ADVANCE AGENDA FOR THE TENTH SESSION

The principal purpose of the meeting of the Intersessional Committee commencing on 22 September is to consider what matters are likely to arise at the Tenth Session of the CONTRACTING PARTIES commencing on 27 October and to examine the adequacy of the documentation available.

The following is a list of the items which should appear on the Provisional Agenda including those proposed by contracting parties. According to Rule 2 of the Rules of Procedure, contracting parties may propose additional items up to 27 September.

ADOPTION OF AGENDA AND ORDER OF BUSINESS

The first item of business at each session is the consideration and approval of an agenda. A programme for dealing with the items on the Agenda has been suggested (L/399).

ELECTION OF CHAIRMAN AND VICE-CHAIRMEN

The terms of office of the Chairman and the Vice-Chairmen will expire on 28 October. Therefore the election of officers should be held not later than the second day of the Session.

PLANS FOR TARIFF REDUCTION

The report of the Intersessional Working Party on Tariff Reduction, recommending that the CONTRACTING PARTIES convene a tariff negotiations conference commencing on 18 January 1956, will be submitted to the Session.

COMMODITY PROBLEMS

The Working Party on Commodity Problems, appointed on 22 December 1954, is holding its second meeting. Its report will be submitted to the Session.
5. **RESTRICTIVE BUSINESS PRACTICES**

This question was considered at the Ninth Session by Review Working Party IV which recommended that further consideration be postponed (3rd S, p.239). In L/384 the Executive Secretary reports that the Secretary-General of the United Nations has not reported to the Economic and Social Council as to the organization which could most appropriately implement the proposals formulated by its committee on restrictive business practices, and that the council has not proceeded with the promotion of an international agreement; he suggests that, since the question of the appropriate body to administer such an agreement does not arise at the present time, the CONTRACTING PARTIES may wish to delete this item from the Agenda.

6. **GATT/FUND RELATIONS**

It was agreed at the Ninth Session (3rd S, p.195) that the discussion of relations with the International Monetary Fund would be resumed at the Tenth Session. In L/398 the Executive Secretary states that the Fund staff and the GATT secretariat require more time for consultation before he can report either on arrangements for discussion of trade matters which have implications for exchange policy and on the trade effects of exchange matters under Fund consideration or on procedures for ensuring the maximum practicable degree of co-operation between the two staffs on matters of mutual concern to the CONTRACTING PARTIES and the Fund. Further, the Executive Secretary suggests that consultation with representatives of the Fund to prepare a joint draft of a formal agreement between the Fund and the proposed Organization for Trade Co-operation cannot usefully take place until the entry into force of the Agreement establishing the Organization for Trade Co-operation can be foreseen with a reasonable degree of certainty. For these reasons, the Executive Secretary suggests that the CONTRACTING PARTIES may wish to defer further substantive discussion on GATT-Fund relations until the Eleventh Session.

7. **BALANCE-OF-PAYMENTS IMPORT RESTRICTIONS**

(a) **Consultation with Australia under Article XII:4(b)-**

The Working Party appointed by the Intersessional Committee to conduct a consultation with Australia (IC/SR.19) was instructed to submit its report to the CONTRACTING PARTIES. The consultation was "satisfactorily concluded" and the Working Party's report has been distributed (L/370).

(b) **Consultations under Article XIV:1(g)-**

Five contracting parties - Australia, Ceylon, New Zealand, Rhodesia and Nyasaland and the United Kingdom - have initiated consultations with the CONTRACTING PARTIES and deviations from the provisions of Article XIII in the application of import restrictions under Article XI

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1 The abbreviations "Vol II", "3rd S", etc., refer to the volumes and supplements of the Basic Instruments and Selected Documents.
(L/360). The International Monetary Fund has agreed to consult with the CONTRACTING PARTIES pursuant to Article XV:2 in connexion with these consultations.

(c) Sixth Annual Report under Article XIV:1(g) -

Contracting parties having recourse to Article XIV were asked to submit an up-to-date answer to the balance-of-payments questionnaire by 27 July; answers have not yet been received from the Governments of Austria, Brazil, Burma, Chile, Denmark, Italy, New Zealand, Pakistan, Turkey and Uruguay. A draft of the annual report on the discriminatory application of restrictions is being prepared and, if possible, will be distributed before the opening of the Session.

(d) Procedures for Consultations and Report under Article XIV:1(g) in 1956 -

At each regular session the CONTRACTING PARTIES have referred the question of procedures for the ensuing year to the working party appointed to conduct the consultations and to prepare the annual report on discrimination.

REPORTS AND CONSULTATIONS UNDER WAIVERS

(a) European Coal and Steel Community (1st S, p. 17) -

At the Ninth Session it was agreed that the Third Annual Report by the member States on "the measures taken by them towards the full application of the Treaty" should be circulated at least three weeks before the opening of the Session, i.e. by 6 October. It was also agreed that contracting parties wishing to address requests for additional information to the member States, or to the High Authority, should send their requests in writing to the Executive Secretary at least one week before the opening of the Session so that written answers may be made available before the report is referred to a working party. Further, it was agreed at the Ninth Session that a note along the same lines as last year should be prepared by the Executive Secretary; this is being prepared and will be distributed shortly after the report by the member States.

(b) Czechoslovakia/Article XV:6 (3rd S, p.43) -

The Government of Czechoslovakia has advised that the information to be submitted under the provisions of paragraph 2 of the Decision of 5 March 1955 is being prepared. The International Monetary Fund has agreed to consult with the CONTRACTING PARTIES pursuant to Article XV:2 in this connexion.
(c) New Zealand/Article XV:6 (3rd S, p.42) —

On 11 July the Executive Secretary asked the Government of New Zealand if it would be in a position to submit a report as required by paragraph 3 of the Decision of 20 January 1955. The New Zealand Government replied that it had not taken any action in exchange matters which would have had to be reported had New Zealand signed a special exchange agreement. Telegrams were then exchanged: the Executive Secretary gave his opinion that paragraph 3 of the waiver relates inter alia to Article XI:3 of the special exchange agreement and that New Zealand should therefore submit annual reports on "transitional" restrictions still in force, but the New Zealand Government replied that it disagrees with this interpretation and will discuss the matter at the Tenth Session if necessary. The International Monetary Fund has agreed to consult with the CONTRACTING PARTIES pursuant to Article XV:2 in this connexion.

(d) Australia/Papua-New Guinea (2nd S, p.18) —

The Second Annual Report by the Government of Australia (I/396) records that the waiver was invoked since the Ninth Session on one occasion. (See also item 15.)

(e) Italy/Libya (1st S, p.14 and 3rd S, p.21) —

The third Annual Report by the Governments of Italy and Libya have been distributed (I/401 and I/393). Under the Decision of 9 October 1955 the CONTRACTING PARTIES are to "review the situation" before the waiver expires on 31 December 1955. The Government of Italy has advised that it will request an extension of the waiver.

(f) United Kingdom/Article I (2nd S, p.20 and 3rd S, p.25) —

The Second Annual Report by the Government of the United Kingdom on action taken under the waiver is to be submitted before the opening of the Session.

(g) United Kingdom/Dependent Overseas Territories (3rd S, p.21) —

The First Annual Report by the Government of the United Kingdom on action taken under the Decision of 5 March 1955 is to be submitted not later than 29 September.

(h) United States Agricultural Adjustment Act (3rd S, p.32) —

A report on the modification or removal of restrictions, on the restrictions in effect under Section 22 of the Agricultural Adjustment Act, and on steps taken to solve the problem of agricultural surpluses is to be submitted by the United States Government before the opening of the Session. (This report will, presumably, include the report required under the Resolution of 5 November 1954 — 3rd S, p.45.)
CUSTO\VT ADMINISTRATION

(a) Consular Formalities -

Reports by contracting parties which maintain consular formalities in connexion with trade documents, on steps taken towards the abolition of consular invoices and visas (in accordance with the recommendation that these should be abolished by 31 December 1956), were due by 1 September. (1st S, p.25 and 101 and 3rd S, p.91). Statements by France, Sweden and the United States have been distributed (L/400 and Add). Other contracting parties which should submit reports are Brazil, Ceylon, Chile, Cuba, Dominican Republic, Greece, Haiti, Indonesia, Nicaragua, Peru, Turkey and Uruguay.

(b) Nationality of imported Goods -

At their Ninth Session the CONTRACTING PARTIES decided to continue their study of this question and to include this item on the Tenth Session Agenda (3rd S, p.94 and SR.9/40). This proposal was put forward by representatives of Austria, France, Germany and Italy, and the Executive Secretary has asked these Governments whether they have any new proposals to submit to the Session.

(c) Samples Convention -

Reports on acceptances etc. of the International Convention to Facilitate the Importation of Commercial Samples and Advertising Material have been distributed (L/253 and Add.1 - 6). Twelve governments have acceded, but fifteen accessions are required before the Convention can enter into force.

10. COMPLAINIS

(a) Brazilian internal Taxes -

It was reported to the Ninth Session (SR.9/27) that a Bill was under consideration by the Brazilian Congress whereby this matter would be settled in 1955.

(b) French Special Temporary Compensation Tax on Imports -

The Decision of 17 January 1955 (3rd S, p.26) calls upon the French Government to report to the Intersessional Committee on measures taken to implement its undertaking and the recommendation of the CONTRACTING PARTIES as recorded in that decision. The first report (L/366) was received by the Committee at its meeting in June, and a second report has been distributed (L/406 and Add). This question is to be reviewed at the Tenth Session "in the light of progress achieved in carrying out the aforesaid undertakings of the French Government and recommendation of the CONTRACTING PARTIES".
(c) French Stamp Tax -

A complaint by the United States against an increase in the French stamp tax on imports was withdrawn from the Ninth Session Agenda (SR.9/28). Since then the tax has been further increased and the United States Government has again requested the inclusion of this item on the Agenda (L/379/Add.3).

(d) German Discrimination in Coal Imports -

At the Ninth Session the representatives of the United States and Germany reported that their Governments would continue consultations in the hope of reaching a settlement; it was agreed that the item be retained on the Agenda for the Tenth Session.

(e) Italian import Duties on Greek Cotton -

Item proposed by the Government of Greece.

(f) Swedish anti-dumping Duties -

The Government of Sweden has advised (L/386) that the regulations which were the subject of a complaint by the Government of Italy at the Ninth Session (3rd S, p.81) have been abrogated. This appears to dispose of the complaint.

(g) United States export Subsidy on Oranges -

At the Ninth Session (SR.9/40) the Italian and South African representatives reserved the right to revert to this matter at the Tenth Session if no satisfactory adjustment should result from their consultations with the Government of the United States.

11. SOUTH AFRICA/SOUTHERN RHODESIA CUSTOMS UNION (Vol.II, p.29)

Under the Decision of 17 November 1954 (3rd S, p.47) the CONTRACTING PARTIES are to "review the situation i the light of the specific proposals" to be submitted by the two Governments. The Customs Union (Interim) Agreement was terminated on 1 July 1955 (L/345) and a new trade agreement between the Federation of Rhodesia and Nyasaland and the Union of South Africa entered into force on the same date (L/381 and Add.1).

12. CUSTOMS TARIFF OF THE FEDERATION OF RHODESIA AND NYASALAND

(a) Replacement of Schedule XVI -

The modification of the bound rates on five items in Schedule XVI, in connexion with the introduction of the new Federal tariff was reported in L/376. The Government of Rhodesia and Nyasaland has proposed that Schedule XVI, with the exception of the five items, be regarded as the new Schedule for the Federation (L/407).
Consideration of the new Tariff in relation to the Provisions of Article XXIV, including:

(i) the general level of the most-favoured-nation duties,
(ii) the changes in preference margins; and
(iii) the trade agreement with Australia (L/394).

Regarding the description of this sub-item (as proposed in L/379/Add.1), the Government of the Federation writes: "We must again emphasize that the Federation is not a customs union in terms of Article XXIV and that neither this nor any other provision of the General Agreement specifically covers our situation. However, as recorded in L/293, we have recognized the general relevance of the broad principles of Article XXIV and therefore consider that sub-item (b) should read: 'Consideration of the new Federal tariff, as modified by agreements, in relation to the Working Party Report, L/293, at the Ninth Session'. We consider that the territorial and Federal tariffs and the texts of the trade agreements constitute all relevant documentation."

With reference to the adjustment of tariff preferences the Executive Secretary wrote to the Federal Government on 4 August:

"Under paragraph 9 of Article XXIV any adjustment of tariff preferences should be carried out by means of negotiations with contracting parties affected, and the Working Party at the Ninth Session expressed its understanding (paragraph 3 of L/293) that the Government of the Federation, in submitting its new tariff, would indicate "the situation which it considers should exist with respect to the binding of margins of preference". For the information of the CONTRACTING PARTIES, as envisaged in paragraph 7(a) of Article XXIV, it would be appreciated if you would furnish details of the changes that have been made in the preferences in force in the component territories of the Federation. The CONTRACTING PARTIES will no doubt wish to have this information for its consideration of the matter during the Tenth Session."

The Federal Government replied on 10 September:

"The Federation has, as its representative reported at the Ninth Session, paid due regard to the principles of Article XXIV in framing its new Tariff. The task of framing this new tariff, reconcile different preferential and fiscal systems which have hitherto existed in the constituent territories of the Federation, is clearly so extensive that details of the changes, such as you have requested are only obtained by comparison of each individual item of the tariff with the rates previously applicable in each of
the territorial tariffs. This would be a major exercise to little
purpose, and my Government feels that its obligation to furnish
information is fully discharged by submission of the complete tariff
which can then be compared with the former territorial tariffs by
interested contracting parties. The Federation's representatives at
the Tenth Session will, of course, be able to meet requests for
information regarding specified tariff items in which individual
contracting parties may be interested."

13. NICARAGUA/EL SALVADOR FREE-TRADE AREA

was due on 30 June. A letter was sent to the Government of Nicaragua on
26 July reminding them of the additional information which, it had been
agreed at the Ninth Session (SR.9/6), should accompany the fourth report.

14. REQUESTS FROM BELGIUM AND LUXEMBURG FOR WAIVERS FROM ARTICLE XI

The requests submitted by Belgium and Luxemburg have been examined
by the Intersessional Committee and a report has been distributed (L/372).
The Committee considered that it did not have sufficient information to
enable it to deal with the Belgian request and recommended that these
two requests should be considered by the CONTRACTING PARTIES early in
the Tenth Session. The Committee invited the Belgian Government to
submit supplementary information by 1 September. The data submitted by
Belgium are being distributed (L/357/...dd, 3, 4 and 5). The Committee
suggested that the Luxembug Government might also be able to furnish
additional information and documentation.

15. REQUEST BY AUSTRALI. FOR WAIVER ON PRODUCTS OF PAPUA-NEW GUINEA

The Australian Government has asked for a waiver under the terms of
Article XXV:5 to accord duty-free treatment to certain products of
Papua-New Guinea. (L/375). The report submitted under the Decision of
24 October 1953 (L/396) contains statements in support of this request.

16. REQUEST BY HAITI FOR EXTENSION OF WAIVER UNDER ARTICLE XVIII

The Decision of 27 November 1950 (2nd S, pp.27 and 87) granting a release
to Haiti under Article XVIII:12 relating to the import of tobacco will
expire during the Tenth Session. The Government of Haiti has asked that
the CONTRACTING PARTIES consider a renewal of this waiver under Article
XVIII:8(b), (L/379/...dd.2).

17. VOTES REQUIRED FOR GRANTING WAIVERS

At the Ninth Session the Cuban delegation enquired whether a waiver from
the obligations of an article which requires unanimity for its amendment
can be granted by two-thirds of the contracting parties. It was agreed
that this question should appear on the Agenda of the Tenth Session
(SR.9/47). A note by the Executive Secretary has been distributed (L/403
EXTENDED USE OF PANELS

During the review of the Agreement at the Ninth Session the CONTRACTING PARTIES discussed a proposal for the appointment of qualified panels to conduct consultations under the balance-of-payment provisions, to consider complaints lodged under Article XXIII and to deal with other commercial policy matters which are the subject of regular reports (3rd S, p. 247). In another context the attention of the CONTRACTING PARTIES was called to the question of making improved arrangements for the competent and speedy conduct of balance-of-payment consultations in order to make them more effective (3rd S, p. 179). In both cases the Executive Secretary was invited to consider the problem further and to put forward proposals for consideration at the Tenth Session. A note by the Executive Secretary has been distributed (L/392) suggesting that the CONTRACTING PARTIES might find it worth while to experiment on a broader basis with the panel technique.

STATUS OF AGREEMENT AND PROTOCOLS

(a) Definitive application of the Agreement -

The Resolution of 7 March 1955 (3rd S, p. 48) has been approved by all contracting parties except Burma.

(b) Protocols of Amendment -

The Protocol Amending Part I and Articles XXIX and XXX has been signed by Canada, Greece and the United States; it has been signed ad referendum by Chile, Germany and the Netherlands.

The Protocol Amending the Preamble and Parts II and III has been signed by Canada and Greece and by the United States with a reservation; it has been signed ad referendum by Chile, Germany and the Netherlands.

The Protocol of Organizational Amendments has been signed by Greece and the United States; it has been signed ad referendum by Chile, Germany and the Netherlands.

A Note on errors in these Protocols has been distributed (L/378) and proposals for rectifying the texts will be submitted to the Session.

(c) The Agreement on the Organization for Trade Cooperation -

This Agreement has been signed by Greece; it has been signed ad referendum by Chile, Germany, the Netherlands, Turkey and the United States.

(d) Protocols of Rectifications and Modifications -

The Second Protocol dated 8 November 1952 has not entered into force as it lacks the signatures of Chile and Peru.

The Third Protocol dated 24 October 1953 has also not entered into force as it lacks the signatures of Chile, Nicaragua and Peru.
The Fourth Protocol dated 7 March 1955 has not been signed by Austria, Burma, Cuba, Czechoslovakia, Dominican Republic, France, Haiti and Peru, and the ad referendum signatures of Chile, Germany, Nicaragua and Turkey require confirmation.

(e) Protocol of Rectification to French Text -
This Protocol has been signed by eight contracting parties

(f) Declaration on the Continued Application of Schedules -
The Declaration of 10 March 1955 (3rd S, p. 30) has been signed without qualification by twenty-four contracting parties, while Austria, Brazil, Dominican Republic, Germany and Italy have undertaken to observe its provisions pending approval by their Parliaments (L/365 and Add.1 and 2). The ad referendum signature of Chile requires confirmation. The Government of Burma and Haiti have asked for extensions of the time-limit to enable their representatives to sign. Greece and Nicaragua have taken no action towards acceptance of the Declaration. The Government of the Federation of Rhodesia and Nyasaland has advised that it is necessary to reserve its position until adequate experience has been obtained of the working of the new tariff and therefore it cannot subscribe to the Declaration in its present form.

20. REGISTRATION OF INSTRUMENTS

In order to make it possible for the Secretary-General of the United Nations to register instruments deposited with the Executive Secretary, it is suggested that the CONTRACTING PARTIES adopt a resolution authorizing the Executive Secretary to act on their behalf in these matters (L/367).

21. ACCESSION OF JAPAN

By postal ballot the CONTRACTING PARTIES agreed unanimously on 11 August 1955 to the accession of the Government of Japan which became a contracting party on 10 September (L/390). A note on the entry into force of the Schedules annexed to the Protocol of Terms of Accession and on invocations of Article XXXV has been distributed (L/405).

22. RECTIFICATION AND MODIFICATION OF SCHEDULES

A fifth protocol is being prepared by the secretariat and contracting parties have been asked (L/382) to submit their requests for rectification by 30 September.

23. DISCRIMINATION IN TRANSPORT INSURANCE

A report by the Executive Secretary was considered at the Ninth Session (L/303 and SR.9/28). In preparation for further discussions at the Tenth Session, contracting parties were asked to examine the effects of government
laws and regulations on their trade so as to form an opinion as to the kind of international action that might be taken. Governments were advised that it would be helpful if they could submit their views and suggestions by mid-September (L/333). Thus far no suggestions have been received.

24. CHAIRMANSHIP OF ICCICA

The period of office of Sir Edgar Cohen, whom the CONTRACTING PARTIES nominated for the Chairmanship of the Interim Coordinating Committee for International Commodity Arrangements (SR.9/19) will expire on 23 October.

25. FINANCIAL STATEMENT AND BUDGET

(a) Financial statement for 1955

(b) Budget estimates for 1956

The financial statement and estimates will be distributed if possible before the opening of the Session.

26. RENEWAL OF ARRANGEMENTS FOR INTERSESSIONAL ADMINISTRATION

27. DATE OF THE ELEVENTH SESSION