Arrangements for a Tariff Negotiating Conference completed

The Contracting Parties have completed the arrangements for a tariff negotiating conference, which will open on 18 January 1956 at Geneva. The target date for the completion of the Conference has been set at 1 May 1956.

In March 1955 the Contracting Parties appointed a working party to study generally the possibilities of future action directed to the reduction of the general level of tariffs. In June 1955 the United States representative informed the Intersessional Committee that his Government was prepared to enter into negotiations with contracting parties in view of the new powers for tariff reduction granted to the President of the United States under the terms of the Trade Agreements Extension Act of 1955 and stressed that, in order to meet the time-limit prescribed by United States legislation and practices, any tariff negotiations that might be arranged should start early in 1956. (The Trade Agreements Extension Act of 1955 grants the United States President new powers for reducing the United States tariff through negotiation. Under one authority he may reduce any rate of duty that is in excess of 50 per cent ad valorem down to that figure. Not more than one-third of the amount of the decrease can become effective at any one time and each third must be in effect for one year before the next third can become effective. Under the other authority the United States President may reduce rates of duty by up to 5 per cent of their 1 January 1955 level in each of the next three years. The authority to make the first 5 per cent reduction lapses unless it is used before 1 June 1956.)

In September 1955 the GATT Working Party on tariff reduction decided to recommend to the Contracting Parties that a tariff negotiating conference should be convened in January 1956, and the Contracting Parties have agreed, as stated above, that it should open on 18 January.

It should be stressed that this conference will not merely consist of tariff negotiations between certain contracting parties and the United States. It will be a general round of tariff negotiations in which many contracting parties will negotiate with each other. Since October the participating governments have been exchanging "request lists" of products on which they hope to obtain concessions.
The following twenty-five contracting parties have notified that they intend to take part in the negotiations:

Australia  
Austria  
Belgium  
Luxemburg  
The Netherlands  
Czechoslovakia  
Canada  
Ceylon  
Cuba  

Denmark  
Dominican Republic  
Finland  
France  
Germany  
Greece  
Haiti  
India  

The general principles that will govern the negotiations are reflected in Article XXIX of the revised GATT. The main objective of the Conference is to reduce the general level of tariffs, in particular to reduce tariffs which are so high that even minimum quantities of imports are discouraged. At this Session the Contracting Parties have agreed upon the rules and procedures for the tariff conference. In general terms these follow the pattern of the rules and procedures which governed the conduct of the three previous tariff conferences held under GATT, at Geneva (1947), Annecy (1949) and Torquay (1950-51). These rules are based on the product-by-product system of negotiation. Particular stress is laid on the rule that "the binding against increase of low duties or of duty-free treatment shall, in principle, be recognized as a concession equivalent in value to the reduction of high duties". This rule takes account, inter alia, of the position of countries which, while maintaining low or moderate duties on all or most of the products imported from their principal suppliers, find their exports (or potential exports) generally impeded by high rates of duty.

A Tariff Negotiations Committee will be appointed at the beginning of the Conference, with the objective of facilitating the progress of the negotiations.