

SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.

TARIFF AGREEMENT COMMITTEE

DECISIONS REACHED IN THE COURSE OF THE
CONSIDERATION OF DOCUMENT E/PC/T/W/301.

1. It is not necessary to submit the General Agreement
to the Economic and Social Council for approval.
2. Authentication at Geneva of the text of the Agreement.

There shall be a Final Act, recording in brief terms what has taken place and having attached to it the full text of the Agreement. The Act will be a purely formal document, intended only to authenticate the text of the Agreement as agreed by Delegations, which will submit the Agreement to their governments for consideration.

Once the Final Act is signed, it will not be possible to revise the text of the general provisions or of the Schedules.

3. Provisional application.
 - (a) Protocol.

The present text relating to provisional application shall be removed from the Agreement and replaced by a Protocol, which will be open for signature from September 30 to November 10. Governments will therefore be able to wait until November 10 before making a decision on whether they wish to apply the Agreement provisionally or not. Under the terms of the Protocol, the Agreement will enter provisionally into force on January 1 in respect of "key" countries, which will be named

in the Protocol, as well as in respect of other countries which sign the Protocol.

The United States Delegation has agreed to present a draft Protocol for consideration.

(b) "Key Countries."

The Agreement shall not come into provisional effect for any signatory of the Protocol ("Key" country or otherwise) unless it also comes into effect with respect to all the "key" countries. On the day that the Protocol closes for signature, the governments concerned will know which countries are ready to effect provisional application.

(c) Authority to effect provisional application.

In the light of the statements made by Delegations, it appears that the following governments are in a position to effect provisional application (i.e., to apply the Agreement on the basis of their executive authority, without requiring previous parliamentary approval, in accordance with the provisions of Article XXXII of the present draft) :-

- (i) Australia;
- (ii) Belgium-Netherlands-Luxemburg Union;
- (iii) Canada;
- (iv) Czechoslovakia;
- (v) France;
- (vi) India;
- (vii) United Kingdom;
- (viii) United States;

The following governments cannot effect provisional application as defined above :-

- (i) Brazil;
- (ii) Cuba;
- (iii) New Zealand;
- (iv) Norway;
- (v) South Africa;
- (vi) Southern Rhodesia;

It would seem that Chile and the Syro-Lebanese Customs Union can apply only the tariff rates without parliamentary approval.

The position in respect of China, Pakistan, Burma and Ceylon has not yet been fully clarified.

4. Tentative timetable of developments.

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| 1. (a) Signature of the Final Act at Geneva ⁽¹⁾ | September 30, 1947. |
| (b) Agreement and Protocol on provisional application open for signature ⁽²⁾ | September 30, 1947. |
| 2. Protocol on provisional application closes for signature | November 10, 1947. |
| 3. Simultaneous public announcement of the <u>full</u> text of the Agreement, including all the attached Schedules (the Agreement will not be submitted to Parliaments before this date) ⁽³⁾ | November 17, 1947. |
| 4. Opening of the World Trade Conference ⁽⁴⁾ | November 21, 1947. |
| 5. Entry into force of the Agreement through provisional application | January 1, 1948. |
| 6. Termination of the World Trade Conference | January 15, 1948. |
| 7. Agreement closes for signature.... | February 28, 1948. |
| 8. Entry into force of the Agreement through ratification | April/June, 1948. |
| 9. Ratification of the Charter of the I.T.O. | August 1948 (approx). |

Notes:

- (1) All dates are dependent on the Final Act being signed on or about September 30.
- (2) The Secretariat will advise governments of signatures of the Protocol of provisional application and of the Agreement, as they take place.
- (3) The Agreement may be applied by any government that wishes to do so, at any time after this date.
- (4) Action taken in respect of the Agreement before or during the World Conference will not constitute an obstacle to the freedom of discussion of the Charter at the World Conference, on the part of the governments concerned.

5. Inclusion in the Agreement of the Charter Articles which are reproduced in Part II.

A lengthy exchange of views has taken place in this connection and it appears as if common ground will be found to reach agreement.

The following Delegations favour the retention of Part II, although a number of them feel that certain provisions which are not essential, could be discarded:

- (i) Belgium (specifically proposes the deletion of certain articles).
- (ii) Canada;
- (iii) France;
- (iv) Lebanon-Syria (provided that Part II is automatically superseded by the Charter).
- (v) Netherlands;
- (vi) United Kingdom;
- (vii) United States.

The following Delegations are generally in favour of the deletion of Part II or of the insertion of a limited number of clauses now appearing in Part II:

- (i) Australia;
- (ii) China; (also suggests that the acceptance of Part II should be optional);
- (iii) Czechoslovakia;
- (iv) India;
- (v) New Zealand;
- (vi) Norway;

The South African Delegation suggests that as Part II will be of main concern to the countries that will effect provisional application, they should be left to agree among themselves on the matter.

6. Effect of the Charter on the Agreement upon the entry into force of the former.

The following Delegations feel that supersession of Part II of the Agreement by the equivalent provisions of the Charter should be more automatic than is now provided in Article XXVII :

- (i) Australia;
- (ii) Brazil;
- (iii) Chile;
- (iv) Czechoslovakia;
- (v) Lebanon;
- (vi) Norway;
- (vii) Syria;

The Delegations of

- (i) Canada;
- (ii) India;
- (iii) United Kingdom, and
- (iv) United States

are in general agreement with the text of Article XXVII.

Nevertheless, the United States Delegation will submit a redraft of Article XXVII.

7. Implementation of Charter provisions in addition to those appearing in Part II of the Agreement

This question was not fully discussed by the Committee and will presumably be considered again at a later stage.

8. The next meetings of the Committee will be devoted to the consideration of the text of the Agreement, article by article.