M. LECHUER is happy to state that his Government has authorized him to accept the proposal of the representative of the United States, it being understood that the French plan retains its world-wide scope.

The American proposal concerned the setting up of a sub-group consisting of European countries and the United Kingdom and Canada which would undertake the study of the plan from the point of view of its application to the more highly industrialized countries.

The sub-group would then report the results of its work to the Intersessional Working Party which would examine the conditions under which the French plan could be applied to other contracting parties.

In fact, the possibility of waivers in favour of certain countries is already envisaged in the French proposal. France is perfectly aware that the plan in its present form could not be applied without some adjustment to countries with tariffs of a purely revenue character or in which industries in course of development need to be specially protected.

France is prepared to agree that the measures provided for in paragraph 3 of the plan could and should be made much more flexible. The Intersessional Working Party should determine the scope and nature of the readjustment called for.

Furthermore, it is agreed that the sub-group of highly industrialized countries would not have to deal with this matter and that its study should be strictly limited to the examination of the French plan from the point of view of its application to themselves.

The French delegation is of the opinion that the above indications will allay the fears expressed by delegations from under-developed countries.