REPORT OF THE WORKING PARTY ON ACCESSION OF ARGENTINA

1. The Working Party considered the request submitted by the Government of Argentina to accede to the General Agreement under the provisions of Article XXXIII.

2. At its first meeting it heard the replies of the Argentine delegation to questions asked by members in relation to Argentine commercial policy and regulations. The text of these questions and replies has been distributed in L/1335.

3. The Argentine representative indicated that the new customs tariff was in an advanced stage of preparation. When the draft customs tariff was completed it would require parliamentary approval before it could be put into force. Tariff negotiations for accession under Article XXXIII could only be undertaken when the new customs tariff had entered into force.

4. As it did not appear likely that this process would be completed in time for Argentina to participate in the 1960-61 Tariff Conference, it was proposed that the CONTRACTING PARTIES agree to the provisional accession of Argentina pending tariff negotiations which would be initiated at the earliest practicable opportunity after the entry into force of the new tariff.

5. The Working Party unanimously agreed to this proposal and accordingly prepared a draft Declaration on the provisional accession of Argentina and a draft Decision for the participation of Argentina in the work of the CONTRACTING PARTIES which are submitted to the CONTRACTING PARTIES for their approval. The text of these instruments which are based on the Declarations and Decisions adopted by the CONTRACTING PARTIES on previous occasions, with the necessary additions and amendments required to take account of the particular circumstances of the case is annexed to this Report. The Working Party recommends that before the end of the present session the CONTRACTING PARTIES adopt the draft Decision and open the draft Declaration for acceptance.

6. In view of the present uncertainty as to the date on which it will be possible to hold tariff negotiations for the accession of Argentina under Article XXXIII of the Agreement, the Working Party proposes to limit the period
of provisional accession until 31 December 1962. If at some stage in this period it should become clear that Argentina cannot complete the process of definitive accession by the date mentioned, the parties to this Declaration would review the situation, and, if necessary, could consider the extension of the validity of the Declaration.

7. (a) The Working Party examined the question of the preferences existing in Argentina's foreign trade and it took note of the replies given to the questions submitted by contracting parties which are reproduced in document L/1335. On this basis it drafted paragraph 1(d) of the draft Declaration.

(b) With respect to the base date for the purposes of paragraph 4 of Article I, the Working Party considered that this should be fixed at the time of Argentina's accession under Article XXXIII, and that during the period of provisional accession the provisions of paragraph 1(d) of the draft Declaration would be sufficient to protect the interests of third countries.

8. In recommending to the CONTRACTING PARTIES the approval of the Declaration and Decision the Working Party took into account the statements made by the Argentine delegation during the meeting of the Working Party concerning its commercial policy and which are reproduced in document L/1335
ANNEX

I. Participation of Argentina in the Work of the CONTRACTING PARTIES

Draft Decision

Considering that the Government of Argentina has made a request to the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade to accede to the General Agreement in accordance with the provisions of Article XXXIII and will be prepared to enter into tariff negotiations with contracting parties to that end as soon as its new customs tariff enters into force;

Considering the desirability of Argentina, an important trading country which is a signatory of the Montevideo Treaty, instituting the Latin American Free Trade Area currently being considered by the CONTRACTING PARTIES, being invited to accede provisionally to the General Agreement as a step towards its eventual accession pursuant to Article XXXIII;

Desiring that the Government of Argentina, pending its accession, shall be associated with the discussions and deliberations of the CONTRACTING PARTIES;

Noting that a number of contracting parties intend that, pending the accession of Argentina pursuant to Article XXXIII, commercial relations between them and Argentina shall be based upon the provisions of the General Agreement in accordance with the Declaration on the provisional accession of Argentina; and

Considering that the said Declaration requests the CONTRACTING PARTIES to perform certain functions comparable in nature to their functions under the General Agreement;

The CONTRACTING PARTIES Decide

1. To invite the Government of Argentina to participate in sessions of the CONTRACTING PARTIES and of subsidiary bodies established by the CONTRACTING PARTIES;

2. To accept such functions as are necessary for the operation of the Declaration referred to in the preamble to this Decision;

3. To make arrangements for tariff negotiations between contracting parties and Argentina as soon as practicable after the new Argentina Customs tariff enters into force;

This Decision shall continue in effect until the accession of Argentina to the General Agreement following tariff negotiations with contracting parties or until 31 December 1962 whichever date is earlier, unless the CONTRACTING PARTIES agree to extend it to a later date.
II. Provisional Accession of Argentina

Draft Declaration

The Government of Argentina and the other governments on behalf of which this Declaration has been accepted (the latter governments being hereinafter referred to as the "participating governments"),

CONSIDERING that the Government of Argentina on 21 September 1960 made a formal request to accede to the General Agreement on Tariffs and Trade (hereinafter referred to as the "General Agreement") in accordance with the provisions of Article XXXIII of the General Agreement, and that that Government will be prepared to conduct the tariff negotiations with contracting parties, which it is considered should precede accession under Article XXXIII, as soon as its new customs tariff enters into force,

CONSIDERING the desirability of Argentina, an important trading country which is a signatory of the Montevideo Treaty, instituting the Latin American Free Trade Area, currently being considered by the CONTRACTING PARTIES, being invited to accede provisionally to the General Agreement as a step towards its eventual accession pursuant to Article XXXIII:

1. DECLARE that, pending the accession of Argentina to the General Agreement under the provisions of Article XXXIII, which will be preceded by the conclusion of tariff negotiations with contracting parties to the General Agreement, the commercial relations between the participating governments and Argentina shall be based upon the General Agreement, subject to the following conditions:

(a) The Government of Argentina shall apply provisionally and subject to the provisions of this Declaration (i) Parts I and III of the General Agreement, and (ii) Part II of the General Agreement to the fullest extent not inconsistent with its legislation existing on the date of this Declaration; the obligations incorporated in paragraph 1 of Article I of the General Agreement by reference to Article III thereof and those incorporated in paragraph 2(b) of Article II by reference to Article VI shall be considered as falling within Part II of the General Agreement for the purpose of this paragraph.

(b) While Argentina under the most-favoured-nation provisions of Article I of the General Agreement will receive the benefit of the concessions contained in the schedules annexed to the General Agreement, it shall not have any direct rights with respect to those concessions either under the provisions of Article II or under the provisions of any other Article of the General Agreement.

(c) In each case in which paragraph 6 of Article V, sub-paragraph 4(d) of Article VII, and sub-paragraph 3(c) of Article X of the General Agreement, refer to the date of that Agreement, the applicable date in respect of Argentina shall be the date of this Declaration.
(d) Notwithstanding the provisions of paragraph 1 of Article I of the General Agreement, this Declaration shall not require the elimination by the Government of Argentina of any preferential treatment in respect of import duties or charges accorded by Argentina exclusively to one or more of the following countries: Bolivia, Brazil, Chile, Paraguay, Peru, and Uruguay; provided, however, that these preferences do not exceed the levels in effect on the date of this Declaration. Moreover, it shall not prevent the modification of such preferences accorded to Bolivia provided that the general level of such modified preferences does not differ substantially from the general level of the preferences accorded by Argentina to Bolivia on the date of this Declaration. Nothing in this paragraph will affect the right of Argentina to benefit from the provisions of the General Agreement relating to the formation of a free-trade area.

(e) The provisions of the General Agreement to be applied by Argentina shall be those contained in the text annexed to the Final Act of the second session of the Preparatory Committee of the United Nations Conference on Trade and Employment, as rectified, amended, supplemented, or otherwise modified by such instruments as may have become effective by the date of this Declaration.

2. REQUEST the CONTRACTING PARTIES to the General Agreement (hereinafter referred to as the "CONTRACTING PARTIES") to perform such functions as are necessary for the implementation of this Declaration.

3. This Declaration, which has been approved by the CONTRACTING PARTIES by a two-thirds majority shall be deposited with the Executive Secretary of the CONTRACTING PARTIES. It shall be open for acceptance, by signature or otherwise, by Argentina, by contracting parties to the General Agreement and by any governments which shall have acceded provisionally to the General Agreement.

4. This Declaration shall become effective between Argentina and any participating government on the thirtieth day following the day upon which it shall have been accepted on behalf of both Argentina and that government; it shall remain in force until the Government of Argentina accedes to the General Agreement under the provisions of Article XXXIII thereof or until 31 December 1962 whichever date is earlier, unless it has been agreed between Argentina and the participating governments to extend its validity to a later date.

5. The Executive Secretary of the CONTRACTING PARTIES shall promptly furnish a certified copy of this Declaration, and a notification of each acceptance thereof, to each government to which this Declaration is open for acceptance.

DONE at Geneva this day of November one thousand nine hundred and sixty, in a single copy in the French and English languages, both texts authentic.