SUMMARY RECORD OF THE FIFTH MEETING

Held at the Palais des Nations, Geneva, on Saturday, 18 October 1958, at 10 a.m.

Chairman: Mr. L.K. JHA (India)

Subjects discussed:

1. Trends in International Trade (continued)
2. Notifications by Ceylon under Article XVIII
3. First Annual Review under Article XVIII:6
4. Budget
5. Schedules
6. Norwegian Schedule

1. Trends in International Trade (continued)

The following statements were made:

Mr. T. HAGEN (Counsellor, Swedish Embassy, Bonn) (cf. Press Release GATT/414)

Mr. Sergio PARBONI (Ministry of Foreign Trade, Italy) (cf. Press Release GATT/415)

2. Notifications by Ceylon under Article XVIII (L/878)

The CHAIRMAN referred to certain notifications (transmitted by the Government of Ceylon) under the provisions of Article XVIII with the request that they be considered by the CONTRACTING PARTIES at this Session. He proposed that, following the practices established at the Twelfth Session, the matter be referred to a panel, consisting of representatives appointed in their personal capacity, which would conduct consultations with Ceylon.

Mr. TENNEKOON (Ceylon) said that document L/878 fully explained the circumstances leading to the present notifications which related to two new items, and an extension of the release granted at the Eleventh Session for another. At this stage his delegation had nothing to add to the information contained therein.
The CONTRACTING PARTIES agreed to appoint a Panel on Article XVIII, with the following terms of reference and membership:

**Chairman:** Dr. E. Treu (Austria)

**Members:**
- Mr. M. Brondi (Uruguay)
- Mr. A. P. Renouf (Australia)
- Mr. N. Cuhruk (Turkey)
- Mr. Sujak Bin Rahman (Malaya)

**Terms of reference:**

To consider, in consultation with the representatives of Ceylon and other interested countries, the notifications submitted by the Government of Ceylon pursuant to paragraph 13 of Article XVIII, and to submit findings and recommendations to the CONTRACTING PARTIES.

3. First Annual Review under paragraph 6 of Article XVIII (L/881)

The CHAIRMAN drew attention to paragraph 6 of Article XVIII which provided that the CONTRACTING PARTIES should review annually all measures applied pursuant to the provisions (a) and (d) of that Article. At the Twelfth Session it was agreed that such a review should be made on the basis of reports submitted by the governments concerned. For this purpose, the Government of Ceylon had submitted its first report (L/881).

At the suggestion of the Chairman the CONTRACTING PARTIES agreed to entrust this review to the Panel it had established on Article XVIII with the following additional terms of reference:

On the basis of the report which has been submitted by the Government of Ceylon, to conduct the first annual review provided for in paragraph 6 of Article XVIII concerning the measures in which the CONTRACTING PARTIES concurred at their Twelfth Session.

4. Budget (L/835, L/845 and Add.1, L/884)

The CHAIRMAN referred to the audited accounts for 1957 (L/835), the report on the financing of the 1958 budget (L/884) and the budget estimates for 1959 (L/845 and Add.1). He pointed out that it was customary at the beginning of the Session to establish a working party to deal with these budgetary questions.

As reported to the Intersessional Committee, the CONTRACTING PARTIES noted that it had proved impossible for the Executive Secretary to comply with instructions given at the Twelfth Session to submit draft staff rules and regulations, based on those of the United Nations, and draft financial regulations; these matters would be deferred until the Fourteenth Session.
The CONTRACTING PARTIES then approved the establishment of a Budget Working Party with the following membership and terms of reference:

**Chairman:** Mr. D.N. Chatterjee (India)

**Members:**
- Australia
- Austria
- Brazil
- Canada
- Cuba
- France
- Germany
- Japan
- Malaya
- United Kingdom
- United States

**Terms of reference:**

To examine any questions arising in connexion with the audited accounts for 1957, the financing of the 1958 Budget, the proposals for the Budget for 1959 and administrative and personnel matters, and to submit recommendations to the CONTRACTING PARTIES.

5. Schedules

The CHAIRMAN stated that a number of contracting parties had notified rectifications or modifications to their schedules, details of which had been circulated. He suggested the task of preparing a protocol to give effect to these rectifications or modifications be entrusted to a working party. In addition, the Chairman recalled that at the Twelfth Session it was agreed that the question of the publication of consolidated schedules, and the question of giving legal status to these schedules, should be examined at this Session, and accordingly he proposed that these questions be referred to the same working party.

The CONTRACTING PARTIES approved the establishment of a Working Party on Schedules with the following membership and terms of reference:

**Chairman:** Mr. J.M.J. Wintermans (Netherlands)

**Members:**
- Australia
- Austria
- Canada
- Ceylon
- Cuba
- France
- Norway
- Sweden
- United Kingdom
- United States

**Terms of reference:**

1. To examine notifications by contracting parties involving rectifications or other modifications of their schedules.

2. To prepare a protocol of rectification and modification for signature before the close of the Session.

3. To examine any questions that arise in connexion with the preparation of Consolidated Schedules.
4. To examine the possibility of giving a legal status to Consolidated Schedules.

5. To consider any other matters affecting the Schedules to the Agreement which may be referred to it by the CONTRACTING PARTIES.

6. Norwegian Schedule (L/856 and Add.1)

Mr. RINDAL (Norway) referred to the detailed explanations of this matter set out in a memorandum by the Norwegian Government (L/856). Early in 1958, for reasons of a purely technical nature, the Norwegian Government decided to transpose its customs tariff to the Brussels nomenclature. In the course of the transposition some specific duties in Schedule XIV would be converted into ad valorem duties. The items in question had been communicated to contracting parties (L/856/Add.1).

At the request of the representative of Norway, the CONTRACTING PARTIES agreed to refer this matter to the Working Party on Schedules for examination and report.

The meeting adjourned at 11 a.m.