

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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Negotiating Group on GATT Articles

ARTICLE XXIV OF THE GENERAL AGREEMENT

Note by the Secretariat

As requested by the Negotiating Group on GATT Articles, the secretariat has prepared the following background note on Article XXIV of the General Agreement. This Note briefly describes the drafting history of this Article (Part I) and the most important problems which have arisen in relation to the interpretation and application of the provisions of Article XXIV (Part II). The Annex to this document lists those customs unions, free-trade areas or interim agreements leading to the formation of customs unions and free-trade areas which have been examined under Article XXIV.

I. Drafting history of Article XXIV

1. Article 38 of the first draft Charter of the International Trade Organization of the United Nations, prepared at the meeting of the Preparatory Committee of the United Nations Conference on Trade and Employment in London in October-November 1946, contained provisions dealing with the territorial application of Chapter V of the Charter, ("General Commercial Policy"), customs unions and frontier traffic.¹ The discussions on Article 38 were based on Article 33 of a Suggested Charter submitted to the Preparatory Committee by the United States.² Regarding the question of the territorial application of the general commercial policy rules of the proposed Charter, Article 38:1 of the London Draft provided that Chapter V of the Charter would apply to the customs territories of Members of the ITO and that where there were two or more customs territories under the jurisdiction of any Member, each such customs territory would be considered as a separate Member for the purpose of interpreting the provisions of Chapter V. The second paragraph of Article 38 provided that the commercial policy rules of Chapter V should not be construed to prevent advantages accorded by any Member to adjacent

¹ UN document E/PC/T/33, p.33

² UN document E/PC/T/33, p.60

countries in order to facilitate frontier traffic, or "the formation of a union for customs purposes" of any customs territory of any Member and any other customs territory on the condition that the duties and other regulations of commerce imposed by any such union in respect of trade with other Members should "not on the whole be higher or more stringent than the average level of the duties and regulations of commerce applicable in the constituent territories prior to the formation of such union". The term "a union of customs territories for customs purposes" was defined in Article 38 as "the substitution of a single customs territory for two or more customs territories, so that all tariffs and other restrictive regulations of commerce as between the territories of members of the union are substantially eliminated and substantially the same tariffs and other regulations of commerce are applied by each of the members of the union to the trade of territories not included in the union." Regarding the procedural requirements for the formation of a customs union, the London Draft required any Member proposing to enter into a customs union to consult with the ITO and to make available to the ITO such information regarding the proposed union as would enable it to make such reports and recommendations to Members as it might deem appropriate. Finally, Article 38 contained a paragraph not included in the original proposal of the United States which recognized that in exceptional circumstances there might be justification for new preferential arrangements requiring an exception to the provisions of Chapter V. Such exceptions would be subject to approval by a two-thirds majority of the Members of the ITO.

2. At the meeting of the Drafting Committee of the Preparatory Committee in January and February 1947 in New York no substantial changes were made to the text of Article 38 of the draft Charter.

3. Some important changes were made at the ²Second Session of the Preparatory Committee in Geneva, Summer 1947.² Firstly, the first paragraph of what now had become Article 42, on the territorial application of the Commercial Policy Chapter was redrafted. Secondly, language was added in paragraph 2(b) which made it clear that the Article would permit not only the formation of a customs union but also the adoption of an interim agreement necessary for the attainment of a customs union on the condition that any such interim agreement should include a definitive plan and schedule for the attainment of a customs union within a reasonable length of time. Furthermore, the wording of paragraph 2(b) was also altered to provide that the duties and other regulations of commerce imposed by, or any margins of preference maintained by, any customs union or interim agreement in respect of trade with Members of the ITO should not on the whole be higher or more stringent than the average level of the duties and regulations of commerce or margins of preference applicable in the constituent territories prior to the formation of a union or the

¹ UN document E/PC/T/34, p.32

² UN document E/PC/T/186, p.36

adoption of an interim agreement. Thirdly, new procedural provisions were added relating to interim agreements. Thus, it was provided that no Member would institute or maintain any interim agreement if, after a study of the plan and schedule proposed in such agreement the Organization found that such agreement was not likely to result in a customs union within a reasonable length of time. In addition, the plan or schedule should not be substantially altered without consultation with the Organization. Another important change made at the second session of the Preparatory Committee was the deletion of the provision for new preferential arrangements in exceptional circumstances. This matter was now dealt with in Article 15 of the Economic Development Chapter ("Preferential arrangements for economic development").¹

4. Article 42 of the Geneva Draft Charter was included as Article XXIV² in the General Agreement on Tariffs and Trade concluded in October 1947. However, Article XXIV of the General Agreement, as concluded in October 1947, contained two paragraphs which had not been included in Article 42 of the Geneva Draft. Firstly, paragraph 5 of the original Article XXIV permitted India and Pakistan to enter into special arrangements with respect to their mutual trade. Secondly, paragraph 3 of Article 99 of the draft Charter, which related to the territorial application of the Charter as a whole, was inserted as paragraph 6 of Article XXIV. This paragraph provided that each contracting party should take such reasonable measures as might be available to it to assure the observance of the provisions of the General Agreement by regional and local governments and authorities within its territory.

5. A substantial revision of Article 42 of the Draft Charter took place at the plenary United Nations Conference on Trade and Employment held in Havana in 1947-48.³ The three subjects which had previously been covered by one Article (territorial application, customs unions and frontier traffic) were now dealt with in three separate Articles. Article 42 (territorial application) was an amended version of the first paragraph of the previous Article 42 while Article 43 (frontier traffic) constituted a modified version of the provisions previously contained in Article 42:2(b) of the Geneva Draft Charter. Customs unions were dealt with in Article 44 of the Havana Charter.

6. The provisions in the Havana Charter on economic integration arrangements differed considerably from the corresponding provisions in previous drafts of the Charter. Firstly, whereas the previous draft Charters had provided only for customs unions, Article 44 of the Havana Charter also made provision for the establishment of free-trade areas.

¹ UN document E/PC/T/86, p.16

² 55 United Nations Treaty Series (UNTS) 268

³ UN document E/Conf.2/78.

Secondly, the first paragraph of Article 44 contained a completely new text:

"Members recognize the desirability of increasing freedom of trade by the development, through voluntary agreements, of closer integration between the economies of the countries parties to such agreements. They also recognize that the purpose of a customs-union or free-trade area should be to facilitate trade between the parties and not to raise barriers to the trade of other Member countries with such parties."

Thirdly, the criterion relating to the effects of the duties and other regulations of commerce of a customs union or interim agreement necessary for the formation of a customs union was reformulated to provide that the duties and other regulations of commerce imposed at the institution of any customs union or interim agreement in respect of trade with Member countries not parties to such union or agreement should not on the whole be higher or more restrictive than the general incidence of the duties and regulations of commerce applicable in the constituent territories prior to the formation of such union or the adoption of such interim agreement. The issue of the consequences of customs unions and free-trade areas on preferences was addressed in a new paragraph 5, which provided for the elimination or adjustment of such preferences by means of negotiations with Members affected. Fourthly, some changes were made in the provisions on the procedures for consultation with the Organization in respect of interim agreements for the establishment of customs unions or free-trade areas. Fifthly, the definition of customs union was significantly changed and a new paragraph was added which contained a definition of a free-trade area. Finally, a new provision was added whereby the ITO could, by a two-thirds majority of the Members present and voting, approve proposals which would not fully comply with the provisions of Article 44, on the condition that such proposals would lead to the formation of a customs union or free-trade area in the sense of that Article.

7. On 24 March 1948 the CONTRACTING PARTIES signed a Special Protocol¹ Relating to Article XXIV of the General Agreement on Tariffs and Trade. This Special Protocol amended Article XXIV Of the General Agreement in light of the final versions of Articles 42, 43 and 44 of the Havana Charter. The present text of Article XXIV differs only slightly from the text of the Article as agreed in this Special Protocol.

8. The Special Protocol incorporated Article 42 of the Havana Charter (territorial application of the Commercial Policy Chapter) in paragraphs 1 and 2 of Article XXIV, while Article 43 of the Charter (frontier traffic) became paragraph 3 of the new Article XXIV. Paragraphs 4 and 5 of Article XXIV, as amended in 1948, corresponded to paragraphs 1 and 2 of Article 44 of the Charter. Paragraphs 7 to 10 of the new Article XXIV were based on

¹ 62 UNTS 56

paragraphs 3 to 6 of the Charter Article. One paragraph was included in the amended Article XXIV which had not been included in Article 44 of the Havana Charter. This paragraph dealt with the issue of compensatory tariff reductions in cases where the formation of a customs union would entail an increase of a rate of duty inconsistent with Article II of the General Agreement. Finally, paragraphs 11 and 12 of Article XXIV as agreed in the Special Protocol of March 1948 contained the provisions which had already been included in paragraphs 5 and 6 of Article XXIV as agreed in October 1947.

9. Since March 1948, only two minor changes to the text of Article XXIV have been made. The Protocol amending the Preamble and Parts II and III of the General Agreement¹ which entered into force in October 1957 replaced the word "parties" in the second sentence of paragraph 4 by "constituent territories" and replaced "provided for" after the word "schedule" in the first sentence of paragraph 7(b) by the word "included".

II. Problems of interpretation of the provisions of Article XXIV

II.1 Definition of customs unions and free-trade areas (Article XXIV:8)

10. Regarding Article XXIV:8, which defines what is to be understood by a customs union and a free-trade area, problems of interpretation have arisen with respect to the following issues:

- the coverage of the term "duties and other restrictive regulations of commerce" (Article XXIV:8(a)(i) and 8(b));
- the application of the phrase "... except, where necessary, those permitted under Articles XI, XII, XIII, XIV, XV and XX ..." (Article XXIV:8(a)(i) and 8(b));
- the interpretation of the term "substantially all the trade" (Article XXIV:8(a)(i) and 8(b));
- the interpretation of the term "substantially the same duties and other regulations of commerce" (Article XXIV:8(a)(ii)).

11. Regarding the meaning of the term "... duties and other restrictive regulations of commerce", used in Article XXIV:8(a)(i) and 8(b), differing views have been expressed in a number of cases on the question whether this term includes revenue duties and fiscal charges. Furthermore, in some cases involving free-trade areas, or interim agreements providing for the establishment of free-trade areas, the view has been expressed that the requirement that the duties and other restrictive regulations of commerce should be eliminated on substantially all the trade had not been met as a result of allegedly complicated rules of origin.

¹ 278 UNTS 202

12. The language between brackets in Article XXIV:8(a)(i) and 8(b) indicates that the obligation to eliminate duties and other restrictive regulations of commerce with respect to substantially all the trade between the constituent territories of a customs union or free-trade area is not applicable to trade restrictive measures permitted under certain Articles of the General Agreement. Important problems of interpretation exist regarding this exception. Firstly, the question has arisen whether the list is exhaustive, implying that no restrictive measures can be applied by a member of a customs union or free-trade area to trade with other members under Articles of the General Agreement not explicitly mentioned in Article XXIV:8 (e.g. Article XVIII and Article XXI). Secondly, a question on which differing views have been expressed is whether the fact that Article XIX is not mentioned among the exceptions in Article XXIV:8 should be interpreted to mean that where a party to a customs union or free-trade area takes Article XIX safeguard action, it is entitled or even required to exempt from the application of such safeguard measures imports from other partners in the customs union or free-trade area. Thirdly, there is no agreed interpretation as to the geographical coverage of measures which may be taken under the Articles listed in Article XXIV:8(a)(i) and 8(b). This question has been discussed in particular in the context of clauses in customs union or free-trade area treaties relating to the application of quantitative restrictions for balance of payments purposes. Divergent views exist as to whether Article XXIV allows members to a customs union or free-trade area to remove such restrictions more rapidly on trade with members than on trade with non-members or to introduce such restrictions on imports from non-members only.

13. No agreed criteria exist to determine what is to be understood by the term "substantially all the trade ..." in Article XXIV:8(a)(i) and 8(b). Past discussions in GATT on the interpretation of this term in particular cases indicates that this term has both a quantitative and a qualitative dimension. Regarding the quantitative aspect, it has been suggested that a general figure could be fixed for the percentage of the volume of liberalized trade within a free-trade area which should be considered as meeting the "substantially all the trade ..." requirement. However, against this approach it has been argued that each case should be considered on its merits and that it would be inappropriate to fix such a general figure. Regarding the qualitative aspect of the term "substantially all the trade ..." a view which has been expressed on many occasions is that where a particular product sector, such as agriculture, is not subject to the liberalization process within the customs union or free trade area the "substantially all the trade" requirement cannot be considered as having been satisfied.

14. The issue of the extent of trade liberalization has also been discussed in a number of cases of free-trade areas, or interim agreements leading to the formation of free-trade areas, between contracting parties at different levels of economic development which did not provide for trade liberalization on a reciprocal basis by the parties to the agreements. In this context conflicting views have been expressed regarding the

relationship between Article XXIV and Part IV of the General Agreement. One view on this question is that in cases involving developing countries the conformity with the General Agreement of a customs union or free-trade area should also be examined in the light of Part IV; the absence of reciprocal commitments to liberalize trade on the part of developing countries is seen under this approach as being consistent with Part IV. Another view is that Part IV does not take precedence over the provisions of Article XXIV. The view has also been expressed that Part IV does not permit discrimination between developing countries.

15. With respect to customs unions, Article XXIV:8(a)(ii) defines as a second constitutive element the application of "substantially the same duties and other regulations of commerce" by each of the members of the customs union to the trade of the territories not included in the union. The question is whether in the context of this sub-paragraph the term "other regulations of commerce" include quantitative restrictions, and whether, consequently, members of a customs union are required to apply common quotas.

II.2 Criteria for determining when a customs union, a free trade agreement or an interim agreement leading to the formation of a customs union or free trade area is consistent with Article XXIV

Whereas Article XXIV:8 contains the definition of a customs union or free-trade area, the determination of whether a particular customs union, free-trade area or interim agreement leading to the formation of a customs union or free-trade area is in conformity with the General Agreement must also be based on other provisions of Article XXIV. Regarding these criteria to judge when a customs union, free-trade area or interim agreement leading to the formation of a customs union or free-trade area is consistent with Article XXIV, the following interpretative problems have arisen:

- the relationship between Article XXIV:4 and other provisions in Article XXIV;
- the interpretation of the phrase "... and not to raise barriers to the trade of other contracting parties with such territories" in Article XXIV:4;
- the interpretation of the requirement of Article XXIV:5(a) that in the case of a customs union or interim agreement leading to the formation of a customs union, the duties and other regulations of commerce imposed at the institution of any such union or interim agreement in respect of trade with contracting parties not parties to such union or agreement shall not on the whole be higher or more restrictive than the general incidence of the duties and regulations of commerce applicable in the constituent territories prior to the formation of such union or the adoption of such interim agreement;

- regarding Article XXIV:5(c) differing views have been expressed as to the interpretation of the phrases "a plan and schedule" and "within a reasonable length of time";

17. Regarding the relationship between Article XXIV:4 and Article XXIV:5-9 one view which has been taken is that Article XXIV:5-9 contain the criteria which must be met for a customs union or free-trade area to be consistent with the general principle laid down in the second sentence of Article XXIV:4. According to this interpretation, where a customs union or free-trade area fulfils the requirements of Article XXIV:5 it is ipso facto consistent with the principle of the second sentence in Article XXIV:4. A different view of the relationship between Article XXIV:4 and Article XXIV:5-9 is that Article XXIV:4 contains a requirement which must be satisfied in addition to the requirements laid down in Article XXIV:5-9.

18. The second sentence of Article XXIV:4, stating inter alia that the purpose of a customs union or a free-trade area should not be to raise barriers to the trade of other contracting parties with the members of the customs union or free-trade area has been interpreted by some as requiring the members of a customs union or free-trade area not to raise barriers to the trade of any individual third contracting party. Against this view it has been pointed out that such an interpretation would be inconsistent with Article XXIV:5 and 6.

19. Article XXIV:5(a) requires that in the case of a customs union, or an interim agreement leading to the formation of a customs union the duties and other regulations imposed at the institution of any such union or interim agreement in respect of trade with contracting parties not parties to such union or agreement shall not on the whole be higher or more restrictive than the general incidence of the duties and regulations of commerce applicable in the constituent territories prior to the formation of such union or the adoption of such interim agreement as the case may be. No agreed methodology exists for the application of this requirement. One disputed issue is whether it is necessary for the purpose of making an assessment under Article XXIV:5 that a country-by-country and product-by-product examination be undertaken. Difficulties have also arisen regarding the precise scope of the term "duties and other regulations of commerce" as used in Article XXIV:5(a). Differing views have been expressed as to whether this term should be interpreted to include quantitative import restrictions (e.g. quantitative import restrictions imposed for balance of payments purposes) and variable levies. Regarding variable levies a further problem is the difficulty of quantifying their effects. Furthermore, important methodological problems exist with respect to the assessment of the effects of proposed common customs tariffs. The use of arithmetical or trade-weighted averages of the customs tariffs of the constituent parts of the customs union as a basis for the calculation of the common customs tariff of the new customs union has been contested on various grounds. In some cases members of Working

Parties established to examine a customs union have indicated that they could not carry out an evaluation in terms of Article XXIV:5(a) in view of the fact that for some items a new common customs tariff had not yet been determined by the members of the customs union under consideration. Another difficulty relating to the application of Article XXIV:5(a) concerns the interpretation of the word "applicable"; disagreement exists as to whether the duty rates imposed at the time of the institution of the customs union have to be compared with the rates actually applied in the constituent territories prior to the formation of the customs union or with the legal or bound rates in the constituent territories prior to the formation of the union.

20. Regarding Article XXIV:5(b) which applies to free-trade areas, the view has been expressed on a number of occasions that the application of strict rules of origin created barriers to trade with third contracting parties and was therefore inconsistent with the requirement laid down in this paragraph.

21. Article XXIV contains no definitions of the terms "interim agreement", "plan and schedule" and "a reasonable length of time" (Article XXIV:5(c)). The absence of an agreed definition of what constitutes an interim agreement has sometimes led to controversy as to whether a particular agreement notified under Article XXIV was an agreement establishing a customs union or free-trade area, or an interim agreement leading to the formation of a customs union or free-trade area. Furthermore, the lack of clarity regarding the requirement that any interim agreement include "a plan and schedule" for the formation of a customs union or free-trade area "within a reasonable length of time" has often given rise to divergent opinions on the compatibility of an interim agreement with the provisions of Article XXIV.

II.3 Article XXIV:6

22. Article XXIV:6 provides that:

"If, in fulfilling the requirements of sub-paragraph 5(a), a contracting party proposes to increase any rate of duty inconsistently with the provisions of Article II, the procedure set forth in Article XXVIII shall apply. In providing for compensatory adjustment, due account shall be taken of the compensation already afforded by the reductions brought about in the corresponding duty of the other constituents of the union."

The Procedures for Negotiations under Article XXVIII, adopted by the CONTRACTING PARTIES in November 1980 (27S/26) confirm that these procedures are in relevant parts also valid for renegotiations under Article XXIV:6. An important controversy exists as to whether in negotiations on compensation for the increase of a duty on a particular item inconsistent with Article II, account must be taken of tariff reductions by the members of the customs union on other items. One view which has been expressed is

that an increase in a duty bound in one of the constituent members of a customs union has to be compensated by a reduction in the duty for that specific item in the other members of the customs union. Another view is that in assessing the compensation to be granted under Article XXIV:6 for an increase in a duty bound in one of the members of a customs union account must be taken of tariff reductions on other items by members of the customs union. A related disputed issue is whether a customs union has a right to ask compensation from contracting parties not members of the customs union where such contracting parties benefit from import liberalization measures taken by members of a customs union in the process of formation of that customs union.

II.4 Notification and examination of agreements under Article XXIV

23. Under Article XXIV:7(a) any contracting party deciding to enter into a customs union or free-trade area, or an interim agreement leading to the formation of such a union or area, is required to promptly notify the CONTRACTING PARTIES and to make available to them such information regarding the proposed union or area as will enable them to make such reports and recommendations to contracting parties as they may deem appropriate. Specifically with respect to interim agreements Article XXIV:7(b) provides that the CONTRACTING PARTIES shall make recommendations to the parties to the agreement if, after having studied the plan and schedule included in an interim agreement they find that such agreement is not likely to result in the formation of a customs union or of a free-trade area within the period contemplated by the parties to the agreement or that such period is not a reasonable one. The parties to the interim agreement shall not maintain or put into force such agreement if they are not prepared to modify it in accordance with these recommendations. Furthermore, Article XXIV:7(c) requires that any substantial change in the plan or schedule in an interim agreement be communicated to the CONTRACTING PARTIES and provides that the CONTRACTING PARTIES may request the contracting parties concerned to consult with them if the change seems likely to jeopardize or delay unduly the formation of the customs union or of the free-trade area. Finally, Article XXIV:10 grants the CONTRACTING PARTIES the power to approve, by a two-thirds majority, proposals which do not fully comply with the requirements of paragraphs 5-9, provided that such proposals lead to the formation of a customs union or a free-trade area in the sense of Article XXIV.

24. In 1972 the Council took the following decision concerning procedures for the notification of Agreements under Article XXIV:

"The Council notes that Article XXIV:7(a) of the General Agreement requires that any contracting party deciding to enter into a customs union or free-trade area or an interim agreement leading to the formation of such a union or area, shall promptly notify the CONTRACTING PARTIES. Without prejudice to the legal obligations to notify in pursuance of Article XXIV, the Council decides to invite contracting parties that sign an agreement falling within the terms of

Article XXIV, paragraphs 5 to 8 to inscribe the item on the agenda for the first meeting of the Council following such signature, to the extent that the advance notice of ten days prescribed for inclusion of items on the agenda can be observed, Inclusion of the item should allow the Council to determine the procedures for examination of the agreement." (19S/13)

However, while this Decision provides for the notification of agreements under Article XXIV, no formal decision has ever been taken on the procedure for the subsequent examination of such agreements. In practice, Working Parties have been established by the Council to examine the agreements which have been notified. In many cases the reports submitted by the Working Parties to the CONTRACTING PARTIES note the divergent views expressed by the members on the conformity of the agreement in question with the provisions of Article XXIV. Starting with the examination of the Treaty of Rome almost no examination of agreements notified under Article XXIV has led to a unanimous conclusion or specific endorsement by the CONTRACTING PARTIES that all the legal requirements of Article XXIV had been met. On the other hand, the CONTRACTING PARTIES also have never made a recommendation pursuant to Article XXIV:7(b). However, in some cases the CONTRACTING PARTIES have adopted conclusions which note that "the CONTRACTING PARTIES do not at this juncture find it appropriate to make recommendations to the parties to the Treaty pursuant to paragraph 7(b) of Article XXIV." The absence of such recommendations has been interpreted in different manners. Some contracting parties take the view that where the CONTRACTING PARTIES have not made recommendations under Article XXIV:7(b), it must be presumed that the agreement in question is in conformity with Article XXIV. Another view is that, in the absence of any final decision by the CONTRACTING PARTIES on the conformity of a particular agreement with the provisions of Article XXIV, the legal status of such an agreement remains open.

25. Another disputed issue relating to the examination of agreements under Article XXIV is whether agreements involving non-contracting parties are subject to the procedures of Article XXIV:7 or to those of Article XXIV:10.

26. At their 27th Session the CONTRACTING PARTIES instructed the Council to establish a calendar fixing dates for the examination every two years, of the reports on agreements under Article XXIV (18S/38). This guideline has been considered too vague and disagreement exists among the contracting parties as to whether the biennial reporting requirement should continue to apply when a customs union or free-trade area has been fully completed, partly because of the difficulty of agreeing on whether the latter situation prevails in the opinion of all interested parties.

II.5 Article XXIV:12

27. Differing views were expressed in a recent dispute settlement case on the interpretation of Article XXIV:12 in the context of measures applied by a local government in a federal state. In its findings the Panel first

noted that Article XXIV:12 applies only to those measures taken at a local or regional level which, for constitutional reasons, are outside the control of the federal government. The Panel further examined whether Article XXIV:12 should be interpreted as limiting the applicability of other provisions of the General Agreement or as merely limiting the obligation of federal states to secure the implementation of these provisions. The Panel concluded that the second interpretation was the correct one. Accordingly, a federal state has full responsibility for measures taken by local or regional governments within its jurisdiction and such measures can lead to a finding of nullification or impairment in the sense of Article XXIII:1. In such a situation Article XXIV:12 is relevant to determine the type of remedial action to be taken by the federal state which has been determined to act on violation of provisions of the General Agreement. The Report of this Panel has not been adopted.

ANNEX

Application of Article XXIV

Arab Common Market

Report of the Working Party

14S/94

- plan and schedule
- substantially all the trade

paras.5,12,16,20,21
paras.12-13

Conclusions adopted

14S/20

Australia/New Zealand Closer Economic Relations -
Trade Agreement (ANZCERT)

Report of the Working Party

31S/170

- substantially all the trade
- "global" and "exclusive" access
- duties and other restrictive regulations of commerce
- quantitative restrictions
- biennial reports

paras.4-5,25
paras.10-11,15,29
paras.22-23,29
paras.25-29
paras.26,28,31

Australia/New Zealand Free Trade Area

Report of the Working Party

14S/115

- Plan and schedule
- agricultural products
- substantially all the trade

paras.5,9,15-17
para.6
paras.7,14-17

Conclusions adopted

14S/22

Australia/Papua New Guinea Agreement

Report of the Working Party

24S/63

- substantially all the trade
- requirement of reverse preferences under
Article XXIV
- consultations in case of difficulties
- reporting procedure

paras.6-7,13
paras.7,11-12

paras.14-15
paras.14-15,19

Caribbean Free Trade Association

Report of the Working Party

18S/129

- substantially all the trade
- agricultural products

paras.5,7,13
paras.8-11,13

The Working Party agreed that the Agreement provided for the establishment of a free-trade area within the meaning of Article XXIV:8(b).

para.13

Caribbean Community and Common Market

Report of the Working Party

24S/68

- substantially all the trade
- common external tariff
- other regulations of commerce/quantitative restrictions
- agricultural products
- relation to Part IV, Article XXXVII:1(f)
- periodic reports

paras.5,7
paras.5,7-8
paras.5,9-10

paras.11-13
para.11
para.14

The Working Party generally agreed that the Caribbean Common Market constituted an interim agreement leading to the establishment of a customs union.

para.13

Central American Free Trade Area
(later Central American Common Market)

Participation of Nicaragua

(Decision of 13 November 1956 under paragraph 10 of Article XXIV)

5S/29

Report of the Working Party

10S/98

(see also Nicaragua and El Salvador - Free trade area)

(see also Nicaragua - Increase in rates of duty

10S/48

Decision of 23 November 1961)

Equatorial Customs Union/Cameroon
(later Central African Economic and Customs Union)

Report of the Working Party

12S/73

- duties and other regulations of commerce
- tariffs on imports from third countries

para.6
para.8

European Atomic Energy Community

Report

6S/109

European Economic Community

Reports of Sub-Groups on Rome Treaty

6S/68-109

- the relationship between paragraph 4 and paragraphs 5-9
- conformity of the common external tariff with paragraph 5(a)
- relationship between Article XXIV:6 and Article XXVIII (renegotiation of concessions)
- plan and schedule
- quantitative restrictions
- simultaneous establishment and co-existence of a customs union and a free-trade area
- substantially all the trade
- application of paragraph 9 (preferences)
- relationship between Article XXIV and Article XVIII
- trade in agricultural products
- association of overseas territories

6S/70
paras.2-3
6S/71-74
paras.4-11
6S/74
para.12
6S/75-76
paras.17-18
6S/76-81
paras.2-13
6S/90-91
paras.2-8
6S/106, para.2
6S/94-101
paras.15-36
6S/95-97
paras.19-24
6S/97, para.26
6S/106, para.1(c)
6S/81
6S/89

Report of the Intersessional Committee and action at the thirteenth session

7S/69-71

European Communities

- Accession of Denmark, Ireland and the United Kingdom

Article XXIV:6 negotiations

- time-limit referred to in Article XXVIII:3 C/M/95
- termination of negotiations and reservations made by individual contracting parties; time-limit referred to in Article XXVIII:3 not applicable to actions pursuant to these reservations C/M/99
- with Canada; time-limit referred to in Article XXVIII:3 C/M/101,102,105

Oral report by the Chairman of the Working Party C/M/107

- general incidence of duties and regulation of commerce - C/M/107
variable levies

- Association with Certain Non-European Countries and Territories

See also above 6S/89

Report of the Working Party 14S/112
Conclusions adopted 14S/22
Report of the Working Party 18S/143

- plan and schedule para.6
- substantially all the trade paras.8,9
- other restrictive regulations of commerce paras.8,10-12,14-15

- Association with African and Malagasy States

Report of the Working Party (Yaoundé I) 14S/100

- creation of eighteen free-trade areas paras.4,19,24,30
- plan and schedule paras.5,6,11,23,24,30
- substantially all the trade paras.7,8,23,30
- application of quantitative restrictions paras.9,10
- relation to Central African Economic and Customs Union para.12
- free-trade area consisting of developed and developing countries/Article XXIV/Part IV paras.13,14,25,26,30,31

European Communities (continued)

- Association with African and Malagasy States
(continued)

Conclusions adopted

14S/22

Report of the Working Party (Yaoundé II)

18S/133

- substantially all the trade paras.4-5,8,11,12,27
- other restrictive regulations of commerce paras.7-8,14,27,29
- countries with different levels of development paras.20-23

- ACP-EEC Convention of Lomé

Report of the Working Party

23S/46

- substantially all the trade para.4
- rules of origin paras.10-11
- reverse preferences paras.10,12-13
- effects on trade of non-ACP developing countries paras.14-15
- quantitative restrictions paras.16-17
- relation to Part IV paras.4,8,23-24,26
- periodic reports paras.21,24-26
- conclusions para.26

- ACP-EEC Second Convention of Lomé

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29S/119

- relation to Part IV paras.6,8,24
- effects on trade of non-ACP developing countries paras.6-8,11,15-16
- reverse preferences para.17
- rules of origin para.21
- periodic review of operation of the agreement paras.7,9-10,24
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- Agreement with Algeria

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- substantially all the trade paras.5,12
- reference to Part IV paras.5,9-12,26
- different levels of development paras.5,8-10,15
- biennial reports paras.6,8,28
- rules of origin paras.8,18-19
- interests of other developing countries paras.10-12,26

European Communities (continued)

- Association with Cyprus

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- plan and schedule paras.5-8
- different stages of economic development paras.7,11
- elimination of trade obstacles para.12
- rules of origin paras.13-17
- substantially all the trade paras.20-22

- Agreement with Egypt

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- plan and schedule paras.5,9,13-15,19
- rules of origin para.18
- substantially all the trade paras.16,19
- different stages of economic development paras.6,13,19

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- substantially all the trade paras.5,13
- agricultural products paras.5,12,14,28-29
- applicability of Part IV paras.12,18-23
- rules of origin paras.11-12,24-27,39
- biennial reports paras.13-15,39
- consultations para.15
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- Association with Greece

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- reasonable length of time paras.6-7
- timing of renegotiation under Article XXVIII para.8
- substantially all the trade paras.10-11
- the application of Article XXIV to quantitative restrictions, particularly those maintained for balance-of-payments reasons paras.14-15
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European Communities (continued)

- Association with Greece (continued)

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- compatibility with General Agreement paras.6-9,11,14
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- Accession of Greece

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- general incidence of duties and other regulations of commerce paras.12-13,22,25, 30,31-32,42,45,52, 56,58
- quantitative restrictions paras.13,25-32,51
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- Agreement with Israel

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- plan and schedule paras.3,7,9,14-21, 24-26
- substantially all the trade paras.3,7,22,28

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- substantially all the trade paras.4,6-7,9,19, 21-22,24
- agricultural products paras.4,20,22
- plan and schedule paras.4-5,24
- rules of origin paras.6,10,17-18
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European Communities (continued)

- Agreement with Jordan

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- substantially all the trade paras.5,14
- agricultural products paras.5,13,15,28-29
- applicability of Part IV paras.5,13-14,18-23
- rules of origin paras.12-13,24-27,39
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- Agreement with Lebanon

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22S/43

- substantially all the trade paras.4,15-16
- plan and schedule paras.10-12
- different stages of economic development para.10
- rules of origin paras.13-14

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25S/142

- substantially all the trade paras.5,14
- agricultural products paras.5,13,15,28-29
- applicability of Part IV paras.5,13-14,18-23
- rules of origin paras.12-13,24-27,39
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- Association with Malta

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- substantially all the trade paras.15,18
- quantitative restrictions paras.6,18,19
- plan and schedule paras.1,11-13,21,23
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- Report of the Working Party 18S/149
- plan and schedule paras.7,17-20
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- substantially all the trade paras.22-25,27

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- substantially all the trade/agricultural products paras.5,12
- reference to Part IV paras.5,9-12
- different levels of development paras.8,15
- rules of origin paras.8,19-21,30
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- Association with Nigeria

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(agreement did not enter into force)

- Agreements with Portugal

- Report of the Working Party 20S/171
- different levels of development para.4
- substantially all the trade paras.5,13-17,34,38
- agricultural products paras.5-6,13,15,17,19-21,34
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- plan and schedule paras.11,35
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- Interim Agreement with Portugal

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European Communities (continued)

- Interim Agreement with Portugal (continued)

- compatibility of Agreement with Article XXIV paras.7-9,12,20,29
- substantially all the trade/agricultural trade paras.11-14
- different levels of economic development paras.4,9,16
- rules of origin paras.19-23
- safeguard provisions, application of Article XIX paras.24-26
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- Agreement with Spain

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- substantially all the trade paras.6,17-18,22
- quantitative restrictions paras.13-14
- plan and schedule paras.17,20,22

- Agreement with Syria

Report of the Working Party 25S/123

- substantially all the trade paras.5,13
- agricultural products paras.5,12,14,27-28
- applicability of Part IV paras.5,12-13,18-23
- rules of origin paras.11-12,23-26,38
- biennial reports paras.13-15,39
- consultations para.15
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- Association with Tanzania, Uganda and Kenya

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- quantitative restrictions para.7
- duties or other restrictive regulations of commerce paras.11-17
- substantially all the trade para.17

- Association with Tunisia

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- plan and schedule paras.7,17-20
- application of quantitative restrictions paras.12-15
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- substantially all the trade paras.22-25,27

European Communities (continued)- Association with Tunisia (continued)

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- substantially all the trade/agricultural products para.5,12,24
- reference to Part IV paras.5-6,9-10,12,27
- different levels of development paras.5-6,8-11
- biennial reports paras.6,20,29
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- Association with Turkey

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13S/59

- reasonable length of time paras.6-7
- substantially all the trade para.7
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19S/102

- different levels of development paras.2,5,8,13,14
- plan and schedule paras.3-4,9,11
- reasonable length of time paras.6,8,14
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- different levels of development paras.6,10,17
- reasonable length of time para.7,10
- plan and schedule paras.7-9
- quantitative restrictions paras.7,12,14-17

- Agreement with Yugoslavia

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- different levels of development paras.4,8,11
- substantially all the trade paras.6,9,16
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- Agreements with Austria

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- substantially all the trade paras.4,5,14-16, 33,37
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- Agreements with Finland

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- substantially all the trade paras.4,6,9,12-14
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- Agreements with Iceland

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- substantially all the trade paras.5,14-19,37,41
- agricultural products paras.5-6,14,16,19, 21-23,37
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- Agreements with Norway

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- effects on third-country trade paras.7,32
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- Agreements with Sweden

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- substantially all the trade paras.5,14-16,37,41
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- effects on third-country trade paras.5,9
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- plan and schedule paras.11,38
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European Free Trade Association

- Examination of Stockholm Convention

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9S/70

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- effects on preferential systems of member States and on "drawbacks"
- quantitative restrictions
- plan and schedule
- agricultural products
- substantially all the trade
- conformity of bilateral agreements
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- Association of Finland

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- substantially all the trade
- agricultural products
- rules of origin

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- Accession of Iceland

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- plan and schedule
- substantially all the trade

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C/M/64

- Agreement with Spain

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- substantially all the trade
- quantitative restrictions
- plan and schedule
- bilateral agreements on agriculture
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Finland/Czechoslovakia Agreement

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- nature and compatibility of Agreement paras.7-8,11,17-18, 27,34-35
- problems of free-trade arrangements between countries with different economic systems paras.7-10,17
- substantially all the trade paras.5-6,30
- effects on third-country trade paras.11-13
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- compatibility of Agreement with Article XXIV paras.5-6,8,13-14
- role of customs duties in state-trading countries paras.6-7
- operation of the Agreement paras.9-12
- examination of agreements between countries with different economic systems paras.13-15
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Finland/German Democratic Republic Agreement

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- question of compatibility of Agreement with Article XXIV para.4
- continuation of work para.6

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Finland/Hungary Agreement

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- nature and compatibility of Agreement paras.7,19,30-31
- examination of agreements between countries with different economic systems paras.7,14-16,19

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- role of customs duties in state-trading countries paras.7,12-13,15,28
- substantially all the trade paras.5,8,20
- agricultural products paras.8,20-22
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- operation of Agreement paras.5-10
- nature and compatibility of Agreement paras.9,14,16,21, 44-45
- examination of agreements between countries with different economic systems paras.10-14,17,20 22,23,44-46
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Finland/Poland Agreement

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- substantially all the trade para.5
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- question of Polish customs tariff paras.7,16,22,29, 31,34,50-52
- agricultural products paras.19-20
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France/Italy Customs Union

Decision of 20 March 1948

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Israel/United States Free Trade Area Agreement

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- substantially all the trade paras.6,21
- agricultural products paras.6,11,13,14,21, 22,23,24,26
- compatibility of Agreement paras.17-27
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Montevideo Treaty

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- Montevideo Treaty (continued)
 - participation of non-contracting parties para.12
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- Conclusions adopted 14S/22

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South African/Southern Rhodesia Customs Union Agreement

- Declaration of 18 May 1949 II/29
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- plan and schedule paras.16-12
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 - quantitative restrictions for balance-of-payments reasons para.20
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- Conclusions adopted 14S/23