Summary Record of the Fourth Meeting of the Tariff Negotiations Committee

held at the Marine Spa on Thursday, 1 November 1950, at 3.30 p.m.

Chairman: The Honorable L.D. WILGERESS (Canada)


The CHAIRMAN expressed to the Head of the Swedish Delegation the condolences of the contracting parties on the bereavement suffered by Sweden. Mr. Gisle (Sweden) thanked the Chairman for his words.

1. Consideration of Acceding Governments' Contributions to the Expenses of the Torquay Conference (GATT/TN.2/20)

The CHAIRMAN, recalling the decision of the Contracting Parties at the Fourth Session to request acceding governments to participate in the expenses of the Torquay Conference, proposed, and the Committee agreed, that the Executive Secretary be instructed to approach the delegates of Austria, Germany, Korea, Porto, Philippines, Turkey and Uruguay and to make the practical arrangements for the implementation of that decision.


Dr. Van BLANKENSTEIN (Netherlands), Chairman of the Tariff Negotiations Working Party, presenting the Report, pointed out that the figures of negotiations at present in progress or scheduled were considerably lower than had been expected. The Working Party had set itself the task of investigating the situation and had found that the negotiations under Article XXVIII were perhaps the main cause of delay. The scope of those negotiations had increased beyond all expectations and many initial meetings already scheduled had, in consequence, been postponed "sine die". There were of course other reasons, such as the delay in submitting request lists to other participating governments which had prevented the latter from arriving at Torquay with completed preparations.

An examination of the notifications under Article XXVIII had shown that several hundred items were involved, each item being counted as many times as it had been negotiated - and that some sixty negotiations would have to take place on this matter alone.
The third section of the Report contained recommendations for the accession of Uruguay under the Annex Protocol.

The fourth part of the Report dealt with the situation of Nicaragua, Lebanon and Syria, which were not represented at the Conference, and the fifth with a reservation by Pakistan on action under Article XXVIII.

The Chairman, thanking Dr. Van BLAANKSTEIN, said they had before them a Report of a depressing character. A serious situation had arisen to which the Committee should give its full consideration because all would be agreed on the importance of accelerating the negotiations. It was well known from experience that tariff negotiations lasted a long time, but ample arrangements had been made and, if steps were not taken to remedy the situation, the conference might go on even beyond the foreseen six months. At Geneva and at Annecy there had been some initial hesitations and it had taken some little time to get under way, but after four weeks, considerable progress was apparent. Whereas it had been anticipated that some three hundred negotiations would take place at Torquay and that it would be possible to schedule some two hundred in the first month, it was very disturbing to find such a lack of definiteness on the dates on which delegations would be able to initiate negotiations. He had heard that some countries invoked the late submission of requests, but he would ask delegations not to make undue appeal to this excuse. Most serious of all were the negotiations under Article XXVIII.

At the Fourth Session of the Contracting Parties it had been realized that the subject was a difficult one, and consequently very careful consideration had been given to the matter, the necessary instruments had been drawn up with care and the Contracting Parties had unanimously passed a resolution in which it was recommended that "each contracting party take the necessary steps to be in a position at the conclusion of the Torquay negotiations to prolong until January 1, 1954, the assured life of those schedules of concessions as they would appear in the light of the Torquay negotiations". It was of course recognized that this resolution would not be fully binding on all contracting parties in that it would not preclude resort to Article XXVIII, but it was now apparent that at least some 60 negotiations would have to be held on this matter alone. This exceeded all expectations and he would welcome a general discussion at the present meeting. The Report would then be examined section by section.

Mr. LACARTE (Uruguay) agreed, and thought that all members of the Committee would agree, with the Chairman's words. He proposed that the Committee give contracting parties some 10 or 15 days in which to decide which negotiations could be expected to take place and which could not. At the end of that period, or before, each delegation should communicate the dates for the initiation of negotiations.

The Chairman pointed out to the representative of Uruguay that the report before them indicated the date of 3 November as a date within which delegations should communicate with the Secretariat informing them of the dates arranged for initial meetings. As it was impossible, in view of the number of delegations present, for the Secretariat to canvass all, he thought it would be best if each delegation sent a communication directly to the Secretariat.

Mr. SVEINBJORNSSON (Denmark) also expressed his agreement with the Chairman, but did not think any government would like to keep their delegations too long at the present conference. There were however some good reasons - even after allowance had been made for the delay caused by modifications under Article XXVIII - which contributed to the delays. The Chairman of the Working Party had mentioned one, and he thought it should be borne in mind that the present negotiations were more difficult than the earlier ones because progress was bound to be slower as the field narrowed.

Mr. HERRERA ARANGO (Cuba) also wished to express his agreement with the Chairman, but thought that in the case of several delegations the
delay was caused by preparations being made for speedy negotiations to follow. It was important that a good basis should be laid before embarking on these negotiations and he hoped to be able in the case of his own delegation to schedule meetings in the next few days.

The CHAIRMAN, before proceeding to an examination of the report section by section, submitted a proposal relating to certain objectives to be attained, as follows:

1) the negotiations with the acceding governments should be completed by December 22, 1950;
2) all negotiations arising out of notifications under Article XXVIll should be completed by December 22, 1950;
3) all other negotiations not yet scheduled should be scheduled by November 20, 1950.

Replying to a question by Mr. CALDAGLI (United Kingdom), the CHAIRMAN said that the essence of his proposal was the setting of objectives for the scheduling of all the meetings which were being held up by negotiations under Article XXVIll. If any meeting could not be scheduled because of delays due to withdrawals or modifications under Article XXVIll then the reason should be given.

Dr. Van BLARDSTEIN (Netherlands) wished to support the proposal of the Chair but had some misgivings about the negotiations with acceding governments. His delegation had scheduled meetings with one acceding government which were to begin on November 16 and it was not likely that that particular negotiation could be finished before December 22. In another case negotiations were being interrupted because some members of the other delegation would be leaving Torquay and would not return until January.

Mr. GARCIA OLDINI (Chile) said that the difficulties outlined by previous speakers were evidence of the difficulty of fixing dates for the completion of negotiations. The negotiations under Article XXVIll, which at the Fourth Session had been thought to be insignificant, had now assumed a considerable value and the relationships between these negotiations and the negotiations for which the present conference had been convened was a complicated one. It was too difficult to see very clearly how quickly these matters could be cleared, but in his opinion there was no reason for concern. It was the experience of all who had participated in earlier tariff negotiations - which are in actual fact much less complicated than the present - that at some stage or other progress had seemed to be very slow and these negotiations had suffered from waves of pessimism which the results as we know them had shown to be unjustified.

Mr. DI NOLA (Italy) could agree with the Chairman's third proposition, which asked participating governments to notify the dates for initial meetings by November 20, but he did not think this would leave sufficient time to conclude certain important negotiations with acceding governments. He quoted the example of their negotiations with Germany which were scheduled to begin on November 10. This date had been chosen because the last list presented by Germany had been received only a month ago. If the conference was to go on beyond December, he saw no reason why a limit should be set to certain negotiations which, as was the case with Italy and Germany, were of paramount importance. He also found it difficult to accept December 22 for the completion of the negotiations under Article XXVIll, because such negotiations were not easily separable from the others. The fact had to be borne in mind that the Torquay Conference was much more important than the earlier ones. At Torquay, they had not only tariff negotiations with a greater number of participants than before, but they were also concerned with a revision of the work done at previous conferences. The unforeseen increase in the scope of this revision made any comparison of this with previous conferences impossible. While he therefore agreed with the proposal that all outstanding negotiations
be scheduled by November 20 but he did not believe the other two proposals were acceptable.

Mr. CASDAGLI (United Kingdom) expressed agreement with the delegates of the Netherlands and of Italy with regard to acceding governments. While he could accept the date of December 22 for the completion of negotiations under Article XXVIII, he could not see the possibility, in the case of at least one acceding government, of concluding by December 22, as the negotiation itself would not begin until November 28. In any case, he was not clear about the advisability of singling out the acceding governments, because in his opinion the negotiations with these delegations were more difficult than the others.

Mr. LACARTE (Uruguay) thought there was general agreement on the proposal to schedule all outstanding negotiations by November 22 and suggested that the date might be advanced to November 15.

M. LECUER (France), while appreciating the difficulties, thought there was no reason for excessive pessimism. He hoped he could finish the Article XXVIII negotiations before the end of the year, but suggested that any negotiations unfinished by that date be brought before the Working Party for investigation.

Dr. Van BLANKENEN (Netherlands) said he could not agree with the proposal of France if that meant that the Working Party would be precluded from investigating the situation earlier than the date mentioned.

M. LECUER (France) said he did not mean to limit the sphere of competence of the Working Party; no contracting party would refuse to appear before it, any time it might be summoned.

The CHAIRMAN felt they had had a very useful discussion of the problem and of his proposals. These proposals, which he would submit to the Committee in an amended form, were in the nature of objectives. Further, he wished to emphasise the fact that they were engaged in multilateral negotiations and that the Working Party should at all times be kept fully informed of the progress of the negotiations and of any hitches. Only in this way would the Working Party be enabled to fulfil its function of steering and overseeing the negotiations. His amended proposals were as follows:

1) Negotiations with acceding governments should be actively pursued and as many as possible be concluded by January 31,
2) Every effort should be made to complete negotiations arising out of notifications under Article XXVIII by December 22; and
3) Other negotiations should be scheduled before November 15.

Mr. NETOLO (Brazil) said his delegation had come to Torquay prepared for negotiations under Article XVIII and for new negotiations, but a country like his which had a very low tariff, found itself in a very difficult bargaining position because it had little to offer. For this and for other reasons, he felt that a much better purpose would be served if these two separate sets of discussions could be served and carried on simultaneously. He would not say that this separation was the only cause of delay, but he knew that it was so in the case of his country and urged the consideration of his point.

The CHAIRMAN felt it would be difficult to accept the proposal of the representative of Brazil because the delegates, in accordance with the principles laid down at the Fourth Session at Geneva, had come to the Torquay negotiations in the belief that the existing schedules, with few exceptions, would be revalidated. The negotiations under Article XVIII had been kept apart from the others because, as the report of the Working Party showed, this
was felt to be the chief difficulty. In connection with a remark by the representative of the United Kingdom, that negotiations with acceding governments were more difficult than others, he would say that in one respect at least they were simpler: they were not in fact concerned with modifications under Article XXVIII. For this reason he urged that negotiations with acceding governments be actively pursued.

The amended proposals of the Chairman were accepted by the Committee.

The Chairman then proceeded to submit to the approval of the Committee the report, section by section. Sections I, II and III were approved. The Committee also took note of Sections IV and V.

The report of the Working Party as a whole was approved.

The meeting rose at 5.35 p.m.