

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## WORKING PARTY 3 ON SCHEDULES

### DRAFT REPORT

1. The Working Party considered (i) rectifications proposed to the Schedules; (ii) means to give effect to the transposition into the Brussels Nomenclature of Section B of Schedule II (Benelux); and (iii) the question of giving legal status to the Consolidated Schedules.

#### Second Protocol of Rectifications and Modifications to the Schedules

2. The Working Party noted that rectifications to Schedules II-(Benelux), XII (India), XIX(United Kingdom), XXII (Denmark), XXXII (Austria) and XXXIII (Germany) had been circulated to contracting parties and no objections had been received.

3. A modification to the Note to item 55 (a) 2 in Schedule II Benelux was approved by the Working Party for inclusion in the Protocol, there being no objection from the countries principally interested. The limitation of the period of preference, granted in 1947, did not accord with the season for the export of citrus fruits from Surinam as the negotiators were not aware of the exact growing season. It was noted that the Netherlands is almost the only possible market for these fruits and that the export situation of citrus fruits from Surinam was now very grave. The present change in the period of preference partially re-establishes the tariff preference in existence before the concession was granted; it remains below the preference which was authorized on the date of the concession. This modification was notified to contracting parties on 27 October 1952 and if no objection is tabled by 30 November, the Working Party recommends that the CONTRACTING PARTIES agree that the modification shall enter into force thirty days after the date of the Protocol.

4. The Working Party agreed that the transposition of the Geneva and Torquay Schedules of the Belgian Congo and Ruanda Urundi (Schedule II Section B) should be made effective by inclusion in a Protocol of Rectifications and Modifications. The Working Party understands that it may later be necessary to introduce certain changes in the transposed schedule and noted that any such rectifications would be made in accordance with the usual procedure for rectification of schedules.

5. The question was raised in the Working Party of giving effect to withdrawals of concessions under Articles XIX, XXVII and XXVIII by means of including such withdrawals in protocols of rectifications and modifications. The Working Party considered that this would be an undesirable procedure since all withdrawals

would thus be given an irrevocable character and eventual reinstatement of such concessions would be difficult.

6. The Working Party has drawn up a Protocol of Rectifications<sup>and</sup>/Modifications (G/29) to incorporate the changes listed in paragraphs 2, 3 and 4 above. It recommends that this Protocol be opened for signature at the close of the present Session and that all delegations be urged to sign the Protocol before leaving Geneva, in order that its entry into force will not be delayed.

7. A corrigendum to the non-authentic texts has also been prepared (G/30).

#### The Proposal to Grant Legal Status to the Consolidated Schedules

8. The Working Party considered the proposal by the German Delegation (L/25) to give legal status to the Consolidated Schedules. It noted that this proposal arose out of an evident wish to improve the procedures and the machinery of the General Agreement and that there would be advantages in clarity for the administrations of all countries and particularly for governments which had acceded to the General Agreement after the 1947 negotiations and lacked details of earlier negotiations. Nevertheless, the Working Party considered that there were practical and legal objections to the proposal and concluded, in view particularly of the latter, that it was not feasible to give legal status to the Consolidated Schedules.

9. Practically, to authenticate the Consolidated Schedules would involve very extensive rechecking by governments of their own and others' Schedules and thus much time, work and expense. Furthermore, since, by the date proposed for this authentication - 1 January 1954 - some of the countries which had accepted the Brussels nomenclature would probably not yet have completed the transposition of their Schedules, still further major changes and replacements would follow.

10. From the legal point of view

- (a) some countries would for constitutional reasons be unable to agree to making the Consolidated Schedules authentic in their present form and some would have constitutional difficulties in resubmitting the results of the negotiations, in a different form, to their legislatures.
- (b) if the Consolidated Schedules were to become authentic, the legal status of the separate Schedules and of the various protocols rectifying, amending and modifying them would have to be withdrawn and in the case of disputes or withdrawals it would be difficult to ascertain the exact scope of the original concession and precisely the party or parties interested.

- (c) from past experience it seems that it would be very difficult to put the authenticated Schedules into effect. Even if it were possible to obtain instantaneous unanimous signature there would continue to be rectifications, modifications, etc., and the drawing up of new protocols every year.

11. The Working Party concluded that it would be preferable to retain the Consolidated Schedules in their present form as a working document. In cases of disputes, or when the precise extent and wording of a concession was in question, reference would be made to the authentic texts. For normal working purposes, however, the consolidated texts would be used. In order that they might retain their value, the secretariat should be instructed to issue new complete pages to take account of any changes to the Schedules resulting from Protocols of rectifications, modifications, new concessions or any withdrawals or other alterations notified by contracting parties to the secretariat.