CONTINUING ADMINISTRATION OF THE AGREEMENT

The Sub-Group may wish to consider the following paragraphs for the Working Party's report on the Continuing Administration of the Agreement.

1. The Working Party, in reviewing the arrangements for the Continuing Administration of the Agreement, considered proposals by the Canadian and Danish delegations (W.9/179 and 171).

2. The Working Party based its review on the consideration that the overall objective to be sought was the full, effective and continuing administration of the General Agreement. There was no question that the CONTRACTING PARTIES must retain and exercise final authority on all policy matters. In this connexion, it was recognized that the proved value of the regular (and special) Sessions would be enhanced, and the level of representation at them maintained at a high level, if as much work as possible were done beforehand, thus enabling concentration on the major questions. The need for the carrying out of functions intersessionally was clear, and a number of specific provisions of the General Agreement require joint action to be taken at any time. The Working Party had also in mind the need, which had become increasingly apparent in the current Review Session, to build up under the General Agreement a forum for effective cooperation and consultation on matters within the scope of the Agreement; and that provision was being made for the establishment of a more formal, permanent Organization.

3. With respect to the Ad Hoc Committee on Agenda and Intersessional Business, the Working Party felt that the paramount consideration was that it should be an effective Committee. This implied firstly that contracting parties nominated for membership should agree to provide adequate representation and, secondly, that the Committee should be prepared to convene at short notice.

4. There was agreement in principle with the terms of reference of the Intersessional Committee as proposed by the Canadian delegation. It was felt, however, that the existing intersessional procedures (as contained in Basic Instruments and Selected Documents, Second Supplement, pages 8 et seq.) provided for the exercise of most of the functions proposed by the Canadian delegation. It was agreed, therefore, merely to amend the existing procedures where necessary in order to include the functions proposed by the Canadian delegation. The annex to this document contains the changes suggested by the Working Party.

5. The Working Party felt that in view of the paragraph relating to other business which refers to "other matters arising before the next ordinary session which require urgent action, and for which no special arrangements
have been made", it was not necessary to refer specifically, as the Canadian proposals did, to matters arising under Articles II:6(a), XIX and XXV:5(a).

6. The Working Party agreed on the need to avoid a proliferation of intersessional bodies, and considered that it would be useful to bring under the Committee matters presently within the purview of an intersessional working party or the Chairman. Consequently, it recommends that the Intercessional Committee: (a) take over the functions now assigned to the Intercessional Working Party on Article XVIII; (b) take over matters arising under special exchange agreements; (c) assume the Chairman's functions relating to airmail and telegraphic ballots; (d) assume the functions in respect of which present procedures envisage the appointment of ad hoc panels by the Chairman (viz. BISD, Second Supplement, page 12) and (e) be directed to take over any matters arising from the Review Session which might require intersessional consideration (e.g. the question of tariff negotiation procedures). Such matters could be added to the list of "matters expressly referred to the Committee by the CONTRACTING PARTIES" (viz. ibid., page 9).

7. Other changes that the Working Party suggests to the existing procedures are as follows:

(a) the adoption of the wording proposed by the Canadian delegation for the first two paragraphs of "Consultations or action under Articles XII - XIV" and the inclusion of Article XV;

(b) the insertion of a period of ten days for the convocation of the Committee. The Working Party understood that it would be a condition of acceptance of membership in the Committee that those contracting parties would undertake to make representatives available within the time specified whenever the Committee was convened, and to send as representatives persons appropriately qualified to take part in the discussions;

(c) the inclusion of the paragraph suggested by the Canadian delegation concerning the provision of information by the secretariat,

8. The Working Party noted that the existing procedures entitle contracting parties who are not members of the Intercessional Committee to be represented by observers at all meetings, and provide, furthermore, that the Committee shall co-opt as full members any contracting parties claiming an interest in the matter and wishing to be represented.

9. The Working Party agreed to recommend that the Committee be entitled "The Intercessional Committee".

10. The Working Party considered the suggestion by the Danish delegation for the appointment of qualified panels to assist in carrying out consultation under Articles XII to XIV and in the consideration of complaints under
Article XXIII. The Working Party suggests that the CONTRACTING PARTIES may wish to direct the Intersessional Committee, when it is dealing with any matter under these Articles and if it considers it desirable, that it might use on an experimental basis the method of constituting a small panel composed of high officials of governments responsible for trade and financial policy, which would examine objectively any matter referred to it and report back to the Intersessional Committee. The CONTRACTING PARTIES themselves might wish to extend the use of this method, which is already applied in the case of Article XXIII questions, to other matters arising at the regular Sessions.
Changes proposed to the intersessional procedures set forth in Basic Instruments and Selected Documents, Second Supplement, pages 8 et seq.

1. (c) Consultations or action under Articles XII-XV

Paragraphs 5 and 6 should be deleted and replaced by the following two paragraphs:

"5. When a matter arises under Articles XII-XV, and subject to rules established by the CONTRACTING PARTIES, the Committee shall initiate and engage in consultations under those Articles and report or make appropriate recommendations to the CONTRACTING PARTIES.

"6. When a question arises under a special exchange agreement which requires action by the CONTRACTING PARTIES at a time when they are not in session, the Committee shall consult with the International Monetary Fund and seek necessary determinations thereupon by the latter. The contracting party concerned may act in accordance with the determinations pending an opportunity for consideration by the CONTRACTING PARTIES in session."

2. Insert as Sections (d) and (e) before the present Section (d), the following

"(d) Applications under Article XVIII

"9. The Committee shall examine an application made by a contracting party under Article XVIII when the CONTRACTING PARTIES are not in session, which requires prompt attention, and make recommendations to the CONTRACTING PARTIES. Decision on the application may be taken by the CONTRACTING PARTIES either at the next ordinary session or by postal or telegraphic ballot, or by a special session according to the recommendation of the Committee.

"(e) Applications under Article XXVIII

"10. The Committee shall examine applications submitted when the CONTRACTING PARTIES are not in Session for authority, in special circumstances to enter into negotiations for the modification or withdrawal of concessions included in Schedules to the Agreement and shall act on behalf of the CONTRACTING PARTIES in performing the functions prescribed in any procedures and conditions established by them. The Committee shall also make any required determinations under the arrangements made by the Executive Secretary in Document L/322 for the conduct of negotiations undertaken prior to 1 July 1955 under the provisions of Article XXVIII.
3. Present Section (d) would become Section (f) - Other urgent intersessional business.

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General Procedures

1. Paragraph 10 should read as follows:

"10. The Committee meets in Geneva on the call of the Executive Secretary. Notice of the convening of meetings shall be given to contracting parties at least ten days in advance of the meeting. Contracting parties not members of the Committee or of an intersessional working party are entitled, in accordance with the practice of the CONTRACTING PARTIES, to be represented by observers at meetings of the Committee or of a working party."

2. Add the following two new paragraphs after the present paragraph 14:

"15. The Committee may instruct the secretariat as necessary to provide or obtain from contracting parties information required by the CONTRACTING PARTIES in the consideration of items on the agenda of their sessions or necessary for the carrying out of the functions of the standing committee.

"16. The Committee may decide, either on its own initiative or upon the application by the contracting party, whether any matter requiring a decision by the CONTRACTING PARTIES is sufficiently urgent to warrant the taking of an airmail or telegraphic ballot, and whether such a procedure is practicable. The Committee shall determine the date and hour by which votes must be received and may, in exceptional cases and upon request, extend the time limit for receipt of votes. Any contracting party from which a vote has not been received within such time limit is regarded as not voting."

Pages 12 and 13

Delete Sections II, III and V.