TRADE RELATIONS BETWEEN YUGOSLAVIA AND CONTRACTING PARTIES
SIGNATORIES TO THE DECLARATION OF 25 MAY 1959

Procedures and Arrangements for the Third Review

1. Section C of the Declaration of 25 May 1959 on relations between contracting parties to the General Agreement and the Government of the Federal Peoples Republic of Yugoslavia provides that the CONTRACTING PARTIES should review each year "the development of mutual relations between Yugoslavia and other parties on the basis of this Declaration as well as the possibilities of further progress towards the full application of the provisions of the General Agreement".

2. In the course of the second review, completed at the nineteenth session in 1961, it was noted that, in accordance with the provisions of paragraph 3 of Part D of the Declaration of 25 May 1959, the CONTRACTING PARTIES would be required, in the course of the third annual review, to consider whether the present arrangement on relations between contracting parties and Yugoslavia should be terminated, modified or continued. The third review should, therefore, be more detailed than the previous ones, and more time should be allowed so that the important question of the future position of Yugoslavia in relation to GATT could be adequately examined. The CONTRACTING PARTIES accordingly instructed the Council to take up the matter well in advance of the twentieth session, at which the review would be concluded.

3. In the light of this, the Council at its meeting on 30 May 1962, appointed a working party to undertake this review with the following terms of reference and membership:

Terms of reference:

"To conduct the third annual review under Section C of the Declaration of 25 May 1959 on relations between contracting parties and Yugoslavia including consideration, pursuant to paragraph 3 of Section D of its Declaration, as to whether the arrangement should be terminated, modified or continued, and to report with recommendations to the CONTRACTING PARTIES at the twentieth session."
4. It was agreed that the Working Party should be convened to meet at an appropriate time so that its report and recommendations would be ready for consideration at that session.

5. The Council has also instructed the secretariat to prepare, in consultation with the Government of Yugoslavia and with other contracting parties signatories to the Declaration, a background document to serve as a basis for the deliberations at the Working Party. For this purpose contracting parties concerned are hereby requested to supply fresh information on the subjects to be covered in the review or to bring up to date the material which they supplied in 1961 for the previous review and which was reproduced in L/1594 and Add.1 and noted in the report of the last review in L/1664. It is suggested that such information should cover the period up to the end of June 1962 and should be sent to the secretariat by 15 August.