A Special Session of the Contracting Parties was held at Torquay from March 29 to April 3 1951 under the chairmanship of Mr. Johan Melander, Norway, Chairman of the Contracting Parties.

The Contracting Parties had under consideration a memorandum from the representatives at the Torquay Conference of Austria, the Belgo-Luxembourg Economic Union, Denmark, France, Germany, Italy, Netherlands, Norway, Sweden and the United States on the subject of disparities in the level of European tariffs.

It was submitted in the memorandum that the tariff reductions resulting from the Torquay negotiations, although expected to be significant, would not be of such scope and magnitude as to represent a sufficient contribution to the reduction of existing disparities in the level of European tariffs.

The memorandum went on to propose procedures for the study of the question within the scope of the General Agreement and requested that the Contracting Parties should meet in order to set up a working party to consider the problem in the interval before the Sixth Session of the Contracting Parties which is due to convene on 17 September 1951.

After a thorough consideration of the matter in the course of the Special Session the Contracting Parties resolved to invite the above-mentioned countries to submit proposals for multilateral or other procedures designed to achieve on a non-discriminatory basis a reduction of disparities in the tariffs of the European countries concerned, taking into account to the extent necessary the disparities in the economic and social structure of the different countries.

The Contracting Parties also agreed to establish an intersessional working party with the following terms of reference:

(a) to consider, in the light of their compatibility with the general principles of the G.A.T.T., the proposals submitted in response to the above invitation and to formulate such recommendations as may be necessary to fit the proposals into the framework of the G.A.T.T.

(b) to consider the problems that may arise in relation to securing adequate compensation from such other countries as may be likely to benefit from the non-discriminatory extension to them of the arrangements proposed.

(c) to review the continuing efficacy of the negotiating procedures, as tested in the conferences held at Geneva, Annecy and Torquay, and to recommend such adjustments or adaptations as may appear desirable and practical to improve the opportunities of countries with relatively low tariffs to negotiate for the reduction of rates by countries with relatively high tariffs.

The membership of the Working Party, which will hold its first meeting at Geneva, comprises Australia, Belgium, Brazil, Canada, Cuba, Denmark, France, India, Netherlands, Italy, South Africa, Sweden, United Kingdom and United States. The Working Party will elect its own Chairman.