THE GENERAL AGREEMENT ON TARIFFS AND TRADE

(GATT)

WHAT GATT IS AND WHAT GATT HAS DONE

TEN SHORT POINTS ABOUT GATT

Origin and Background
The Structure of the Agreement
   Economic Development
The Removal of Quantitative Restrictions on Imports
The Reduction of Tariffs
   The Assured Life of the Tariff Concessions
Settlement of Complaints
Regional Arrangements
Commodities
   Trade in Primary Commodities
   Disposal of Agricultural Surpluses
The Reduction of Administrative Barriers to Trade
Accession to the Agreement

Information Office,
GATT Secretariat,
Palais des Nations,
Geneva, Switzerland

6th Edition
January 1957

MGT/4/57
THE GENERAL AGREEMENT ON TARIFFS AND TRADE

TEN SHORT POINTS ABOUT GATT

1. The essential element of the GATT story is that since World War Two, for the first time in history, countries have co-operated in lowering trade barriers between themselves and in accepting a code of practical rules for fair trading in international commerce. This cooperation has been on a world-wide, not a regional basis.

2. The GATT is an international trade agreement whose objectives are:
   (a) to help raise standards of living;
   (b) to achieve full employment;
   (c) to develop the world's resources;
   (d) to expand production and exchange of goods;
   (e) to promote economic development.

3. Through belonging to the GATT the thirty-five member countries are pledged to work towards the above common objectives. The member countries include all the world's leading trading nations. Together they account for 80 per cent of world trade. Thus the GATT code of rules applied to four-fifths of world trade.

4. In order to achieve the above objectives the member countries of GATT have bent their efforts towards reducing existing barriers to trade. In particular they have attacked tariff barriers. As a result of four tariff bargaining conferences which have been held between 1947 and 1956 customs duties on tens of thousands of products, traded across the frontiers, have been reduced. When customs duties are reduced more goods can be exchanged, prices can be lowered and there may be more choice of goods for the buyer. GATT member countries have also "frozen" customs duties over a wide area of trade so as to prevent them being increased suddenly; this has given the business world encouragement for expanding trade and developing markets.

5. Working with the International Monetary Fund the GATT has helped break down the network of governmental restrictions and prohibitions, which have stifled the natural flow of imports and exports since the war. Under GATT
rules countries that have no foreign exchange shortages must get rid of their restrictions on imports. In particular GATT has helped to break down restrictions on trade that discriminate against a particular country or group of countries.

6. GATT is contributing towards the development of the economies of the less developed countries by offering them special trade rules. These countries can encourage their new industries by temporarily restricting imports in ways which would not normally be permitted under GATT rules.

7. GATT provides for each member country to give the other members fair and equal treatment in trade and not to discriminate against any of them. This provision removes one of the major sources of discord among nations.

8. The GATT countries, when they meet, provide a forum where governments can discuss their trade problems and submit complaints arising from alleged breaches of the GATT rules. The GATT rules provide a code of fair practices in international trade. If a member country infringes the code the party claiming injury can ask for a hearing and the other GATT countries will examine the complaint in a round-table hearing and recommend a solution. This is a new development in international trade relations and in the ten years of GATT's experience many complaints have been settled in this way which in earlier days would have ended in more restrictions on trade or other forms of economic warfare.

9. GATT has helped traders by reducing the "paper barriers" to trade. Rules have been drawn up to cut down the unnecessary filling of forms and other tiresome and expensive customs formalities which some governments insist on when goods are exported or imported. A Convention sponsored by GATT has made it simpler for merchants to send samples from one country to another.

10. GATT is a logical development of the post-war planning in the economic sphere through the UN and the Specialized Agencies. Today GATT is the only instrument which provides a set of rules for international trade, applicable on a world-wide basis.
WHAT GATT IS AND WHAT GATT HAS DONE

Origin and Background

In the nineteen-thirties, when the world was suffering from an intense economic depression, many governments attempted to shelter behind various kinds of protective trade barriers: high tariff protection, quota restrictions on imports and exports, exchange controls, and so on. It became evident during the Second World War that these restrictions might become permanently fastened upon the world unless a resolute attempt was made to re-establish as soon as possible the pre-depression pattern of multilateral trading between nations. The General Agreement on Tariffs and Trade is today the major result of the efforts which were made in this direction.

The starting point of the story is in the Atlantic Charter and in the Lend-Lease Agreements in which the wartime allies bound themselves to seek together a world trading system based on non-discrimination and aimed at higher standards of living to be achieved through fair, full and free exchange of goods and services. In pursuit of this aim, long before the end of the war the United States, the United Kingdom and other important trading countries among the United Nations discussed the establishment of international organizations to tackle the post-war problems of currency, investment and trade. The International Monetary Fund and the International Bank for Reconstruction and Development were established at Bretton Woods Conference before the end of the war. But for various reasons, including its wide range and its complexity, the Charter for the International Trade Organization, which was intended to be the third agency to operate in a specialized field of economic affairs, was not completed until March 1948.

While the Charter for the ITO was being worked out, the governments that formed the Preparatory Committee (appointed by the Economic and Social Council of the United Nations to draft the Charter) agreed to sponsor negotiations aimed at lowering customs tariffs and reducing other trade restrictions among themselves, without waiting for the International Trade Organization itself to come into being.
This was encouraging evidence of the seriousness of purpose of the countries engaged in drafting the ITO Charter and a constructive step towards carrying out one of its main purposes. Thus the first tariff negotiations were held at Geneva in 1947, side by side with the labours of the Committee which was preparing the ITO Charter. The tariff concessions resulting from these negotiations were embodied in the multilateral trade agreement which is called the General Agreement on Tariffs and Trade, or GATT. It was signed on 30 October 1947 at Geneva and came into force on 1 January 1948. Originally the GATT was accepted by 23 countries. At the end of 1956 there were 35 contracting parties.

By the end of 1950 it became evident that no acceptances of the Charter for the ITO - the Havana Charter - could be expected until the position of the United States towards the establishment of the ITO was made clear. With the indication in December 1950 that the Charter would not be submitted again to the United States Congress, the attempt to establish the International Trade Organization was abandoned.

The GATT was intended as a stop-gap arrangement pending the entry into force of the Havana Charter, and the creation of the International Trade Organization. But, as events have worked out, GATT has stood alone during nine years as the only accepted international instrument that lays down the rules of conduct for trade on a world-wide basis, and which has been accepted by a high proportion of the leading trading nations.

Between November 1954 and March 1955 the Contracting Parties undertook a very thorough examination of the General Agreement in the light of seven years' experience. They reaffirmed its basic objectives and obligations and they reshaped some of its provisions to meet present and future needs. These revisions have not yet come into force. The Contracting Parties also drew up an agreement which - when it has been accepted by countries with a high proportion of world trade - will establish a permanent organization to administer the GATT, thus taking the place of the present arrangements. The new agency will be known as the Organization for Trade Cooperation (OTC).
The GATT is administered by a small group of experts under an Executive Secretary, Mr. Eric Wyndham White. This secretariat was originally established in 1948, after the Havana Conference, to prepare for the International Trade Organization, but for the last eight years it has been wholly engaged on work for the Contracting Parties to the General Agreement.

The Structure of the Agreement

The tariff concessions, as we have said, resulting from the 1947 Geneva negotiations were embodied in the GATT. But it would be a mistake to think of GATT only in terms of tariffs. It is an agreement on tariffs and trade.

First of all there are the Articles dealing directly with tariffs - Article I with the Most-Favoured-Nation obligation and Article II, the basic tariff Article incorporating the schedules of tariff concessions resulting from the tariff conferences. Article III provides agreed rules regarding the application of internal taxes, guaranteeing that foreign goods will be given equal treatment with domestic products. Articles IV to X - known as the technical articles - are general rules and principles relating to transit trade, to anti-dumping duties, to customs valuation, customs formalities, and marks of origin. Articles XI to XV deal with quantitative restrictions on imports and exports: Article XI formally outlaws quantitative restrictions; the remainder of these Articles are qualifications to this general rule where balance-of-payments difficulties make necessary such departures. There are further Articles dealing with state trading, subsidies and economic development (see below) and finally, there are provisions for joint discussion and settlement of differences arising out of the application of the GATT.

Such is the structure of the GATT. In fact, all its provisions are linked to and stem from the tariff concessions, because these tariff concessions would be of doubtful value if the parties to the Agreement were to have their hands free in all other fields of commercial policy; for, given such freedom, it would be possible entirely to nullify the benefits accruing from concessions made in tariff rates. The result has been to create a code of commercial policy rules generally accepted and generally
binding. It is therefore not surprising that the periodic sessions of the
governments which are contracting parties to the GATT have become a valued
piece of international machinery for the discussion of commercial policy.
In this connexion the remarks of the Chairman of the Eighth Session can be
quoted: "The GATT is not a list of restraints and prohibitions reluctantly
accepted by governments, but a set of principles and rules which all of us
accept because they are in the common long-run interest."

Economic Development

As stated above, the principal objectives of GATT include the raising
of standards of living, the ensuring of a large and steadily growing volume
of real income and effective demand, the development of the full use of the
resources of the world, and the promotion of progressive development of the
economies of its contracting parties. These objectives are to be achieved
through arrangements directed to the substantial reduction of tariffs and
other barriers to trade and through the elimination of discriminatory treatment
in international commerce. While seeking to reduce tariffs and to abolish
quantitative import restrictions and similar barriers to international trade,
the Agreement recognizes the exceptional conditions and requirements of the
underdeveloped countries; there are special provisions to meet the needs of
such countries. For example, in order to provide sufficient flexibility in the
tariff structures of underdeveloped countries so that tariff protection
can be given for the establishment of particular industries, a speedier and
less cumbersome procedure is provided in Article XVIII for the renegotiation
of tariff concessions granted under the Agreement by underdeveloped countries.
Under the revised provisions of that Article which are expected to come into
force in the near future, underdeveloped countries will have the right to
apply quantitative restrictions on their imports for balance-of-payments
reasons on less stringent terms in a manner which takes full account of the
continued high level of demands for imports likely to be generated by their
programmes of economic development. Further, whenever a country finds that
governmental assistance is required to promote the establishment of a
particular industry with a view to raising the general standard of living of
its people, it will, notwithstanding its general obligation to avoid the use
of such restrictions, have the right to resort to such measures. Under the existing text of the GATT, the use of such measures is subject to prescribed criteria and approval by the Contracting Parties. When the revised text of Article XVIII comes into force proposals to use such measures by countries with low standards of living and in the early stages of development will be dealt with under new procedures which give them much greater freedom than at present. Under the existing provisions, measures affecting imports for the purpose of promoting the establishment or development of industries have been taken by a number of countries including Ceylon, Cuba and India.

The Removal of Quantitative Restrictions on Imports

The general prohibition on the use of quantitative restrictions on imports together with the rule of non-discrimination, is one of the basic principles of the General Agreement. The main exception is the use of quantitative restrictions to safeguard the balance of payments and monetary reserves, and in certain circumstances, the use of such restrictions in a discriminatory way. Under the GATT, import restrictions applied for balance-of-payments reasons are subject to review and consultations: countries introducing new restrictions or substantially intensifying existing restrictions are required to consult with the Contracting Parties; the Contracting Parties are empowered to invite at any time any country applying restrictions to consult with them; and any country which considers that another country is applying restrictions inconsistently with the provisions of the Agreement is permitted to bring the matter up for discussion and to ask for redress if its trade is adversely affected. The subject matter for consultations on balance-of-payments restrictions are: the nature of the balance-of-payments difficulties in question, alternative corrective measures that may be available and the possible effects of the restrictions on the economies of other countries. The general purpose of such consultations is to afford an opportunity for the exchange of views on the problems facing the countries resorting to restrictions as well as the difficulties which are created for exporting countries. On any financial questions arising in any consultation of this nature, the Contracting Parties
consult fully with the International Monetary Fund, which is the competent international organization in this field.

Pursuant to the Agreement a general review of all balance-of-payments restrictions was held in 1950. Since 1949 a considerable number of consultations have been held. Though their effects are difficult to assess in any definite manner, it is safe to say that the various consultations of the type described above, as well as certain annual consultations held in connexion with the discriminatory application of restrictions, have contributed to a better understanding by officials of various countries of the impacts and ramifications of import restrictions, and of the ways and means of reducing the need for using them and of reducing their harmful effects. The consultations procedures of GATT must be partly responsible for the fact that restrictions introduced by governments to redress serious balance-of-payments difficulties have invariably been relaxed, and discrimination reduced, whenever an improved situation permitted. Import restrictions and discrimination have in fact been reduced to a lower level than at any time since the GATT came into force in 1948.

In the Review of the GATT in 1954-1955, the basic principle that quantitative restrictions must be eliminated as soon as they are no longer justified for balance-of-payments reasons was reaffirmed. In order that this principle may be fully implemented in the period when major currencies are becoming convertible the emphasis in the future (i.e. after the revised GATT becomes operative) will be put on regular consultations in which countries still applying this type of restrictions on imports will be required to examine with the Contracting Parties the financial basis of their continuation. Such consultations will be held annually with each country applying restrictions (except in the case of an "under-developed" country, with which consultations will be held once in every two years), after a general review of the restrictions which would be held some time after the revised Agreement comes into force. In the course of the 1954 review, it was recognized, however, that some countries may have difficulty in dismantling the so-called "hard core" of these restrictions, and it was agreed that subject to the concurrence of the Contracting Parties in each case, a country will be allowed to retain for a limited period restrictions originally imposed
for balance-of-payments purposes but no longer justified on that account. (At the Tenth Session in 1955, the first case of this type was examined, namely, Belgium's application for authorization to maintain temporarily import restrictions on some agricultural products. A formula was agreed under which Belgium will progressively reduce the restrictions and will eliminate all restrictions by the end of 1962.)

The revised Agreement, which provides for a general review and regular consultations, has not yet been brought into operation. At the Eleventh Session, in 1956, a decision was taken by the Contracting Parties to hold, during 1957, a general round of consultations on balance-of-payments import restrictions against the background of the favourable economic conditions of recent years. A timetable for individual consultations with some twenty contracting parties has been established which envisages the completion of this programme by November 1957. These consultations are expected to throw new light on the use and effects of import restrictions and on the prospects for further progress towards their elimination.

The Reduction of Tariffs

The reduction of tariffs is laid down in the General Agreement as one of the principal means of attaining its broad objectives. There have been four main tariff negotiation conferences: in 1947 (Geneva), 1949 (Annecy, France), 1951 (Torquay, England) and 1956 (Geneva). As a result of these conferences the tariff rates for tens of thousands of items entering into world commerce have been reduced or bound against increase. The reduction and binding of tariff levels under the GATT affects a high proportion of the trade of the member governments and indirectly the trade of many other countries. The GATT is, in effect, the most comprehensive undertaking for reducing and stabilizing rates of customs duties ever brought into operation. There can be no doubt that this widespread and unprecedented stability in tariff levels has been an essential condition for the movement towards a system of free multilateral trading.
The Assured Life of the Tariff Concessions

The tariff concessions contained in the original schedules annexed to the General Agreement entered into force in 1948 with an assured life of three years, until the end of 1950. After that time a contracting party could modify or withdraw any concession by negotiation and agreement with the government with which it had been negotiated. Governments involved in such negotiations were to endeavour to maintain a level of concessions not less favourable to trade than those originally provided for in the schedules. If no agreement could be reached on compensatory adjustments on other products, the contracting party would, nevertheless, be free to modify or withdraw the concession and, in that event, the other contracting party could withdraw equivalent concessions.

Thus, there has always been the possibility that after the period of binding, extensive renegotiation and possibly withdrawal of items might ensue, with the danger of a gradual or even speedy unravelling of the network of concessions. To prevent this eventuality the assured life of the schedules was extended for a second period of three years until the end of 1953. At their Eighth Session the Contracting Parties agreed to a further extension until July 1955, and in the course of the review of the GATT, in 1955, it was agreed that the assured life of the schedules should be further prolonged to 31 December 1957. In addition, a new principle was introduced envisaging the automatic extension of the assured life for successive periods of three years, with suitable opportunities for individual adjustments of tariff rates.

Settlement of Complaints

Among the most significant matters which are referred to the annual Sessions of the Contracting Parties are the trade disputes which have been brought up under the Article XXIII procedures, which enable complaints to be made that benefits under the Agreement are being nullified or impaired.
(A contracting party which considers that a benefit which should accrue to it is being nullified or impaired or that the attainment of any objective of the Agreement is being impeded may seek consultations with the parties concerned. If, after consultations, no satisfactory adjustment is reached a complaint may be lodged and the Contracting Parties are then required to carry out prompt investigations, to make recommendations or to give rulings.)

Great and small countries have been involved in these applications, both as complainants and as defendants. For example, in 1950 a complaint was made to the Contracting Parties that the British system of Purchase Tax so operated as to discriminate in favour of domestic products and against similar imported goods. The United Kingdom Government admitted that the tax did have this discriminatory effect, though unintentionally. They agreed to amend the system so as to eliminate the element of discrimination and thus bring the operation of the tax into conformity with the obligations of the United Kingdom under the Agreement. In 1952 this pledge was fulfilled.

The United States and Canada complained that Belgium was imposing discriminatory import restrictions aimed against imports requiring payment in dollars, although Belgium was not in balance-of-payment difficulties. Belgium undertook progressively to eliminate this discrimination and reported in 1954 that all exchange restrictions on dollar imports had been abolished. Complaints by Chile against Australia, by Norway against Germany, by the United Kingdom and France against Greece have been successfully dealt with. In 1952 India brought before the Contracting Parties a complaint against Pakistan about the levying of discriminatory taxes on exports of jute to India. The Contracting Parties felt that this question might be more easily resolved if it were considered together with other trading difficulties between the two Governments, including the conditions under which coal was supplied by India to Pakistan. Therefore they invited the two Governments to consult together with a view to finding a solution along these lines. These consultations were concluded successfully when the two Governments signed a long-term trade pact and agreed to drop the
discriminatory levies in question. More recently, a French tax on imports and exports, which was intended to provide a social assurance fund for agricultural workers, was the subject of complaint as an infringement of the GATT. The French Government undertook to remove the tax and this was done at the end of 1954.

Other complaints successfully dealt with have included the suppression of a discriminatory tax levied on imports by the Belgian authorities, and the lessening of restrictions on American coal imported into Germany. In another type of case, Sweden undertook to remove the cause of a complaint by Italy that Swedish anti-dumping duties on Italian nylon stockings were being administered unfairly. In another, following a complaint by Czechoslovakia, trade between that country and Peru, which was previously stopped by the Peruvian Government, was restored.

Not all disputes have been resolved successfully through the GATT machinery. Probably the most serious has been the complaint by a number of countries against the United States import restrictions on dairy products. At successive sessions the Contracting Parties stated clearly that these were a violation of the Agreement. The United States Administration agreed that this was so, but their efforts to remove the restrictions by legislative means have been unsuccessful. For five years in succession the Contracting Parties have authorized one affected country, namely the Netherlands, to limit imports of United States flour by way of compensation. The Contracting Parties have always recognized, however, that retaliation is no solution to a problem of this kind, and in the course of the review of the Agreement in 1955, they granted a waiver to the United States recognizing the right of the United States Administration to impose import restrictions where it has to do so under the terms of the Agricultural Adjustment Act. At the same time, the rights of injured countries to have recourse to the GATT complaints machinery is preserved and each year the Contracting Parties review the action taken by the United States under this legislation. At the second such review, in November 1956, a number of contracting parties were seriously concerned about the prospects for the removal of these restrictions, particularly in view of the substantial decline in stocks of dairy products.
Another complaint of more recent origin, which has not yet been solved, concerns the compensation tax imposed on many French imports which have been freed from quota restrictions when imported from the member countries of the OEEC. At the Ninth Session in 1954 this was recognized as a breach of GATT obligations and the French Government undertook to remove the tax as soon as possible. At the Tenth Session and again at the Eleventh Session the Contracting Parties reviewed the steps taken so far to remove the tax and urged the French Government to accelerate the process of reduction and abolition.

Regional Arrangements

Although one of the objectives of the General Agreement is "the elimination of discriminatory treatment in international commerce", the Agreement is designed not to prevent the formation of economic or customs unions involving the removal of tariffs and other trade barriers between participating countries. Therefore, if a project for union, through establishing an interim preferential régime, is expected to lead to the removal of all barriers between the participating countries — i.e., to a customs union or free-trade area — it can be condoned and even encouraged.

While the Agreement provides for interim agreements leading to the formation of customs unions and free-trade areas, no provision is made for the formation of unions limited to sectors of trade such as the Coal and Steel Community in Western Europe. Therefore the plans of the Governments of Belgium, Luxembourg, France, the Netherlands, Germany and Italy to create a common market throughout their territories for coal and steel were submitted to the Contracting Parties who were requested to grant a waiver of certain obligations. At their 1952 session the Contracting Parties examined the Treaty constituting the European Coal and Steel Community and its annexed Convention and found that the objectives of the Community were broadly consistent with those of the General Agreement.
In November 1952, the Contracting Parties granted the required waiver authorizing the six governments to eliminate within the Community import and export duties and quantitative restrictions on the products covered by the Treaty. During the five years of the transition period provided in the Convention the Contracting Parties are concerned to see, first, that the single market is operating consistently with the conditions laid down in the waiver and, secondly, that the tariffs and restrictions imposed by the six governments on imports of coal and steel from other contracting parties are made no more restrictive than those in force when the waiver was granted. At their Eighth, Ninth, Tenth and Eleventh Sessions the Contracting Parties examined the first four reports from the six member countries of the Community with great care, in view of the assurances of these countries that they would follow a liberal policy and take account of the interests of third countries both as consumers and suppliers of coal and steel products.

At the Eleventh Session, in 1956, the Contracting Parties took cognizance of certain schemes for the closer economic integration of Europe. The representatives of the six countries which were drawing up a treaty to establish a Common Market gave an assurance that these countries intended to submit the treaty to the Contracting Parties after it had been signed, but before ratification. (These six countries are those which form the Coal and Steel Community - see above). At the same time close collaboration was established between the GATT secretariat and OEEC, where the possibility of establishing a wider association of countries (including the six countries which would comprise the Common Market) in a free-trade area is being studied.

**COMMODITIES**

**Trade in Primary Commodities**

For some years the Contracting Parties have been considering proposals for the adoption of a set of rules governing international action to overcome problems in the field of trade in primary commodities. At the Eleventh Session,
in 1956, they decided on a new approach to these problems and adopted a Resolution, whereby they recognized that, under the terms of the relevant provisions of the Agreement, the Contracting Parties are competent to deal with special difficulties arising in connexion with international trade in primary commodities. They decided to review at every Session the trends and developments in international commodity trade and they decided that in the course of consultations on import restrictions they would take account of problems relating to international commodity trade affecting the balance-of-payments position of countries. They also decided that they could make arrangements, having regard to the competence of the United Nations and of other intergovernmental organizations concerned, for an intergovernmental meeting, to contribute to the solution of commodity trade problems.

**Disposal of Agricultural Surpluses**

During the Review of the Agreement, in 1955, the Contracting Parties adopted a Resolution on the Disposal of Surpluses, of which the following is the operative paragraph:

"The Contracting Parties consider that when arranging the disposal of surplus agricultural products in world trade contracting parties should undertake a procedure of consultation with the principal suppliers of those products and other interested contracting parties, which would contribute to the orderly liquidation of such surpluses, including where practicable disposals designed to expand consumption of the products, and to the avoidance of prejudice to the interests of other contracting parties, and that they should give sympathetic consideration to the views expressed by other contracting parties in the course of such consultations."

The discussion at the Tenth and Eleventh Sessions showed that there is continuing concern regarding the existence of large surpluses and the policies for their disposal. It was emphasized that the consultation procedures could be more effective, which would contribute to the more orderly liquidation of stocks. Expansion of consumption was shown to be a desirable objective, rather than restriction of production.
The Reduction of Administrative Barriers to Trade

For the past six years the Contracting Parties have been tackling customs formalities and various administrative barriers to trade, stage by stage. In 1950 they drew up a code of standard practices for the administration, by governments, of import and export restrictions and exchange controls. In 1952 they adopted a code of standard practices for documents which are required for importation and they made several recommendations which envisage the elimination of consular formalities as soon as possible. They also drew up and opened for signature (in February 1953) the International Convention to Facilitate the Importation of Samples and Advertising Material the broad purpose of which is to minimize the costs and reduce the formalities and delays which traders and merchants have to face in sending samples and advertising material from one country to another. Following the adherence of fifteen governments the Convention entered into force in November 1955. At the end of 1956 twenty-one governments had accepted this Convention.

Accession to the Agreement

Accession of Japan

Following tariff negotiations with a number of contracting parties Japan became a contracting party to the GATT in September 1955. At that time fourteen contracting parties invoked Article XXXV, thereby signifying their intention not to undertake GATT obligations towards Japan. This situation and the position in which the Japanese Government thus found itself were discussed at the Tenth Session. It was agreed that the informal discussions between some contracting parties and Japan which were undertaken during the Session should continue. At the Eleventh Session the Japanese representative stated that so far no concrete results had been reached. It was agreed that consultations should continue.
Accession of Switzerland

At the Eleventh Session, in 1956, the Contracting Parties agreed to the request of the Swiss Government to enter into tariff negotiations with a view to acceding to GATT on a provisional basis. These tariff negotiations, which will be based on the new Swiss customs tariff, may be held in 1957. At the conclusion of these negotiations a Declaration would be drawn up to give effect to the results of the negotiations and to provide for the provisional accession of Switzerland. It is intended that the period of provisional accession should be limited to two years. During this period there would be consultations between the Contracting Parties and Switzerland with a view to finding a solution to the particular problem of Swiss import restrictions on agricultural products which would be compatible with the basic principles of the GATT.
**Thirty-five Contracting Parties to the General Agreement**

<table>
<thead>
<tr>
<th>Country</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>India</td>
</tr>
<tr>
<td>Austria</td>
<td>Indonesia</td>
</tr>
<tr>
<td>Belgium</td>
<td>Italy</td>
</tr>
<tr>
<td>Brazil</td>
<td>Japan</td>
</tr>
<tr>
<td>Burma</td>
<td>Luxemburg</td>
</tr>
<tr>
<td>Canada</td>
<td>Kingdom of the Netherlands</td>
</tr>
<tr>
<td>Ceylon</td>
<td>New Zealand</td>
</tr>
<tr>
<td>Chile</td>
<td>Nicaragua</td>
</tr>
<tr>
<td>Cuba</td>
<td>Norway</td>
</tr>
<tr>
<td>Czechoslovakia</td>
<td>Pakistan</td>
</tr>
<tr>
<td>Denmark</td>
<td>Peru</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>Federation of Rhodesia and Nyasaland</td>
</tr>
<tr>
<td>Finland</td>
<td>Sweden</td>
</tr>
<tr>
<td>France</td>
<td>Turkey</td>
</tr>
<tr>
<td>German Federal Republic</td>
<td>Union of South Africa</td>
</tr>
<tr>
<td>Greece</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Haiti</td>
<td>United States</td>
</tr>
<tr>
<td></td>
<td>Uruguay</td>
</tr>
</tbody>
</table>

**Chairman** of the Contracting Parties ........ Sir Claude Corea (Ceylon)

**Vice-Chairmen** .......................... Dr. Andrés Vargas Gomez (Cuba) and Mr. Pierre A. Forthomme (Belgium)

**Executive Secretary** .................. Mr. Eric Wyndham White (U.K.)

**Deputy Executive Secretary** .......... Mr. Jean Royer (France)

Requests for information should be addressed to the Information Officer, GATT secretariat, Palais des Nations, Geneva, Switzerland.