 GENERAL AGREEMENT ON TARIFFS AND TRADE

GATT Intersessional Committee: Meeting Concluded

The GATT Ad Hoc Committee on Agenda and Intersessional Business met at Geneva, under the chairmanship of Mr. L. Dana Wilgress (Canada) from 26 July to 3 August 1954.

The meeting was concerned mainly with the arrangements for the Ninth Session of the Contracting Parties, including the Review of the Agreement. In deciding upon a programme the Committee took account of other international meetings, including the annual meeting of the International Monetary Fund in September, the proposed meeting of representatives of the Commonwealth countries in London in October and the meeting of the Economic Ministers of the American States in Rio de Janeiro in November, and decided that it would be appropriate that the Ninth Session of the Contracting Parties should open in Geneva on 28 October and that the Review of the Agreement should start on 8 November.

The Review of the GATT. While it was not the purpose of the meeting to reach conclusions or make recommendations concerning the forthcoming review of the GATT, members of the Committee took the opportunity for a preliminary exchange of views. There was broad agreement as to the value of the GATT as an instrument for promoting a set of rules for trade on a world-wide basis, and there was a general consensus that GATT should serve as the administrative organ for these rules and should be provided with an organization. Stress was laid on the need to examine the effectiveness of the provisions of the Agreement after seven years of operation and to see where they should be strengthened so as to carry out more effectively its objectives of achieving freer world trade. The need to consider carefully the special problems of countries in less advanced stages of development was acknowledged as one of the most important elements in the Review Session. At the same time there was general recognition that the full participation of these countries was of prime importance, for only an organization which was representative of all types of economies could effectively undertake to increase trade on a world-wide scale. While it seemed undesirable for the Review Session to undertake any widespread relaxation of the obligations imposed under the Agreement, it was clear that the past seven years had brought a whole new set of circumstances into being in the fields of international commerce and monetary policy and there would of necessity have to be a profound examination of these developments - and of developments that might be expected in the next few years - in relation to the provisions of the Agreement as it stands today, and to the relations between the GATT and other international bodies with responsibilities in the economic sphere.

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Tariffs. The Intersessional Committee heard the views of its members concerning the tariff position, in particular arrangements for future tariff negotiations, the techniques that might be used in these negotiations, and the fact that the tariff schedules annexed to the GATT are currently bound until July 1955. In the course of these discussions tribute was paid to the value of the GATT in stabilizing a substantial proportion of the world's tariff rates from 1948 onwards and stress was laid on the need to prolong this element of stability, while affording a reasonable opportunity to less developed countries and to countries with out-dated tariffs to adapt themselves to current needs.

Members of the Committee gave their views on the desirability of arranging for further tariff negotiations. They also gave their views on establishing adequate tariff negotiating procedures, taking into account the French proposals for revised negotiating procedures as well as suggestions for a further round of tariff negotiations on the Geneva-Annecy-Torquay pattern. The Committee recommended that this question should be examined early in the Ninth Session.

Regarding the question of prolonging the assured life of the tariff schedules beyond 30 June 1955 and in that event of affording an opportunity for contracting parties to modify concessions through negotiations under Article XXVIII - the Committee heard statements by representatives of several governments concerning their general tariff revisions or changes in nomenclature, and recommended that this matter should also be taken up early in the Ninth Session.

Application of Japan to accede. The Committee considered the request of Japan for an opportunity to negotiate for formal accession to GATT through tariff negotiations. The Committee noted that a number of delegations had supported the request, and that some of these had stated that their governments were prepared to enter into negotiations. Other delegations had made reservations as to the desirability of arranging for negotiations or as to the proposed timing of the negotiations.

The majority of delegations, however, supported the Japanese request, and the Committee, therefore, decided to recommend, for the consideration of the Contracting Parties at their Ninth Session, that arrangements be made for negotiations to be held in Geneva commencing 1 February 1955 in accordance, generally, with the procedures adopted for the Annecy and Torquay negotiations in connection with accession to the Agreement.

It was agreed that contracting parties which would wish to participate in such negotiations, if the Contracting Parties should adopt the Committee's recommendations, should make every effort to so notify the Executive Secretary not later than 15 September 1954.
The following countries are members of the Intersessional Committee: Australia, Brazil, Canada, Chile, Cuba, France, Federal Republic of Germany, India, Italy, The Netherlands, Pakistan, Sweden, Union of South Africa, United Kingdom and United States.

The following governments and organizations were represented by observers: Austria, Belgium, Burma, Ceylon, Czechoslovakia, Denmark, Dominican Republic, Greece, Finland, Indonesia, Japan, New Zealand, Norway, Turkey, Uruguay; the International Monetary Fund, and the Organization for European Economic Co-operation.