SUMMARY RECORD OF THE THIRD MEETING

Held at the Palais des Nations, Geneva, on Thursday, 16 November, at 2.30 p.m.

Chairman: Mr. BARBOSA DA SILVA (Brazil)

Subjects discussed:

1. Arrangements for meeting of ministers
2. Balance-of-payments import restrictions - reports on consultations
3. Trade in cotton textiles
4. Peruvian import charges
5. Italian special customs treatment for Libyan products
6. Article XIX - action by Australia
7. Relations with Yugoslavia
8. Status of protocols
9. Fellowship programme

1. Arrangements for meeting of ministers (I/1576/Rev.1)

(a) Agenda

The CHAIRMAN said that when the CONTRACTING PARTIES decided earlier in 1961 to invite ministers to meet in Geneva during the nineteenth session, the Council had been requested to prepare a draft agenda. The draft agenda now proposed by the Council had been distributed in document I/1576/Rev.1, and included as the principal items for discussion on the main problems of international trade which had been identified by the CONTRACTING PARTIES in the course of their work under the Programme for Expansion of Trade. It also included specific points which had been suggested by individual contracting parties. If the Council's proposals met with the approval of the CONTRACTING PARTIES, the draft agenda would be placed before ministers for adoption at the opening of their meeting.

This was agreed.
(b) Order of business

The CHAIRMAN referred to the airgram convening the ministers' meeting (GATT/AIR/258) in which the Executive Secretary had suggested that the ministers might devote approximately one day to each of the three main items on the agenda, thus leaving one day at the end of the meeting for the conclusion of the discussions. Some delegates had subsequently proposed that the programme of work should be as follows:

Monday, 27 November: Reduction of tariff barriers
Tuesday, 28 November: Obstacles to the trade of less-developed countries
Wednesday, 29 November: Trade in agricultural products
Thursday, 30 November: Conclusion of discussions

This was agreed.

(c) Place of meeting, etc.

The CHAIRMAN proposed that the meeting of ministers should be held in the Assembly Hall of the Palais des Nations, commencing at 11 a.m. on 27 November. On the three following mornings the meetings would begin at 10.30. The afternoon meetings should be from 3 to 4.30 with a half-hour break and then continuing from 5 to 6.30. The meetings would not be open to the press or the public.

This was agreed.

Mr. VALLADAO (Brazil) stated that the ministerial meeting would most certainly be the most important meeting ever to be held under the auspices of the GATT; very important problems would be examined by the ministers, the solution of which might influence the structure and future of GATT. He considered that it would be advisable to give the speeches made by ministers and the general activities of the meeting as large a publicity as possible.

Baron VON PLATEN (Sweden) requested that the secretariat should circulate a document setting out the order of the day for the ministerial meeting. Commenting on the Brazilian proposal on the publicity to be given to this meeting, he pointed out that the meeting would not be open to the public, and suggested that publicity should be handled as usual by the Executive Secretary. The ministers would in any event decide for themselves on the publicity to be given to their statements.

Mr. TREU (Austria) associated himself with the remarks of the representative for Sweden. Individual ministers, he suggested, might not wish any publicity to be given to their statements. He suggested that it would be appropriate on the fourth day, which was reserved for conclusion of discussions, to discuss the type of publicity to be given to those conclusions.

Mr. SWAMINATHAN (India) said that he would also like to support the statement made by the representative for Sweden. Referring to the proposals made by
the representative of Austria, he thought it advisable to wait for the arrival of the ministers before a decision was taken; in some cases, ministers might need a directive from their governments on the matter.

The CHAIRMAN noted that there seemed to be support for the idea that a decision should be left to the ministers themselves.

This was agreed.

2. Balance-of-payments import restrictions

(a) Reports on consultations (L/1617, L/1616, L/1618, L/1619)

The CHAIRMAN said that at its recent meeting the Committee on Balance-of-Payments Restrictions had carried cut consultations with Denmark, Finland, Japan and New Zealand.

Mr. NAEGELI (Denmark), Chairman of the Committee on Balance-of-Payments Restrictions, in presenting the Committee's reports, said that in accordance with the arrangements made, consultations had been scheduled to take place with eight contracting parties during the period from 30 October 1961 to 10 November 1961, namely with Denmark, Finland, Japan, New Zealand, Burma, Norway, Austria and Israel. Earlier in 1961, the secretariat was advised that it was impracticable for Israel to consult during the autumn session of the Committee. It had, therefore, been decided to postpone the consultations with Israel until spring, 1962. Both Norway and Austria had announced before the planned consultations that their respective Governments had decided to cease to invoke Article XII of the General Agreement. Consequently, consultations with these two countries had been cancelled. Finally, the Burmese Government had notified the secretariat that it would not be able to consult until the end of November 1961. Thus only four consultations had so far been undertaken by the Committee. As soon as the consultation with Burma was concluded, he would report to the CONTRACTING PARTIES.

Pursuant to the provisions of Article XV of the General Agreement, the International Monetary Fund had been invited to consult with the CONTRACTING PARTIES in connexion with the consultations. Mr. Naegeli took this opportunity to thank the representatives of the Fund for the way in which they had facilitated the work of the Committee.

The four consultations had been carried out under Article XII:4(b). In addition, New Zealand had consulted under paragraph 4(a) of that Article as the Government of New Zealand had recently been compelled substantially to intensify import restrictions. Mr. Naegeli stated that the reports could not be summarized better than in their concluding general remarks. He, therefore, drew the attention of the CONTRACTING PARTIES to the final paragraphs of each report.

Mr. HEBBARD (International Monetary Fund) thanked the Chairman of the Committee on Balance-of-Payments Restrictions and said that it had always been a pleasure to work with the Committee.
Mr. AOKE (Japan) referring to the consultation with Japan (L/1618) said that he would like to confirm that the Japanese Government would adhere to the statement which it had made at the time of the consultation with reference to its liberalization programme.

Mr. CAMPBELL-SMITH (Canada) said that his delegation had noted with satisfaction the decreasing number of contracting parties taking advantage of Article XII. He expressed concern, however, regarding the length of time during which contracting parties had taken advantage of this Article which had been meant to provide a short-term solution for post-war difficulties. He would like to emphasize that resort to these provisions was hardly in keeping with the spirit of the General Agreement. While progress had been made, discrimination still persisted. He welcomed the fact that some governments were setting targets for the removal of barriers to trade and expressed the hope that these targets would be continually reviewed in order to bring about the earliest possible removal of remaining restrictions.

Mr. FLEMING (Australia) noted with pleasure that three contracting parties had undertaken further liberalization measures. In the case of New Zealand, however, he appreciated that there had been adverse changes in the balance of payments, principally due to export difficulties. He hoped that New Zealand would soon be able to remove these restrictions and resume its previous course of liberalization; he emphasized that the work of the GATT could contribute towards making this possible. Two contracting parties had not consulted because they now no longer invoked Article XII. His delegation, however, would be pleased to obtain information on any residual import restrictions.

Mr. EVANS (United States) said that his delegation had participated actively in the work of the Balance-of-Payments Committee. He wished to thank its Chairman for his able presentation of the reports and to congratulate Denmark, Finland and Japan on improvements in the past year. He hoped that the position of New Zealand would soon be corrected, and welcomed the abandonment of Article XII by Austria and Norway during the past year. He recalled that during the sixteenth session it had been decided that countries emerging from balance-of-payments difficulties should come forward with statements on their plans for the removal of any residual restrictions. His delegation would welcome such statements.

Mr. DATSON (New Zealand) thanked representatives who had taken part in the balance-of-payments consultations and expressed appreciation to the representative of Australia for his understanding statement with regard to New Zealand's problems; New Zealand hoped to continue its liberalization when conditions permitted. He agreed fully with the Australian representative that the GATT could help in bringing about conditions which would make this possible.

The following reports on consultations were approved: Denmark (L/1617), Finland (L/1615), Japan (L/1618) and New Zealand (L/1619).
The CHAIRMAN expressed the gratitude of the CONTRACTING PARTIES to the Chairman and members of the Committee and to the representatives of the International Monetary Fund for their assistance and collaboration in the conduct of the consultations.

3. Trade in cotton textiles (L/1535)

The CHAIRMAN recalled that in June 1961 a meeting of the Council was convened to consider a request by the Government of the United States that arrangements should be made for a meeting of the principal countries engaged in the exportation and importation of cotton textile products. The proposed meeting was held in July and a report on the discussions and the conclusions reached was distributed in document L/1535. He called on the Executive Secretary, who had presided at the July meeting, to report to the CONTRACTING PARTIES.

The EXECUTIVE SECRETARY recalled that the July meeting had been convened on the basis of arrangements made by the Council to which he had already reported. On behalf of the countries which participated in the July meeting he wished now to suggest the appointment of a Cotton Textiles Committee. These countries had not only agreed upon a short-term arrangement to deal with immediate difficulties, but had gone further and agreed that it would be desirable to make arrangements for discussions looking towards a longer term arrangement, designed to secure an orderly expansion of exports of cotton textiles in international markets while at the same time providing safeguards against the disruption of markets. They had decided to constitute a provisional committee until they could place before the CONTRACTING PARTIES a proposal to establish a permanent committee. Some work, looking towards a long-term arrangement, had already been initiated. It was proposed that the Cotton Textile Committee should have terms of reference which would enable it to undertake work looking towards a long-term solution based on the guiding principles upon which the short-term agreement was based. It was expected that the Committee would be in a position to make recommendations in April 1962 for a long-term arrangement.

The participating governments felt that, as in the case of the original discussions in July, it would be appropriate for participation to be restricted to countries with substantial interest in trade in cotton textiles and in the particular problems which were the basis for the original discussions. This would be in accordance with the practice which has now been well established in the work of the CONTRACTING PARTIES and particularly for multilateral consultations of this kind. It was the feeling of the participating governments that membership should include all those countries which, by their acceptance of, and participation in, the short-term arrangement, had shown their interest in dealing with this problem by co-operative action and had shown their willingness to undertake the responsibilities inherent in the short-term arrangement. The Executive Secretary proposed the establishment of the committee with the terms of reference set out on page 18 of document L/1535.
Mr. VALLADAO (Brazil) asked for confirmation that a contracting party not a member of the Committee could participate in its work as an observer and, if considered necessary, pass judgment on the nature of the work being done and on its compatibility with GATT. Mr. Valladao expressed the view that the adoption of the procedures set out in document L/1535 would give special treatment to a particular product. Participation in the work of the Committee would prove useful in the preparation of any future agreements on other products.

Mr. VLACHOS (Greece) reminded the meeting that his delegation had already expressed its interest in the work to be undertaken by the Committee. He would like to support the representative of Brazil. The Committee had been unofficially set up by certain governments; it would now become an official committee of the CONTRACTING PARTIES. All contracting parties which can justify their interest should, therefore, be able to take part as full members.

Mr. TOWNELEY (Rhodesia and Nyasaland) said that in 1960 cotton textiles represented more than 10 per cent of total imports by value into the Federation, and home production some 12 per cent of the total value of manufacturing output. He did not claim the right of membership of the committee, but would follow its work with interest. However, if the work of the committee should lead to a diversion of trade which increased pressure on the market of his country, appropriate measures would have to be taken by the Federation to protect domestic industries.

The EXECUTIVE SECRETARY, referring to the statement made by the representative of Brazil, agreed that it would be the right of any contracting party to take part as an observer at the meetings of the Committee. He denied, however, that the Agreement created an important exception to the rules of GATT. When this question was posed previously he had given a formal ruling for consideration by the participating countries to the effect that no action by a group of contracting parties could interfere with the legal rights and obligations of other contracting parties unless appropriate action was taken by the CONTRACTING PARTIES to modify these rights and obligations.

Referring to the comments of the representative of Greece, he said that it had been recognized that other contracting parties might wish to adhere, by a simple acceptance, to the arrangements made. Some contracting parties had taken advantage of this procedure. The right existed for any other contracting party upon acceptance of the short-term arrangements to become a member of the Committee.

Mr. GAUHAR (Pakistan) supported the setting up of the Committee with the terms of reference proposed. These terms of reference would require the Committee to work towards a long-term solution on the basis of the guiding principles set out in the preamble to the Agreement circulated in document L/1535. His delegation had accepted the terms of reference contained in that document for the purposes of a short-term agreement. Referring to an earlier statement of his delegation reproduced in the same document, he said that work towards a longer-term agreement should be on a broad basis, and that its object should be to make markets accessible without restrictions. In the document, exporting countries were called upon to exercise a measure of restraint in their
export policy to avoid disruptive effects in import markets. He suggested that the Committee, when examining these disruptive effects, should look at similar effects on production in the less-developed countries. If a restrictive solution were to be adopted for a period of, say, three or four years, the Committee must also look at its effects on the less-developed countries.

Mr. TOWNLEY (Rhodesia and Nyasaland) asked if acceptance of the short-term arrangements regarding international trade in cotton textiles was a prerequisite for a contracting party to participate in the work of the Cotton Textile Committee.

The EXECUTIVE SECRETARY, referring to the points raised by the representative of Pakistan, explained that the provisional Cotton Textile Committee had not intended to limit the search for a longer term solution to the specific objectives of the short-term arrangements but had in mind that the work should take place upon the basis of the broader objectives contained in the preamble to the short-term arrangements. The broader approach referred to by the representative of Pakistan would inspire the Committee in its work. Referring to the point raised by the representative of the Federation of Rhodesia and Nyasaland, the Executive Secretary explained that the feeling was that membership in this Committee should include those countries which had a significant interest in the trade; acceptance of the short-term textile arrangement was a useful guide for determining this interest. Any other country asserting such an interest could request membership in the Committee; if its request was not accepted by the Committee it could bring the matter to the attention of the CONTRACTING PARTIES for a decision. This was the normal practice when there was any difference of opinion between contracting parties as to the existence of substantial interest for the purpose of taking part in negotiations, and this would be the safest line to follow in this instance.

The CHAIRMAN proposed that a committee on cotton textiles be established with terms of reference as set out on page 18 of document L/1535 and with a membership of those countries which participated in the work of the provisional committee and those which in due course might notify the Cotton Textile Committee of their desire to join, subject to the terms explained by the Executive Secretary.

Mr. BUSALLEU (Peru) asked if a time-limit would be established for contracting parties to claim a substantial interest in this trade.

The EXECUTIVE SECRETARY replied that there would be no such time-limit.

The CONTRACTING PARTIES approved the establishment of the Cotton Textile Committee with the terms of reference set out on page 18 of L/1535.

4. Peruvian import charges (L/1602)

The CHAIRMAN stated that on 18 November 1958 the CONTRACTING PARTIES had granted a waiver to the Government of Peru to permit the levy of surcharges on certain products specified in the Peruvian schedule. The waiver had been
amended on 17 November 1959. By the Decision of 19 November 1960 the time-
limit for the maintenance of the surcharges had been extended until 8 June
1962. The Government of Peru was required to submit an annual report on action
taken to reduce or eliminate the surcharges maintained under the Decision, and
on the circumstances which in its view still justified the application of the
surcharges not yet eliminated. The report for 1961 had been distributed in
document L/1602.

Mr. BUSALLEU (Peru) stated that the report noted a marked improvement in
the Peruvian economy since 1958 when a request was made for the first time for
authorization to introduce import charges as a temporary emergency measure to
ameliorate balance-of-payments difficulties. Since that time the negative
balance of trade and balance-of-payments position had improved considerably.
The reason for this was that there had been sharp increases in exports of basic
products. He explained that the foreign exchange earnings had advanced from
a deficit of $5 million to a surplus of $60 million. It might appear on tho
surface that this improvement in the economy of his country would warrant
a termination of the system of import charges by the latest on 8 June 1962 in
accordance with the terms of the Decision. However, the present economic
situation and the conditions which might exist in the near future, made it
necessary for his Government to request a further extension of the Decision
for a very short period. The chief effects of the surcharges had been in the
fiscal field where monetary stability has been achieved. An early termination
of their use, however, could cause serious budgetary problems and affect the
fulfilment of the programme of economic development. The Government of Peru
had also to take into consideration insecurity existing in various markets for
its commodity exports.¹

The CHAIRMAN said that he would like to discuss certain matters arising
from the report with a number of delegations, and that he would therefore put
forward proposals at a later meeting. Consequently, discussion on this item
would be deferred until later in the session.

This was agreed.

5. Italian special customs treatment for Libyan products (L/1606)

The CHAIRMAN recalled that a request by the Government of Italy for
a further three-year extension of the Decision of 9 October 1952 had been
examined by the Council at its meeting in September. This request had been
considered in the light of the annual reports which had been submitted by the
Governments of Italy and Libya and in relation to statements made by representa-
tives of the two Governments. The Council had agreed to recommend to the
CONTRACTING PARTIES at the nineteenth session that the waiver should be
extended until the end of 1964. The Executive Secretary had been requested to
prepare a draft decision for consideration by the CONTRACTING PARTIES. This
draft had been prepared in consultation with the Governments of Italy and

¹The full text of the statement of the representative of Peru has been
circulated (L/1627).
Libya and had been distributed in document L/1606. The Chairman enquired whether the CONTRACTING PARTIES would adopt the recommendation of the Council and whether the text of the Decision proposed in document L/1606 was satisfactory.

Mr. VALLADAO (Brazil) stated that his delegation was willing to accept the Decision proposed in document L/1606 even though Brazil was harmfully affected because of the special treatment accorded to Libya. A number of items given special customs treatment under this Decision were of interest to the export trade of Brazil, and were important to the economy of regions in Brazil where living standards were far from a satisfactory level. While recognizing the problems faced by Libya as a less-developed country, he stressed that the special treatment accorded must be considered exceptional.

Mr. MILANOVIC (Yugoslavia) supported the solution recommended in document L/1606.

The Decision was adopted by thirty-two votes in favour and none against.

6. Article XIX - Action by Australia (L/1612)

The CHAIRMAN announced that the Government of Italy had been engaged in consultation with the Government of Australia concerning action by Australia under Article XIX. By postal ballot the CONTRACTING PARTIES had decided on 21 August 1961 that the period prescribed in paragraph 3 of Article XIX for the notification of any suspension of obligations or concessions in connexion with this action should be extended until 31 October. The Government of Italy had advised the secretariat in September that the consultation had not been completed and had requested a further extension until the end of the year. This request for an extension of the closing date in paragraph 3(a) of Article XIX was before the CONTRACTING PARTIES for consideration. If it was agreed that the extension should be granted, attention could be given to the text of the draft decision provided by the Executive Secretary in document L/1612. This document was before the CONTRACTING PARTIES for approval.

The Decision was adopted by thirty-three votes in favour and none against.

7. Relations with Yugoslavia (L/1494 and Add.1, L/1574, L/1594)

The CHAIRMAN stated that the Declaration of 25 May 1959 on relations between contracting parties and the Government of Yugoslavia, provided for an annual review of the development of mutual relations between Yugoslavia and the other parties on the basis of the Declaration, as well as the possibilities of further progress towards the full application of the provisions of the General Agreement. A document distributed in June contained a memorandum by the Government of Yugoslavia describing measures taken in the field of customs tariffs and import and export controls; an addendum to that document contained supplementary data. Further data recently received from the Government of Yugoslavia would also be distributed. Information on the present trade relations between Yugoslavia and the contracting parties which were signatories
to the Declaration had been distributed in document L/1594. The contracting parties would no doubt wish to establish a working party to carry out, during the season, the second review. The Chairman proposed that the task be assigned to the working party which conducted the first review.

Mr. WEISS (United States) stated that his delegation had studied with interest the detailed documentation provided for the second review. His Government was pleased to note the extensive steps which had been taken by Yugoslavia towards the creation of a more normal and less restricted trading system. These steps had included a modification of the exchange rate structure, the simplification of the import control system, the establishment of a tariff based on the Brussels nomenclature, as well as the liberalization of some imports. All these steps had been taken in a direction which would permit the development of mutual relations between Yugoslavia and other parties to the Declaration, more in conformity with the provisions of the General Agreement. Nevertheless, under the Yugoslav import system, a large percentage of imports still remained subject to quantitative restrictions or were subject to bilateral agreements and arrangements. His delegation therefore considered that it would be useful to establish a working party to review the situation.

Mr. RISTIC (Yugoslavia) welcomed the opportunity to present a review of the progress made in revising the foreign trade system of his country. He stated that his Government had already provided considerable documentation and were ready to give any supplementary information that the contracting parties might require. Yugoslavia had made substantial progress in developing its commercial policies in such a way as to be in a position closer in conformity with the provisions of the General Agreement. He stated that his Government wished to expand and intensify its commercial relations with all countries of the world. His Government looked forward to explaining its economic and social system to the CONTRACTING PARTIES.

Mr. VAN WIJK (Netherlands) stated that his Government welcomed the steps taken by Yugoslavia in the last year. Although there were no serious problems in the trade relations between his country and Yugoslavia, his delegation looked forward to participating in a working party where a detailed examination could be made of the comprehensive documentation provided by the Yugoslav Government.

Mr. LATIMER (Canada) said that his delegation wished to join others in expressing appreciation for the progress made by Yugoslavia in revising its foreign trade system; the changes introduced had indeed brought the system more into conformity with the provisions of the General Agreement and thus closer to the position where Yugoslavia would be able to assume full GATT membership. It was the hope of his Government that Yugoslavia would follow a path of reducing reliance upon bilateral trade agreements and eliminating the element of discrimination in its system of foreign trade. His delegation welcomed the establishment of a working party in which it hoped to participate.

Mr. SAVINI (Italy) associated his delegation with the remarks of previous speakers.
The CHAIRMAN stated that the CONTRACTING PARTIES appeared to favour the establishment of a working party to carry out the second review. He repeated his proposal that this task be assigned to a working party having the same composition and terms of reference as the working party which conducted the first review:

**Terms of reference**

To conduct the second annual review under Section C of the Declaration of 25 May 1959 on relations between contracting parties and Yugoslavia, and to report to the CONTRACTING PARTIES.

Chairman:  Mr. N.V. SKAK-NIELSEN (Denmark)

Members:

- Australia
- Austria
- Brazil
- Canada
- Czecho-Slovakia
- Finland
- France
- Greece
- India
- Indonesia
- Israel
- Italy
- Japan
- Netherlands, Kingdom of the
- New Zealand
- Norway
- Pakistan
- Poland
- Portugal
- Sweden
- Turkey
- United Kingdom
- United States
- Uruguay
- Yugoslavia

This was agreed.

8. **Status of protocols (L/1621)**

The CHAIRMAN said that a report by the Executive Secretary on the status of protocols and other instruments which had not yet been accepted by all contracting parties, had been distributed in document L/1621. It had been noted at previous sessions that certain governments had not yet accepted the protocols of amendment which were drawn up and opened for acceptance in 1955. Under the most recent Decision in this connexion these protocols were open for acceptance only until 27 November. When this matter was examined at the eighteenth session the CONTRACTING PARTIES agreed that if by the nineteenth session the protocol amending Part I and Articles XXIX and XXX, which required unanimity, had not yet entered into force, they would consider whether the amendments contained in this protocol should be abandoned, or whether the closing date for acceptance should again be extended.

Mr. VALLADAO (Brazil) said that the protocol of amendment relating to Part I and articles XXIX and XXX, as well as the protocol of amendment relating to the preamble and Parts II and III, were being examined by the Brazilian National Congress. Approval of these protocols had been expected during the current legislative period, but due to unforeseen political events it was possible that this approval might be delayed until the first part of 1962. This situation obliged his delegation to request an extension of the period for the ratification of these protocols until 31 October 1962. The agreement
on the Organization for Trade Co-operation had not been sent to Congress since it had been considered that approval by Brazil of the creation of this organization was not opportune. The Declarations on the provisional accession of Switzerland, Israel and Tunisia, as well as the Declaration on Relations with Poland, were being considered at the ministerial level and would soon be sent to Congress. His Government had already submitted to Congress the protocol relating to the provisional accession of Argentina, and it was his hope that this would soon be approved.

Mr. OLDINI (Chile) said that his Government had submitted to Parliament quite some time ago the protocols of amendment, but that unfortunately, very urgent matters, sometimes of a tragic nature, had prevented the Chilean Parliament from examining those protocols. However, his Government would take every opportunity to expedite the matter and his delegation hoped that by the end of the time-limit mentioned by the delegate of Brazil, his delegation would be in a position to inform the CONTRACTING PARTIES of adoption of these protocols by the Chilean Parliament.

Mr. LAMBERT (Uruguay) addressed himself to the protocols amending Part I and Articles XXIX and XXX, and the protocol amending the preamble to Parts II and III of the Agreement. He said that this question had been examined by the Ministry concerned, which was taking measures to obtain prompt action; at the beginning of November his Government had submitted a new document to Parliament asking for prompt action. His delegation hoped to obtain information on this matter from the Government before the end of the present session.

The CHAIRMAN proposed that the closing date for acceptance of the protocols of amendment be again extended, and that the Executive Secretary be requested to prepare a draft decision for consideration at a later meeting.

This was agreed.

The CHAIRMAN drew attention to the fact that many other protocols and instruments, some of them dating from 1955, still lacked acceptance by many contracting parties, and asked that this be drawn to the attention of the governments concerned by their delegations.

9. Fellowship programme (L/1598)

The CHAIRMAN said that the Executive Secretary's annual report on the operation of the programme for providing training courses had been distributed in document L/1598.

The EXECUTIVE SECRETARY said that he was happy to be able to report that the fellowship programme continued to commend itself to the governments for whom it was intended. Applications from governments were more numerous than could be coped with. The secretariat had endeavoured to give priority to Fellows from the newly-independent States of Africa in the light of the proposals placed before an earlier session of the CONTRACTING PARTIES. In view of the large number of newly-independent French-speaking States in Africa, the secretariat had found it useful to organize this year a course entirely in French, and he hoped that it would be possible to repeat this arrangement in the future.
The secretariat had tried to take into account the opinions and points of view expressed by previous Fellows, as well as suggestions they had made for the improvement of the courses; the courses have undoubtedly benefited from these suggestions.

The Executive Secretary expressed his gratitude to those countries who had acted as hosts to Fellows and said that he was always of the opinion that this was a most important part of the course. In this regard, he made special mention of the facilities that were offered by the Spanish Government for the study by Fellows of the Spanish Stabilization Plan.

The secretariat had been able to give effect to a suggestion made by the delegation of Ghana concerning arrangements, in co-operation with the United Nations Technical Assistance Programme, to enable some Fellows after completing the normal training course, to remain with the secretariat for a further period of six months. This year this facility had been made available to an official from Ghana and one from Nigeria, and although it was intended that these facilities should be extended to Fellows from newly-independent States, an Indian official had also been permitted to take advantage of this arrangement. These particular Fellows were now gaining practical knowledge in the Trade Policy Division of the secretariat. He expressed the hope that this further experience would prove to be of real value to these officials and to their governments. He intended to make similar arrangements after the completion of the present training course.

The representatives of Ghana, Indonesia, Brazil, Tunisia, Sierra Leone, Argentina, the United States, Peru, Nigeria, the United Kingdom, Chile, Yugoslavia, India, the Federal Republic of Germany, Spain and Poland, stressed the great benefit which was derived from the secretariat courses, both by the participants and, as a consequence, by governments. Representatives supported the Executive Secretary's more recent introduction of French language courses and the arrangements made for some Fellows to remain for an additional six-months' period with the secretariat in order to gain practical experience. Representatives paid tribute to the Executive Secretary and the Deputy Executive Secretary for their interest and work in connexion with the courses. Thanks were also expressed to UNTAA and to the governments which had acted as hosts to visiting Fellows during the courses.

The CONTRACTING PARTIES took note of the Executive Secretary's report.

The meeting was adjourned at 5.30 p.m.