

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED  
LIMITED C  
GATT/IW.2/6  
13 October 1951  
ORIGINAL: ENGLISH

CONTRACTING PARTIES

INTERSESSIONAL WORKING PARTY ON THE DISPARITY OF  
EUROPEAN TARIFFS

Memorandum of the Belgian and Netherlands Delegations

1. During the first meeting of the Intersessional Working Party the French delegate made the following suggestions:

- (a) The Contracting Parties should be requested to prolong the life of the Intersessional Working Party until their Seventh Session.
- (b) A drafting group should be set up to review the terms of reference of the Intersessional Working Party as to their adequacy to undertake the consideration of the French and any other proposals of the general lowering of the tariffs. The Intersessional Working Party is at present called "Working Party on the disparity of European tariffs". Its title should be altered so as to allow for the examination of the whole of the problems raised;
- (c) The Intersessional Working Party would start work immediately either through meetings of its own or meetings of a sub-group of the Intersessional Working Party, in which case, the latter would include, if possible, representatives of Canada and the United Kingdom, the participation of the United Kingdom being deemed indispensable;
- (d) Until now the group of ten has been working only on an informal basis and the work to be done would be more formal if carried out by a new group which would be a sub-group of the Intersessional Working Party.
- (e) It should be agreed that the whole of the problems raised by the various proposals submitted be examined, so as to allow for a thorough technical examination of such problems, without having to choose from the beginning between the two proposals.

2. As for the second suggestion a report has now been received from the drafting group. The Belgian and Netherlands delegations submit horewith some observations with regard to the four remaining suggestions. These observations are based on the discussions in the course of the first meeting of the Intersessional Working Party and on informal talks with some members of the Intersessional Working Party.

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3. There appears to be general agreement that the problem referred to in the resolution of 2nd April, 1951 and the problem dealt with in the French proposal for a general lowering of tariffs are closely related and should be given equal consideration and should be examined together. It would even be desirable that agreement could be reached about one common proposal designed as far as possible to solve the problem referred to in the Resolution of the Contracting Parties of 2nd April, 1951 and also to achieve the general lowering of tariffs proposed by the French delegation.

4. In view of these considerations it seems advisable that one forum should be established for the initial discussion on a basis of entire equality of any proposals for an automatic reduction of tariffs, either on a general basis or with a view to reducing disparities between the tariffs of European countries, assuming that the countries to whom the invitation of 2nd April, 1951 was addressed agree to the use ad hoc of such a forum. For this purpose the Intersessional Working Party may decide to set up a sub-group as suggested by the French delegate. The expression "forum" is used in this context to indicate that it should be left to the contracting parties who would become members of the sub-group to decide for themselves as to how far they want to take part in the initial discussion of any proposal.

5. It has appeared that the proposals that may be discussed in the sub-group are all in some form or other aimed in the first place at common action of a number of European contracting parties and the United States and Canada. In particular a fruitful discussion of the French proposal depends on the participation of those countries. It therefore seems most expedient that the sub-group would contain the ten countries, to whom the invitation of 2nd April, 1951 was addressed, plus Canada and the United Kingdom. As Austria, Germany and Norway are not members of the Intersessional Working Party it is suggested that they now become members, it being understood that Austria would become a member at the moment of becoming a contracting party. If it would be necessary to maintain the equilibrium between European and non-European members of the Working Party there appears to be no objection to adding three more non-European countries.

6. It is clear that an examination of the different proposals in question could not be terminated before the end of the present session of the Contracting Parties. It therefore appears advisable to follow the suggestion of the French delegate and to propose to the Contracting Parties that they extend the term of life of the Intersessional Working Party until the end of their Seventh Session.

7. If these suggestions are followed it should be possible to proceed forthwith with the technical study of the different proposals as suggested by the French delegate. In particular it is considered of importance that the sub-group takes up the examination of any proposal before it and that the consideration of the one proposal should not be held up by the fact that other proposals might not yet be ripe for discussion. This, however, should not detract from the accepted principle of equal treatment for all proposals.