NOTE BY THE CHAIRMAN

After consultation with a number of delegations I am now in a position to put forward to the conference a draft resolution on Items II and III which I feel will command a wide measure of support. This resolution would be identical with that which has been circulated by the United States of America with which I believe a number of delegations substantially agree. In this text I propose, however, that paragraph 4 of the draft would read as follows:

"4. That, in view of the limited results obtained in recent years from item-by-item negotiations, the tariff negotiations, subject to the provisions of paragraph B 3, shall be based upon a plan of substantial linear tariff reductions with a bare minimum of exceptions which shall be subject to confrontation and justification. The linear reductions shall be equal. In those cases where there are significant disparities in tariff levels, the tariff reductions will be based upon special rules of general and automatic application."

and paragraph B 3(b) as follows:

"(b) The criteria for determining whether there are significant differences in tariff levels and the special rules applicable for tariff reductions in these cases."