Alternative Suggestion for Paragraph 2
proposed by French Member of the Sub-Group

The essential principles of the French Plan which guided the Sug-Group in the revised version submitted below were the following:

(a) The contracting parties would undertake to reduce by 30 per cent in three years, at the rate of 10 per cent each year, the weighted average level of customs protection in each of the principal sectors of their economic activity. A lesser effort would be required of countries for which the average incidence of the tariff was particularly low in one or more sectors. Countries would be able to choose the tariff position on which reductions would be made, subject to a reduction of the duties within a period of three years below certain demarcation lines.

(b) Such demarcation lines would be fixed, firstly, for agricultural products and foodstuffs, and secondly, for industrial products, the latter being subdivided into raw materials, semi-finished and finished products.

(c) The duration of validity of the Plan would be five years; the tariff positions which had been reduced would remain bound until the close of that five-year period.

(d) Under-developed countries would not be required to carry out reduction which might jeopardize their programme of economic development.

(e) The Plan would be open to all contracting parties to the General Agreement; methods have, however been provided to meet the case should some fail to take part in the arrangement, so that implementation of the Plan need not be paralysed by the abstention of some countries who do not play an important part in world trade.

(f) The obligations contracted under the Plan would be in addition to the undertakings stipulated under the General Agreement; but countries desiring to proceed to tariff reductions, either unilaterally or through negotiation, would be encouraged to do so, since any such reductions would be taken account of in computing the reduction carried out under the terms of the Plan.