GENERAL AGREEMENT ON TARIFFS AND TRADE
Contracting Parties
Second Session

Report of Working Party No. 4 on the Reservation of Ceylon

Working Party No. 4 on the Reservation of Ceylon met at 3 p.m. on 24 August 1948 under the Chairmanship of Dr. E. Angenthaler (Czechoslovakia).

The working party consisted of representatives of Australia, Belgium, Canada, Ceylon, China, Czechoslovakia, Norway, United Kingdom and United States.

The terms of reference were "to examine the reservation of the Government of Ceylon to its signature of the Protocol of Provisional Application, and to consider the possibilities of a solution in accordance with the terms of the reservation or in accordance with the provisions of Article XXIII or Article XXV or of other relevant provisions of the General Agreement on Tariffs and Trade.

After a thorough discussion the Working Party agreed that the case should be considered under the provisions of Article XXIII rather than those of Article XXV and that special consideration should be given to the difficulties with which Ceylon is faced at this time. In the light of these difficulties the Working Party unanimously decided to recommend the adoption by the CONTRACTING PARTIES of the resolution as follows:

"THE CONTRACTING PARTIES

Having considered the reservation made by the Government of Ceylon at the time of the signing of the Protocol of Provisional Application of the GATT, and

Taking note of the reference of the matter to the CONTRACTING PARTIES by the Government of Ceylon and the statement of its representative expressing the readiness of his Government to re-open negotiations with any of the other contracting parties in respect of the tariff items concerned at any convenient time and place,

Recommend under Article XXIII that the Government of Ceylon renegotiate with the contracting parties concerned not later than during the tariff negotiations, which are expected to commence in April 1949, and use its best endeavours to achieve a satisfactory adjustment."

In recommending the adoption of this resolution the Working Party wishes to express its opinion that the case of Ceylon was considered in the light of the present special difficulties of this country and should not serve as a precedent for other cases which should be treated in accordance with the particular circumstances.