The Contracting Parties have adopted the text of a Declaration extending the assured life of the tariff schedules annexed to the GATT until 1 July 1955. The Declaration will remain open for signature until 31 December 1953.

The Declaration, in the preamble, takes into account the following factors:

(a) the assured life of the concessions will expire on 31 December 1953, unless it is renewed,

(b) the possibility that contracting parties would invoke the (Article XXVIII) renegotiation procedure for modification of specific concessions would impair the stability of tariff rates which has been one of the principle achievements of the GATT,

(c) this would be particularly undesirable at a time when a number of contracting parties are studying ways and means of making further progress in the reduction of tariffs and other barriers to trade and towards the achievement of the other objectives of the GATT.

Under the terms of the Declaration, the signatory governments declare that "they will not invoke prior to 1 July 1955 the provisions of Article XXVIII paragraph 1 of the GATT to modify or cease to apply the treatment which they have agreed to accord under Article II to any product described in the appropriate schedule annexed to the GATT."

The Declaration contains a reciprocity clause whereby the provisions of the Declaration will not apply to concessions initially negotiated with a government which does not sign it. This means that the governments have agreed to the prolongation of their schedules only on a basis of reciprocity, i.e. in respect of contracting parties which sign the Declaration. Thus, as between a contracting party which signs the Declaration and one which does not, each government would retain the right to have recourse to the renegotiating provisions of Article XXVIII in respect of the concessions which it had initially negotiated with the other.

In the course of the debate the delegates of Canada and the United States recommended that the Declaration should be wholeheartedly supported, pointing out that acceptance of the Declaration would guarantee that there would be no unravelling of the concessions in the eighteen months after 1 January 1954,
and emphasizing the vital importance of maintaining tariff stability during this period. The delegate of Cuba said that the Declaration was not a satisfactory solution and that it lacked the necessary flexibilities to deal with countries faced with special tariff problems. He felt that the policy embodied in the reciprocity clause created a dangerous precedent. Nevertheless, in spite of his Government's views on the matter, they would accept the proposal. The delegate of Brazil agreed with the Cuban Government's views, but would support the proposal. The New Zealand delegate said that he felt that the proposed procedure would deprive contracting parties of their rights of access to Article XXVIII and that it was, therefore, all the more necessary to preserve the rights written in the GATT. New Zealand would abstain on accepting the Working Party's report and reserved its position on the signature of the Declaration. The delegate of the Netherlands referred to the reservation of his Government regarding the Netherlands Antilles, where the statu quo of the existing tariff could only be maintained until 1 July 1954, since it was a very low tariff, entirely out of date, and since the Netherlands Antilles urgently required additional revenue from duties. He was confident that, in these circumstances, when the request for renegotiation was received by the Contracting Parties, it would be treated sympathetically. In these circumstances the Netherlands Government was prepared to sign the Declaration. The delegate of India also said he felt that since sympathetic consideration would be given to requests for renegotiation under the procedures envisaged by the Working Party, his Government was prepared to sign the Declaration.

The report of the Working Party was adopted and the Declaration will be open for signature on 24 October.