1. The intersessional arrangements adopted at the Seventh Session to operate in the interval until this Session have worked satisfactorily and it is suggested they be renewed for the period until the Ninth Session. Inter alia this would require the CONTRACTING PARTIES to reappoint the Ad Hoc Committee on Agenda and Intersessional Business with the same composition, provided that if any contracting party wishes to withdraw from membership, it may be replaced by another contracting party to be designated by the Chairman.

2. These arrangements appear adequate to enable the Intersessional Committee to carry out various functions to which reference has been made in the considerations of certain meetings at the present Session, e.g. preparatory functions in connection with the proposed review of the General Agreement, matters arising out of consultations regarding the application of the waiver in respect of Papua and New Guinea, and requests for re-negotiation, in exceptional circumstances, of bound rates of duty. In the latter case, however, if the CONTRACTING PARTIES accept the recommendation of Working Party I on Article XXVIII, it would be necessary for them to delegate to the Ad Hoc Committee, the powers to make decisions in such requests.

3. The procedures suggested by the United Kingdom for the application of the proposed waiver from the application of Article I presupposes the existence of machinery for speedy settlement of differences arising when the CONTRACTING PARTIES are not in session. The CONTRACTING PARTIES will therefore wish to consider what modifications in the existing intersessional procedures would be necessary for this purpose. It would seem that the best machinery for this purpose would be to arrange for the setting up of a body, similar to the Panel on Complaints which operated successfully during the Seventh Session. In other words, for each case as it arises the Chairman should appoint an ad hoc panel to perform the functions described in paragraphs (d) and (g) of the procedures proposed by the United Kingdom. Such panels should consist of a limited number of individuals drawn from countries not involved in the difference, and chosen for their competence in the matters in question. It is suggested, therefore, that the CONTRACTING PARTIES agree to the convening, in any case requiring prompt settlement under these procedures, at a time when the CONTRACTING PARTIES are not in session, of a panel to consist of the Chairman of the CONTRACTING PARTIES and
six experts to be designated by him. The feasibility of this suggestion would depend on the cooperation of contracting parties in making available promptly, experts to serve on the panels, and if these proposals are adopted, it would be assumed that individual contracting parties would do their best in this respect.

4. A difficult question arises as to the binding character of the determinations of such a panel. In paragraph 6 of the Intersessional Procedures adopted at the Seventh Session, it was suggested that the decision of the Ad Hoc Committee on Agenda and Intersessional Business in a dispute or difference referred to it, might be submitted to the parties concerned without prior reference to the Contracting Parties if the parties to the dispute so agreed. A similar solution might be adopted in the present case, and the determination would be final if so agreed by the parties to any particular case, either prior to examination by a panel or subsequently. Failing such agreement, a party would presumably have a right of appeal to the Contracting Parties. It would be expected, however, that when the determination of the Panel was unanimous a contracting party would exercise the right of appeal only in very exceptional circumstances. If such an appeal were made at a time when the Contracting Parties were not due to meet in regular session at an early date, it should be dealt with at a special session to be convened by the Chairman in accordance with rule 1 of the Rules of Procedure.

5. Paragraphs 3 and 4 were discussed and approved by Working Party 2 on Article I. Subsequently, however, the Executive Secretary has had further discussion with the Chairman and with interested delegations about the composition of the proposed ad hoc panels. These further discussions have led to the conclusion that serious difficulties might arise in the manning and speedy convening of such panels if it were laid down that they should consist of as many as six members in addition to the Chairman. It is suggested, therefore, that the Contracting Parties decide that the panels consist of the Chairman of the Contracting Parties and either two or four experts to be designated by him, according to the nature of the case submitted for consideration.