

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

IC/W/56

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Special Distribution

Intersessional Committee

## ADVANCE AGENDA FOR THE ELEVENTH SESSION

### with Explanatory Notes

The following additional items have been proposed by contracting parties for inclusion in the Provisional Agenda for the Eleventh Session:

#### By Australia

##### DEVELOPMENTS IN OEEC TRADE LIBERALIZATION

The Government of Australia proposes that the Executive Secretary be instructed to prepare a note on the following aspects of the OEEC liberalization programme as a basis for discussion at the Eleventh Session:

- (a) recent developments in this field;
- (b) non-liberalized products - plans and prospects for their liberalization;
- (c) the application of liberalization to contracting parties not members of OEEC.

#### By the United States

##### CONSULTATIONS UNDER ARTICLE XII:4(b)

The Government of the United States proposes that contracting parties applying restrictions under Article XII should be invited under the provisions of paragraph 4(b) of that Article to consult in 1957 with the CONTRACTING PARTIES and that, at the Eleventh Session, the CONTRACTING PARTIES should, in consultation with the IMF, consider the timetable and other arrangements for the carrying out of such consultations.

##### FRENCH INTERNAL TAX ON AUTOMOBILES

The Government of the United States considers that the new French tax on automobiles and station wagons involves discrimination against automobiles of United States manufacture, and thus nullifies benefits to which the United States is entitled under Article II (L/520).

Application of the Marketing Laws under GATT

3. The Working Party had before it the texts of the Marketing Laws in an English translation supplied by the German Government (MGT/47/57 Annex III). These were:

Law Concerning the Trade in Cereals and Vegetable Fodder (Grain Law), dated 24 November 1950.

Law Concerning the Trade in Sugar (Sugar Law) dated 5 January 1951.

Law Concerning the Trade in Milk, Milk Products and Fats (Milk and Fat Law), dated 28 February 1951.

Law Concerning the Trade in Cattle and Meat (Cattle and Meat Law), dated 25 April 1951.

4. It was noted that the structure of the four laws was generally the same. Each of the laws provided for the establishment of an Import and Stockpiling Agency. An importer must offer for sale to the relevant Agency any of such products which he proposed to import; the Agency was authorized, but not obliged, to take over the products offered to it and products not so taken over by it were not permitted to be imported or utilized in Germany. The combined effect of these provisions was that imports could not enter the domestic market without the consent of the Import and Stockpiling Agency. The Grain Law required the Minister to establish annually within the framework of a "supply plan" the quantities of grain "available from inland sources and the imported amounts that are necessary to feed the population". The Meat and Sugar Laws have similar provisions for the establishment of a "supply plan" and of the quantities available from domestic production and the imports necessary to meet demands. There was, however, no provision for a "supply plan" in the Milk and Fats Law.

5. In the view of the German delegation import restrictions are required by the terms of the Laws, for the following reasons:

- (a) The express provision in those Laws for the establishment ("feststellung") of the quantities of the products to be imported each year and the reference to estimates of domestic production and requirements clearly indicated that the intent of the Laws was to ensure that only such imports were effected as were necessary for meeting the deficiency in domestic production. Domestic production clearly must be taken into account

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<sup>1</sup> Article 2 of the Grain Law, for example, reads:

"Within the framework of a supply plan, for each business year (1 July to 30 June), the Federal Minister, in agreement with the Supreme Land Authorities for Food and Agriculture (Supreme Land Authorities) shall establish the amounts of grain available from inland sources and the imported amounts that are necessary to feed the population."