
1. Negotiations under Article XXVIII: The Tariff Negotiations Working Party has given further consideration to the procedure for notifications under Article XXVIII, as indicated in paragraph 3 of its first report. The Working Party recommends that those delegations, which inform the Secretariat, not later than 6 October, that they intend to enter into negotiations under Article XXVIII, should at the same time indicate the items respecting which they intend to modify the concessions provided for in their schedules, the details of the proposed modifications and the compensatory adjustments with respect to other products which they are prepared to offer to the countries concerned. A notification is to be addressed to the countries with which the concessions were originally negotiated and also as far as possible to the other contracting parties believed to be substantially interested; 40 copies of each notification are to be sent to the Secretariat for distribution to other delegations.

If any delegation is not in a position to furnish these details on or before 6 October, it should present such information as it can, for example, a listing of the commodities involved and indicate, if possible, the date on which it expects to be able to complete its preparation of details. It should also inform the Tariff Negotiations Working Party of the reasons for the delay and be prepared to discuss this matter with the Working Party. Special circumstances which are thought to warrant special treatment should be referred to the Working Party for consideration.

The Tariff Negotiations Working Party further recommends that any delegation should be entitled to postpone the opening of a negotiation until the other party to the negotiation has complied with the procedures required for notifications under Article XXVIII and to bring the question before the Tariff Negotiations Working Party.

2. Opening of Negotiations: In addition to the 74 initial meetings for the opening of negotiations, which were recorded in its first report, the Working Party has arranged for the opening of 17 negotiations, making a total of 91 to be commenced in the month of October. A consolidated list is attached as Annex A to this Report.

3. The Situation in respect of negotiations with Korea: The representative of Korea stated that owing to events in his country during recent months, the preparations of his Government for participation in the Torquay Conference had been delayed. However, it was expected that representatives would be sent to Torquay to open negotiations in November.

4. The Status of the German tariff: A representative of the German delegation made a statement on the German customs tariff. The text of the statement appears as Annex B to this report. Questions arising out of this statement will be discussed by the Working Party at a later meeting.
ANNEX A

PROGRAMME OF NEGOTIATIONS

3 October
- Austria - Sweden
  Benelux - U. States
  Finland - Norway
  Italy - Turkey
  Peru - U. States

4 October
- Finland - Turkey
  Italy - Peru
  Italy - S. Rhodesia

5 October
- Austria - Italy
  Benelux - Turkey
  Finland - U. of South Africa
  Norway - Peru
  Peru - Sweden

6 October
- Canada - U. States
  Czechoslovakia - Peru +
  Finland - U. of South Africa
  Peru - U. Kingdom
  S. Rhodesia - Sweden
  Sweden - U. of South Africa

7 October
- Austria - Greece +
  Canada - Peru
  Czechoslovakia - Turkey
  Norway - S. Rhodesia

9 October
- Austria - U. of South Africa
  Canada - Sweden
  Germany - Turkey
  Italy - Philippines
  Turkey - U. Kingdom

10 October
- Austria - U. States
  Benelux - France
  Finland - France
  New Zealand - Turkey
  Sweden - U. States

11 October
- Austria - Benelux
  Austria - Canada
  Czechoslovakia - Indonesia +
  Indonesia - Norway

12 October
- Austria - Dominican Rep.
  Austria - Turkey
  Finland - Germany

14 October
- Austria - France
  Dominican Rep. - Sweden
  Greece - Turkey

16 October
- Australia - India
  Austria - Norway
  Canada - India
  France - Turkey
  Germany - U. States

17 October
- Austria - Indonesia
  Canada - Dominican Rep.
  Czechoslovakia - France
  Norway - U. States
  Sweden - Turkey

* Subject to confirmation.
<table>
<thead>
<tr>
<th>Date</th>
<th>Participants</th>
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<tr>
<td>18 October</td>
<td>Dominican Rep. - France, India - Norway</td>
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<td>19 October</td>
<td>Australia - Austria, India - Turkey, Italy - U. of South Africa</td>
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<td>Australia - Philippines, Austria - U. Kingdom, Dominican Rep. - U. States</td>
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<td>Benelux - Canada, Austria - Pakistan, Germany - New Zealand</td>
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<td>Australia - U. States, Austria - Germany, Brazil - France, Brazil - U. States</td>
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<td>27 October</td>
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</tr>
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<td>30 October</td>
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</tr>
<tr>
<td>31 October</td>
<td>Canada - Turkey, Germany - Greece +</td>
</tr>
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</table>

+Subject to confirmation.
ANNEX E.

The Status of the German Tariff


In the 4th session of the GATT-countries at Geneva in spring of this year the German Delegation - on the 26th of February, made the following declaration:

1) that the Federal Government would do its utmost to submit to other representatives by the middle of May, 1950, their draft customs tariff, approved by the Government;

2) that the Federal Government would endeavour to obtain approval of the draft customs tariff by their legislature by the beginning of the Tariff Negotiations in September.

I wish to state that these obligations have been fulfilled.

Let me show you in a few words the status of the matter.

When in September 1949 the Federal Government of Germany had been created, one of her first decisions was to establish a new tariff. This decision was already taken on 11th of October, 1949. The work on the new tariff was started under difficult conditions, as you will understand, owing to the fact that Government and Administration had only just been created.

I do not intend to explain to you in detail all the difficulties we had to overcome, to mention only that we had an old tariff based on a scheme of 1902 which was no longer actual. On the other hand we based our work on the recommendations of the Brussels Customs Union Study Group, which meant for us a change from the specific duties - which we had before - to ad valorum duties. All this was done in the very short time of 5 months.

So we succeeded in fulfilling point 1) of the afore-mentioned declaration by handing over to the participating countries the German Draft Tariff in time, on 15th of May, 1950.

It was also undertaken to fulfill the 2nd promise which the Government gave to the GATT-countries. The Federal Cabinet has in the meantime approved of the draft and introduced it to the Parliamentary Institutions. The Bundesrat (a kind of 2nd chamber) has already approved of it. The Bundestag, the main legislative body of our Democracy, has been seized in September, immediately after the parliamentary vacations. A special committee for the dealing with this proposal was put up and has already started its work. But it will be clear to you that this law which is so vitally important for foreign trade and by this for the whole German economy cannot be scrutinised without hearings. So it will take some time until this work will be achieved. But we hope that at the end of this year or the beginning of the next year we will have the final law.

This, gentlemen, is the actual status of the German Tariff. I think we have done our utmost. I do hope that you will admit the German Tariff Draft as the basis of the negotiations - considering the special difficulties the Federal Republic had to overcome in preparing her participation at this conference.