject to the concurrence of the CONTRACTING PARTIES in each case, the obligations of Article XI shall be temporarily waived to the extent necessary to allow the maintenance of a restriction applied on the import of one or more products to meet the exceptional circumstances described in the Preamble above, provided that the application for concurrence in such restriction shall meet the requirements outlined in paragraph 2 below, and that the applicant contracting party is prepared to accept the undertakings set forth in paragraph 3 below, and provided further that the decision to give such concurrence shall be taken by a majority of votes cast.

1. The applicant contracting party shall communicate its request for concurrence to the CONTRACTING PARTIES before it ceases to be entitled to maintain the restriction under the relevant provisions of the General Agreement to safeguard its external financial position and its balance of payments, and in any case not later than 31 December 1957, provided that CONTRACTING PARTIES may, by a decision approved by the majority specified in paragraph 5(a) of Article XXV, extend the time limit by fixing a later date. That request shall be accompanied by the necessary information to enable the CONTRACTING PARTIES to satisfy themselves that the request meets the conditions laid down in this Decision.

2. The applicant contracting party shall satisfy the CONTRACTING PARTIES:

   (a) that the restriction has been continuously in force since 1 January 1955, and that its sudden removal would result in serious injury to a domestic industry having received incidental protection therefrom, and that the temporary maintenance of the restriction is necessary to enable the industry to adjust itself to the situation which would be created by the removal of the restriction;

   (b) that it would not be practicable at the time the request for concurrence is put forward to resort to any measure consistent with the provisions of the General Agreement to achieve the objective set forth in sub-paragraph (a) above; and

   (c) that, in view of the measures already taken and of those to be taken under sub-paragraph 3(a) below, there is a reasonable prospect of eliminating the restriction over a comparatively short period of time.

3. The applicant contracting party shall agree to undertake:

(a) to develop and apply appropriate measures designed to ensure the elimination of the restriction within the period referred to in paragraph 2(c) above;

(b) to grant to other contracting parties as from the time the concurrence in a restriction is given, a fair and reasonable share of the market for the product concerned and at least to allow imports representing a total share of the market as favourable as that obtaining on the average during the preceding three years, provided that the total restrictive effect of the measure shall at no time during the period for which concurrence has been given exceed the effect of the restriction in force on 1 January 1955; and

(c) that it will carry out a policy for a progressive relaxation of each restriction and for its elimination before the end of the period referred to in paragraph 2(c) above.

B. DECIDE further that any concurrence which the CONTRACTING PARTIES may give in accordance with this Decision to meet the exceptional circumstances described in the Preamble to this Decision shall be subject to such conditions and limitations of scope or time as they shall determine to be reasonable and necessary, having regard both to the information provided by the applicant contracting party and to the considerations set out in the Preamble. Such conditions and limitations shall include the following:

1. No concurrence shall be given for a period exceeding five years from the date it is granted;

2. No restriction, the maintenance of which is authorized in accordance with this Decision, shall be administered in a way inconsistent with the provisions of the General Agreement relating to the non-discriminatory application of quantitative restrictions, or, in the case of a restriction made effective through state trading, with the provisions of Article XVII of the Agreement;

3. The contracting party concerned shall communicate regularly to the CONTRACTING PARTIES the total amount of the product the importation of which will be authorized by it during the following licensing period in order that they may satisfy themselves that the undertakings required under paragraph 3(b) and (c) of Section A above are being complied with;

4. The contracting party concerned shall further submit an annual report to the CONTRACTING PARTIES in such detail as may be required, and setting out:

(a) the progress made in the relaxation of the restriction authorized;

(b) the result of the measures taken to ensure the elimination of the restriction;

(c) any change it may be proposing in the method of application of the restriction; and

(d) if it is found necessary to maintain the restriction, the reasons for such maintenance.

5. On the basis of that report and of any other data which may be submitted to them by other contracting parties, the CONTRACTING PARTIES shall review annually the operation of the restrictions authorized in accordance with this Decision. If in the course of such a review, they find that the application of any restriction is no longer consistent with the conditions and limitations imposed by them or with the undertakings given by the contracting party concerned in accordance with this Decision the concurrence covering that restriction shall cease to be valid after a date specified by the CONTRACTING PARTIES unless the application of the restriction is brought into conformity with the terms of the concurrence by that date.

THE CONTRACTING PARTIES

AGREE that any concurrence given in accordance with this Decision does not preclude the right of contracting parties affected to have recourse to Article XXIII.

19. WAIVER GRANTED TO CZECHOSLOVAKIA OF THE PROVISIONS OF ARTICLE XV:6

(Decision of 5 March 1955)[1]

HAVING RECEIVED from the Government of Czechoslovakia a request to be relieved from the requirements prescribed in paragraph 6 of Article XV of the General Agreement that any contracting party which is not a member of the International Monetary Fund shall become a member of the Fund or failing that enter into a special exchange agreement with the CONTRACTING PARTIES,

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[1] See SR.9/45

NOTING that, owing to special circumstances, the application of the provisions of paragraph 6 of Article XV to Czechoslovakia would raise a number of legal and practical difficulties,

NOTING the assurances given by Czechoslovakia that it will act in exchange matters in a manner fully consistent with the principles of the special exchange agreement as adopted by the CONTRACTING PARTIES in their Resolution of 20 June 1949 and in accordance with the intent of the General Agreement,

THE CONTRACTING PARTIES, acting in pursuance of paragraph 5(a) of Article XXV,

DECIDE that:

1. Without derogation from any other provisions of Article XV Czechoslovakia shall be relieved from the provisions of paragraph 6 of Article XV, for such time as Czechoslovakia satisfies the CONTRACTING PARTIES by means of annual consultations and such other consultations as may be held pursuant to this Decision, together with the information required therefor, that its action in exchange matters is fully consistent with the principles of the special exchange agreement and in accordance with the intent of the General Agreement;

2. Czechoslovakia shall report to and consult with the CONTRACTING PARTIES annually on any action taken by it during the preceding year which would have been required to be reported to the CONTRACTING PARTIES had Czechoslovakia signed the special exchange agreement;

3. Czechoslovakia shall consult at any time, subject to thirty days' notice, with the CONTRACTING PARTIES at the request of any contracting party which considers that Czechoslovakia has taken exchange action which has frustrated the intent of the provisions of the General Agreement; and

4. If as a result of the consultations referred to in paragraphs 2 and 3, the CONTRACTING PARTIES find that Czechoslovakia has taken exchange action contrary to the intent of the General Agreement they may determine that the present Decision shall cease to apply and Czechoslovakia will thereafter be bound by the provisions of paragraph 6 of Article XV of the General Agreement.

20. WAIVER GRANTED TO THE UNITED STATES IN CONNECTION WITH IMPORT RESTRICTIONS IMPOSED UNDER SECTION 22 OF THE UNITED STATES AGRICULTURAL ADJUSTMENT ACT (OF 1933), AS AMENDED

(Decision of 5 March 1955)[1]

HAVING RECEIVED the request of the United States Government for a waiver of the provisions of Article II and Article XI of the General Agreement with respect to certain actions by the United States Government required by the provisions of Section 22 of the United States Agricultural Adjustment Act (of 1933), as amended, (hereinafter referred to as Section 22) which are not authorized by the Agreement,

HAVING ALSO RECEIVED the statement of the United States:

(a) that there exist in the United States governmental agricultural programmes (including programmes or operations which provide price assistance for certain domestic agricultural products and which operate to limit the production or market supply, or to regulate or control the quality or prices of domestic agricultural products) which from time to time result in domestic prices being maintained at a level in excess of the prices at which imports of the like products can be made available for consumption in the United States and that under such conditions imports may be attracted into the United States in abnormally large quantities or in such manner as to have adverse effects on such programmes or operations unless the inflow of such imports is regulated in some manner;

(b) that the Congress of the United States therefore enacted Section 22 which requires that restrictions in the form either of fees or of quantitative limitations must be imposed on imports whenever the President of the United States finds, after investigation, that such products are being or are practically certain to be imported in such quantities and under such conditions as to render ineffective or materially interfere with any programme or operation undertaken by the United States Department of Agriculture or any agency under its direction with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof, with respect to which such a programme is being undertaken, and has required the President not to accept any international obligation which would be inconsistent with the requirements of the Section;

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[1] See SR.9/45.

(c) that import restrictions can be imposed under Section 22 only when the President finds that imports are having or are practically certain to have the effects for which Section 22 action is required, and then, except as provided by law in emergency situations, only after investigation by the United States Tariff Commission, after due notice and opportunity for hearing have been given to interested parties; that while import restrictions may be imposed in emergency situations before an investigation by the Tariff Commission, the continuance of such restrictions is subject to the decision of the President as soon as the Commission has completed an immediate investigation; and that fees imposed under Section 22 cannot exceed 50 per cent ad valorem and any quantitative limitation of imports under that Section cannot be such as to reduce the quantity of imports of the product below 50 per cent of the quantity entered during a representative period as determined by the President; and that except in the case of those products where it is impracticable to limit production or marketings or the United States Government is without legislative authority to do so, the products on which Section 22 controls are now in effect are subject to limitations upon domestic marketings which in turn affect production;

NOTING:

(a) that, to help solve the problem of surpluses of products for which Section 22 import quotas now are in effect, the United States Government has taken positive steps aimed at reducing 1955 crop supplies by lowering support price levels or by imposing marketing quotas at minimum levels permitted by legislation; and that it is the intention of the United States Government to continue to seek a solution of the problem of surpluses of agricultural commodities;

(b) the assurance of the United States Government that it will discuss proposals under Section 22 with all countries having a substantial interest prior to taking action, and will give prompt consideration to any representations made to it;

(c) that it is the intention of the United States Government promptly to terminate any restrictions imposed when it finds that circumstances requiring the action no longer exist, and to modify restrictions whenever changed circumstances warrant such modification;

THE CONTRACTING PARTIES

DECIDE, pursuant to paragraph 5(a) of Article XXV of the General Agreement and in consideration of the assurances recorded above, that subject to the conditions and procedures set out hereunder the obligations of the United States under the provisions of Articles II and XI of the General Agreement are waived to the extent necessary to prevent a conflict with such provisions of the General Agreement in the case of action required to be taken by the Government of the United States under Section 22. The text of Section 22 is annexed to this Decision,

DECLARE that this Decision shall not preclude the right of affected contracting parties to have recourse to the appropriate provisions of Article XXIII, and

DECLARE, further, that in deciding as aforesaid, they regret that circumstances make it necessary for the United States to continue to apply import restrictions which, in certain cases, adversely affect the trade of a number of contracting parties, impair concessions granted by the United States and thus impede the attainment of the objectives of the General Agreement.

Conditions and Procedures

1. Upon request of any contracting party which considers that its interests are seriously prejudiced by reason of any import restriction imposed under Section 22, whether or not covered by this Decision, the United States will promptly undertake a review to determine whether there has been a change in circumstances which would require such restrictions to be modified or terminated. In the event the review shows such a change, the United States will institute an investigation in the manner provided by Section 22.

2. Should the President of the United States acting in pursuance of Section 22 cause an investigation to be made to determine whether any existing import restriction should be modified, terminated or extended, or whether restrictions should be imposed on the import of any additional product, the United States will notify the CONTRACTING PARTIES and, in accordance with Article XXII of the General Agreement, accord to any contracting party which considers that its interests would be prejudiced the fullest notice and opportunity, consistent with the legislative requirements of the United States, for representations and consultation.

3. The United States will give due consideration to any representations submitted to it including:

(a) When investigating whether any existing import restriction should be modified, terminated or extended, representations that a greater volume of imports than is permitted under the import restriction would not have the effects required to be corrected by Section 22, including representations that the volume of imports that would have entered in the absence of governmental agricultural programmes would not have such effects;

(b) When investigating with respect to import restrictions on additional products, representations with regard to:

(i) the effects of imports of any product upon any programme or operation undertaken by the United States Department of Agriculture or any agency under its direction, or upon the domestic production of any agricultural commodity or product thereof for which such a programme or operation is undertaken, including representations that the volume of imports which would have entered in the absence of governmental agricultural programmes will not have the effects required to be corrected by Section 22;

(ii) the representative period to be used for the determination of any quota;

(c) Representations by any contracting party that the portion of a total quota allotted or proposed to be allotted to it is inequitable because of circumstances that operated to reduce imports from that contracting party of the product concerned during the past representative period on which such import quota is based.

4. As soon as the President has made his decision following any investigation the United States will notify the CONTRACTING PARTIES and those contracting parties which have made representations or entered into consultations. If the Decision imposes restrictions on additional products or extends or intensifies existing restrictions the notification by the United States will include particulars of such restrictions and the reasons for them (regardless of whether the restriction is consistent with the General Agreement). At the time of such notification the provisions of the General Agreement are waived to the extent necessary to permit such restrictions to be applied under the General Agreement, subject to the review herein provided and, as declared above, without prejudice to the right of the affected contracting parties to have recourse to the appropriate provisions of Article XXIII.

5. The United States will remove or relax each restriction permitted under this waiver as soon as it finds that the circumstances requiring such restriction no longer exist or have changed so as no longer to require its imposition in its existing form.

6. The CONTRACTING PARTIES will make an annual review of any action taken by the United States under this Decision. For each such review the United States will furnish a report to the CONTRACTING PARTIES showing any modification or removal of restrictions effected since the previous report, the restrictions in effect under Section 22 and the reasons why such restrictions (regardless of whether covered by this waiver) continue to be applied and any steps it has taken with a view to a solution of the problem of surpluses of agricultural commodities.

Annex to the Decision

SECTION 22 OF THE AGRICULTURAL ADJUSTMENT ACT (OF 1933), AS RE-ENACTED AND AMENDED

Section 22 (a) Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title, or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved 24 August 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction; with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product thereof with respect to which any such program or operation is being undertaken, he shall so advise the President, and, if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify (7 U.S.C. 624 (a)).

(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 per centum ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially

interfere with, any program or operation referred to in sub-section (a) of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: Provided, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 per centum of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: And provided further, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine. In any case where the Secretary of Agriculture determines and reports to the President with regard to any article or articles that a condition exists requiring emergency treatment, the President may take immediate action under this section without awaiting the recommendations of the Tariff Commission, such action to continue in effect pending the report and recommendations of the Tariff Commission and action thereon by the President. (7 U.S.C 624 (b))

(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law No. 320, Seventy-fourth Congress, approved 24 August 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States (7 U.S.C. 624 (c)).

(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to sub-section (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section (7 U.S.C. 624 (d)).

(e) Any decision of the President as to facts under this section shall be final (7 U.S.C. 624 (e)).

(f) No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section (7 U.S.C 624 (f)).

PUBLIC LAW 50, Eighty-second Congress, SECTION 8 (a)

In any case where the Secretary of Agriculture determines and reports to the President and to the Tariff Commission with regard to any agricultural commodity that due to the perishability of the commodity a condition exists requiring emergency treatment, the Tariff Commission shall make an immediate investigation under the provisions of section 22 of the Agricultural Adjustment Act, as amended, or under the provisions of section 7 of this Act to determine the facts and make recommendations to the President for such relief under those provisions as may be appropriate. The President may take immediate action, however, without awaiting the recommendations of the Tariff Commission if in his judgment the emergency requires such action. In any case, the report and findings of the Tariff Commission and the decision of the President shall be made at the earliest possible date and in any event not more than 25 calendar days after the submission of the case to the Tariff Commission.

21. SPECIAL PROBLEMS OF DEPENDENT OVERSEAS TERRITORIES OF THE UNITED KINGDOM

(Decision of 5 March 1955)[1]

HAVING RECEIVED from the Government of the United Kingdom of Great Britain and Northern Ireland a request for certain facilities to assist them, in pursuit of the objectives of the General Agreement, in fulfilling their special responsibilities to promote the economic development and social well-being of the overseas territories for whose international relations they are responsible (hereinafter referred to as the dependent overseas territories),

HAVING NOTED the explanation of the Government of the United Kingdom that the sole purpose of the facilities sought is to enable them to assist and safeguard, in cases of special need, industries or branches of agriculture in the dependent overseas territories which depend wholly or in large measure upon the United Kingdom as a market for the export of their products,

HAVING FURTHER NOTED the assurance given by the Government of the United Kingdom that they will, in the use of these facilities, safeguard the interests of other contracting parties to the General Agreement,

RECOGNIZING that, whilst the dependent overseas territories have access to the facilities of Article XVIII of the General Agreement for purposes of economic development, additional facilities may, in special

[1] See SR.9/45.

cases and in the light of the special relations existing between the United Kingdom and the dependent overseas territories, be needed in order to assure an outlet for certain of their products in the United Kingdom market,

THE CONTRACTING PARTIES

Acting pursuant to paragraph 5(a) of Article XXV of the General Agreement, and in consideration of the explanation and assurance recorded above,

DECIDE that:

1. Subject to the provisions of the following paragraphs of this Decision,

   (a) the obligations of Article I shall be waived to the extent necessary to permit the Government of the United Kingdom to accord preferential tariff treatment to imports from the dependent overseas territories outside the limits permitted by the provisions of paragraph 4 of that Article, and

   (b) the provisions of the General Agreement shall be waived to the extent necessary to permit the Government of the United Kingdom to take such action to assist an industry or branch of agriculture in the dependent overseas territories as they can, without breach of their obligations under the General Agreement, take to assist a domestic industry or branch of agriculture under the provisions of Articles VI, XVI and XIX, of the Decision of 5 March 1955 dealing with the problems raised for contracting parties in eliminating import restrictions maintained during a period of balance-of-payments difficulties and of the Decision of 24 October 1953, as amended, granting a waiver to the United Kingdom from Article I.

2. The provisions of this Decision shall not apply in respect of any action taken by the Government of the United Kingdom which,

   (a) would assist an industry or branch of agriculture in the dependent overseas territories which is not wholly or in large measure dependent on the United Kingdom as a market for the export of its product, or

   (b) would also afford material benefit, either in the domestic or in export markets, to industries or branches of agriculture of the United Kingdom or of any territory other than the dependent overseas territories.

3. (1) No action shall be taken by the Government of the United Kingdom in virtue of paragraph 1 of this Decision which has the effect of introducing or increasing a margin of preference outside the limits permitted by the provision of Article I of the General Agreement without the prior concurrence of the CONTRACTING PARTIES in accordance with procedures annexed hereto. Furthermore, the Government of the United Kingdom shall, upon request any time, promptly enter into consultations, with a view to arriving at a mutually satisfactory settlement or compensatory adjustment, with any contracting party which considers that such action is causing, or is likely to cause, material damage to its commercial interests and, if these consultations do not result in a mutually satisfactory settlement or adjustment, the contracting party or parties affected may refer the matter to the CONTRACTING PARTIES for a decision in accordance with the procedures annexed hereto.

(2) No action under sub-paragraph (1) which involves an increase in a bound tariff shall be taken except in accordance with the provisions of the Agreement or of the Declaration of 10 March 1955 on the Continued Application of Schedules.

4. Whenever the Government of the United Kingdom take any action in virtue of the provisions of paragraph 1(b),

(a) they shall conform to the conditions and follow the procedures laid down in the Articles and Decisions specified therein, and

(b) where not already provided for in (a) above, they shall forthwith furnish to the contracting parties which appear to them to have a substantial interest in the trade in the product or products affected by the action, and to the CONTRACTING PARTIES, full particulars (including relevant statistical information) as to (i) the dependent territory or territories in respect of which action is being taken and the circumstances making the action necessary, and (ii) the nature of the action and the product or products to which it applies.

Thereafter, any contracting party which considers that serious prejudice to its interests is caused or threatened thereby may request consultation and the Government of the United Kingdom shall promptly enter into discussions with the contracting party or parties concerned as to the possibility of limiting or modifying the action. If agreement is not reached in such consultations, the contracting party or parties

which requested the consultations may refer the matter to the CONTRACTING PARTIES for such action as may be appropriate having regard to the relevant provisions of the General Agreement.

5. The Government of the United Kingdom shall report annually not later than four weeks before each annual session, on all action taken in virtue of the provisions of this Decision, and

DECLARE that

This Decision shall not preclude the right of contracting parties to have recourse to the appropriate provisions of Article XXIII.

Procedures Relating to Paragraph 3(1)

1. Notification to the CONTRACTING PARTIES by the Government of the United Kingdom of any proposal to take action in virtue of paragraph 3(1) shall be made to the Executive Secretary who shall promptly inform all contracting parties in strict confidence.

2. If within thirty days of notification by the Executive Secretary any contracting party requests consultation or a meeting of the CONTRACTING PARTIES (or of the Intersessional Committee acting on their behalf), the CONTRACTING PARTIES shall make the necessary arrangements for such consultation or meeting with a view to reaching a decision at the earliest possible date on whether concurrence is granted or withheld.

3. If within thirty days of notification by the Executive Secretary no contracting party requests consultation or a meeting of the CONTRACTING PARTIES (or of the Intersessional Committee acting on their behalf) to take a decision on whether concurrence is granted or withheld, the Government of the United Kingdom shall be free to assume concurrence and to take the action proposed forthwith.

4. If, consultation having been requested by any contracting party at any time, no mutually satisfactory settlement or compensatory adjustment is agreed upon between that contracting party and the Government of the United Kingdom and the matter is referred to the CONTRACTING PARTIES, the CONTRACTING PARTIES shall make appropriate arrangements to ensure that they reach an early settlement or decision in the matter.

5. It is recognized to be essential that there should be no disclosure of a proposed modification of duty before such modification is publicly announced by the United Kingdom. Accordingly the CONTRACTING PARTIES agree to make provision for the observance of the utmost secrecy at every stage of these procedures.

22. AMENDMENT OF THE WAIVER GRANTED TO THE UNITED KINGDOM IN CONNECTION WITH ITEMS TRADITIONALLY ADMITTED FREE OF DUTY FROM COUNTRIES OF THE COMMONWEALTH

(Decision of 5 March 1955)[1]

WHEREAS THE CONTRACTING PARTIES at their Eighth Session decided that, subject to certain conditions and procedures, the provisions of paragraph 4(b) of Article I should not be so applied that, when the Government of the United Kingdom impose or increase a most-favoured-nation rate of protective duty in respect of a given class or description of goods for which they had not as of 24 October 1953, being the date of the aforesaid Decision, negotiated tariff concessions, they should be required to impose a duty on such goods when imported from territories listed in Annex A to the General Agreement,

HAVING RECEIVED from the Government of the United Kingdom of Great Britain and Northern Ireland a request that this Decision should be amended so as also to apply, subject to the same conditions and procedures, to most-favoured-nation rates of protective duty modified or withdrawn consistently with the provisions of the General Agreement,

NOTING that this Decision, so amended, would not apply in respect of a modification or withdrawal of a most-favoured-nation rate of protective duty for which the Government of the United Kingdom had as of 24 October 1953 negotiated a tariff concession unless its application in that case was in conformity with the conditions and procedures agreed at the Eighth Session for providing other contracting parties with full safeguards as regards any likelihood of substantial increase of imports into the United Kingdom from territories listed in Annex A at the expense of imports from other sources,

DECIDE that, as from this date, the Decision of 24 October 1953 shall extend to the imposition or increase of a most-favoured-nation rate of protective duty in connection with the modification or withdrawal, consistently with the provisions of the General Agreement, of a tariff concession which the Government of the United Kingdom had negotiated as of 24 October 1953, and that accordingly the Decision of 24 October 1953, shall apply subject to the addition of the following:

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[1] See SR.9/45. The title of the Decision of 24 October 1953, as appearing on page 20 of BISD, Second Supplement, should be amended by omitting the words "Not Bound in Schedule XIX and".

(a) In the first paragraph at the end, and in the seventh paragraph after the word "concessions", the words:

"or for which, having negotiated concessions, they are nevertheless free, under the provisions of the Agreement, to increase the most-favoured-nation rate of duty".

(b) In the first and seventh paragraphs, before "paragraph 4(b)", the words:

"paragraph 4(a) or".

23. ACCEPTANCE OF THE AMENDMENTS CONTAINED IN THE PROTOCOL AMENDING PART I AND ARTICLES XXIX AND XXX OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE

(Decision of 8 March 1955)[1]

CONSIDERING that, under the provisions of Article XXX of the General Agreement, no amendment to the provisions of Part I of the General Agreement or to the provisions of Articles XXIX and XXX can become effective until it has been accepted by all the contracting parties,

DESIROUS of adopting a practical procedure for making amendments to those provisions of the General Agreement by means of a protocol,

THE CONTRACTING PARTIES

DECIDE

1. that each Section of the Protocol Amending Part I and Articles XXIX and XXX of the General Agreement shall be deemed to constitute an amendment for the purpose of application of Article XXX,

2. that the signature of that Protocol by a contracting party shall be effective as an acceptance, even though it is accompanied by a statement to the effect that the acceptance does not apply to one or more Sections of the Protocol,

3. in such a case, the acceptance shall constitute an acceptance of all the amendments set out in that Protocol with the exception of those specified in that statement,

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[1] See SR.9/47.

THEY RECOGNIZE that in such a case any amendment to which the statement refers shall not become effective until it has been accepted by all contracting parties in accordance with the provisions of Article XXX,

THEY AGREE that this Decision shall not be considered as constituting in any way a precedent.

24. RESOLUTION OF 7 MARCH EXPRESSING THE UNANIMOUS AGREEMENT OF THE CONTRACTING PARTIES TO THE ATTACHING OF A RESERVATION ON ACCEPTANCE PURSUANT TO ARTICLE XXVI[1]

HAVING REGARD to the fact that the contracting parties have hitherto applied the General Agreement provisionally and have been required under such provisional application to apply Part II of the General Agreement only to the fullest extent not inconsistent with existing legislation,

RECOGNIZING the desirability that contracting parties should accept the Agreement definitively under the provisions of Article XXVI at as early a date as possible,

NOTING that it would not be practicable for certain contracting parties to bring their domestic legislation into conformity with Part II of the General Agreement immediately upon accepting it under the provisions of Article XXVI and accordingly that these contracting parties would not be in a position to so accept it unless a transitional period is provided for,

RECOGNIZING the desirability that contracting parties should use their best endeavours to bring such legislation into conformity with the provisions of the General Agreement as soon as practicable,

The contracting parties unanimously agree

1. that an acceptance pursuant to Article XXVI shall be valid even if accompanied by a reservation to the effect that Part II of the General Agreement will be applied to the fullest extent not inconsistent with legislation which existed on 30 October 1947 or, in the case of a contracting party which since 30 June 1949 has acceded to the Agreement, the date of the Protocol providing for such accession,

2. that any contracting party attaching such a reservation shall submit as soon as possible after its acceptance of the General Agreement pursuant to Article XXVI a list of the principal legislative provisions covered by such reservation,

3. that the CONTRACTING PARTIES shall review annually progress made in bringing such legislation into conformity with the General Agreement,

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[1] See SR.9/46.

4. that three years from the entry into force of the General Agreement under Article XXVI the CONTRACTING PARTIES shall review the situation then prevailing with respect to such reservations with a view to assessing the progress achieved towards the full application of the General Agreement by all contracting parties and to make appropriate recommendations.

DECLARATIONS

25. FEDERATION OF RHODESIA AND NYASALAND

(Declaration of 29 October 1954)[1]

TAKING NOTE of the joint Declarations by the Governments of the United Kingdom and Southern Rhodesia of 22 September and 6 November 1953, which informed the CONTRACTING PARTIES that the Federation of Rhodesia and Nyasaland had acquired full responsibility for matters covered by the General Agreement in the territories of Southern Rhodesia, Northern Rhodesia and Nyasaland, and

CONSIDERING that, by the said Declarations, the Government of the United Kingdom has established the fact that the Federation is qualified, in the sense of paragraph 4(c) of Article XXVI of the Agreement, to become a contracting party in respect of the territories of Northern Rhodesia and Nyasaland, on behalf of which the Government of the United Kingdom had accepted the Agreement, and

CONSIDERING further that, by the said Declarations, the Government of Southern Rhodesia has notified the CONTRACTING PARTIES that the Federal Government has succeeded to the rights and obligations under the Agreement formerly accepted by Southern Rhodesia,

THE CONTRACTING PARTIES

DECLARE:

1. that the Government of the Federation of Rhodesia and Nyasaland shall henceforth be deemed to be a contracting party to the General Agreement on Tariffs and Trade and to have acquired the rights and obligations under the General Agreement of the Government of Southern Rhodesia and of the Government of the United Kingdom in respect of the territories of Northern Rhodesia and Nyasaland, and

2. that the election of the Government of Southern Rhodesia under Article XIV:1(d) on 31 December 1948 to be governed by the provisions of Annex J shall be deemed to apply to the Federal Government of Rhodesia and Nyasaland.

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[1] See SR.9/2

26. COMMERCIAL RELATIONS BETWEEN CERTAIN CONTRACTING PARTIES AND JAPAN

(Declaration of 31 January 1955)[1]

The Governments, parties to the Declaration of 24 October 1953 on commercial relations between certain contracting parties to the General Agreement and Japan, acting under paragraph 1(c) of that Declaration, agree to extend the validity of the Declaration until 31 December 1955 unless before that date the Declaration has ceased to have effect by reason of Japan's accession to the General Agreement in accordance with the provisions of Article XXXIII.

In witness whereof the representatives of the aforesaid Governments have affixed their signatures hereto.

27. CONTINUED APPLICATION OF SCHEDULES TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE

(Declaration of 10 March 1955)[2]

The contracting parties to the General Agreement on Tariffs and Trade (hereinafter referred to as "the General Agreement"),

CONSIDERING that, pursuant to the Declaration of 24 October 1953, the assured life of the concessions embodied in the Schedules annexed to the General Agreement will expire on 30 June 1955, in the sense that thereafter it will become possible for a contracting party by negotiation with other contracting parties to modify or cease to apply the treatment which it has agreed to accord under Article II to any products described in its Schedule,

CONSIDERING that, although by the terms of the General Agreement the Schedules would retain their validity even if their assured life were to expire, the contracting parties are desirous of continuing the assured life of the Schedules as a means of contributing to the stability of tariffs which has been one of the principal achievements of the General Agreement,

CONSIDERING that the CONTRACTING PARTIES have, at their Ninth Session, drawn up and submitted to contracting parties for acceptance, a protocol amending Article XXVIII, and Section A of Article XVIII of the General Agreement,

RECOGNIZING the desirability of applying the procedures embodied therein which have been agreed upon for the conduct of renegotiations under specified circumstances during the period of the continued life of the Schedules,

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[1] See SR.9/32

[2] See SR.9/47

HEREBY DECLARE

1. that they will not invoke after 1 July 1955 and prior to 1 January 1958 the provisions of Article XXVIII of the General Agreement to modify or cease to apply the treatment which they are required to accord under Article II (which is being renumbered as Article III) of the General Agreement to any product described in the appropriate schedule annexed thereto; Provided that

   (a) the provisions of this Declaration shall not apply to concessions initially negotiated with a contracting party with respect to which this Declaration is not in effect;

   (b) a contracting party which has entered into negotiations under the procedures of Article XXVIII prior to 1 July 1955 shall, notwithstanding its signature of this Declaration, be authorized to pursue such negotiations up to and including 30 September 1955, and any modification or withdrawal of a concession following such negotiations may be made effective in accordance with the provisions of Article XXVIII if it is notified to the Executive Secretary to the CONTRACTING PARTIES not later than 1 October 1955 and at least thirty days' notice is given of the date on which such modification or withdrawal will become effective.

2. (a) that from 2 July 1955 until 31 December 1957, or until the day on which the amendments to Articles XVIII and XXVIII of the General Agreement, provided for in the Protocol Amending Parts II and III of the General Agreement dated 10 March 1955, have entered into force, whichever is the earlier date, a contracting party signatory of this Declaration, desiring to modify or withdraw a concession, may enter into renegotiations under conditions and in accordance with procedures which are the same as those set forth in Section A of Article XVIII and paragraph 4 of Article XXVIII, together with the applicable notes thereto, as set forth in that Protocol, and any contracting party which has previously been authorized to enter into such negotiations pursuant to procedures adopted by the CONTRACTING PARTIES shall have the option to continue such negotiations under the procedures provided for in this sub-paragraph; and

   (b) that they will not invoke the provisions of paragraph 2 of Article XXVIII of the General Agreement with respect to the withdrawal of equivalent concessions if another signatory of this Declaration acts under the conditions described in the second sentence of paragraph 7(b) of the amended Article XVIII.

This Declaration shall be deposited with the Executive Secretary to the CONTRACTING PARTIES to the General Agreement and, after the entry into force of the Agreement on the Organization for Trade Cooperation, with the Director-General of that Organization.

This Declaration shall be open for signature until 30 June 1955.

The Executive Secretary to the CONTRACTING PARTIES to the General Agreement, or the Director-General of the Organization, as the case may be, shall promptly furnish a certified copy of this Declaration and a notification of each signature thereto, to each contracting party to the General Agreement.

This Declaration shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

IN WITNESS WHEREOF the respective representatives, duly authorized, have signed the present Declaration.

DONE at Geneva, in a single copy, in the English and French languages, both texts authentic, this tenth day of March, one thousand nine hundred and fifty-five.

RECOMMENDATION

28. SWEDISH ANTI-DUMPING DUTIES

(Recommendation of 26 February 1955)[1]

HAVING INVESTIGATED, in accordance with Article XXIII, the complaint of the Italian Government concerning the Swedish Decree regarding the levying of anti-dumping duties on nylon stockings and the manner in which this Decree has been applied with respect to Italian exports,

THE CONTRACTING PARTIES

APPROVE the Report of the Panel and the suggestions contained therein, and

RECOMMEND:

(a) that the Swedish Government consider ways and means of improving the administration of the Decree of 15 October 1954 so as to minimize the delays and other impediments to the exports of Italian nylon stockings to Sweden;

(b) that the Governments of Italy and Sweden make the necessary arrangements to facilitate an enquiry by the Swedish authorities to clarify the various points of fact on which the two governments hold different views, with a view to determining whether Italian nylon stockings are being exported to Sweden at a price less than their normal value and that they take such action as may be necessary in the light of those conclusions, and

(c) that the two parties report to the CONTRACTING PARTIES at the Tenth Session or, should it be necessary, to the Ad Hoc Committee on Agenda and Intersessional Business which is hereby authorized to take such action as may be appropriate in the circumstances.

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[1] See SR.9/37