

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/923

21 November 1958

Limited Distribution

CONTRACTING PARTIES
Thirteenth Session

FREEDOM OF CONTRACT IN TRANSPORT INSURANCE

Draft Recommendation for Limitation of Restrictions

Following the discussion of this question at the Thirteenth Session, the delegation of Norway has submitted the following text of a recommendation for consideration at the Fourteenth Session when consideration of the Working Party report (L/462) is resumed:

TAKING NOTE of the Resolution of the United Nations Economic and Social Council at its Fifteenth Session (Resolution 468 H (XV) of 16 April 1953) and of the studies and reports of the Secretary General of the United Nations and of the Executive Secretary of the CONTRACTING PARTIES on restrictive measures in regard to transport insurance and their effect on international trade;

CONSIDERING that measures adopted by certain countries which restrict the freedom of buyers and sellers of goods to place transport insurance on the most economic basis create, in certain circumstances, obstacles to international trade in that they increase costs of goods entering into international trade;

RECOGNIZING that most countries regulate the activities of insurance firms operating on their territory and that national regulation of such activities which addresses itself to the solvency, reliability, prudence and legal accountability of particular firms does not itself constitute an interference to the freedom of traders in the transport insurance field and therefore does not of itself create obstacles to international trade; and

TAKING NOTE of the desire of countries that do not have a sufficiently developed and effective national insurance business to take such measures as they consider necessary to foster such a business;

THE CONTRACTING PARTIES

RECOMMEND that in the formulation of national policies in the field of transport insurance, governments should endeavour to avoid measures that would have a restrictive effect on international trade,

RECOMMEND that this matter be regarded as a subject of interest to the CONTRACTING PARTIES, and

REQUEST governments to report to the Executive Secretary any information relevant to the subject matter of this Recommendation not previously reported to him.