1. The Legal Drafting Group was set up by the Tariff Negotiations Committee at its meeting on 26 September in order to draw up the instruments in which the results of the Tariff Conference should be embodied. The Group now submits to the Tariff Negotiations Committee an interim report.

2. The reason for an interim report at this stage is this. Agreement will have to be reached in the near future on the text of the legal instruments, drafts of which are attached. Since they differ in some respects from the model protocol it is considered that at least their general form should be agreed by the CONTRACTING PARTIES; given that the nineteenth session is now in progress it would be expedient for this to be done before 8 December when the session ends - or indeed earlier if the Tariff Conference should end before this. But the documents are complex and delegations will wish to give them careful consideration. The Legal Drafting Group considered, therefore, that it would be expedient to circulate the drafts now in order to give all delegations the maximum possible notice of the terms of the documents which they would shortly be called on to approve.

3. The legal instruments, drafts of which are attached, comprise a final act and a protocol.

(a) The protocol, with its various schedules, embodies the results of the Tariff Conference, i.e. of the negotiations under Article XXIV:6 and Article XXVIII, of any other compensatory negotiations, of the accession negotiations and of the Dillon round. The protocol basically follows the substance of previous protocols although there has been some attempt to provide for more logical arrangement of the provisions and in some cases for tighter drafting. Part One deals with the position and in particular with the obligations of acceding countries; the drafting of paragraph 3 has to await further progress by the Working Party on Accession. Part Two lists the various categories of schedules (paragraphs 4-6) and covers the special problem, which would arise if Switzerland did not accede to the General Agreement, of new schedules to the declaration of Swiss provisional accession (paragraph 7). Paragraph 8 provides that the results of Article XXVIII modifications embodied in the schedules to the present protocol cancel out any prior concessions giving more favourable treatment in previous protocols.
The purpose of paragraph 9 is to make it clear that in those cases where a new concession on a product replaces an old one, the obligations on the contracting party concerned in respect of Article II(1) of the General Agreement (i.e. subsidiary import charges) shall be deemed to have started with the old concession, not the new one, i.e., if imports into a certain contracting party on a certain product are bound at 10 per cent in a schedule to this Protocol, instead of 15 per cent in the previous Protocol, this does not absolve the contracting party concerned from not having complied in respect of this product with the provisions of Article II(1) before the entry into force of the present Protocol. Paragraph 10 contains the usual provisions which allow in certain cases, the withholding or withdrawal of certain concessions. Part Three deals with the form and implications of the acceptance by the CONTRACTING PARTIES, acceding Governments, Switzerland, and the EEC of the Protocol and the date of its entry into force.

4. Points which it is suggested that contracting parties should bear in mind in the preparation of the schedules to be annexed to the Protocol

(a) On the assumption that the period of validity of the Declaration of 22 November 1958 for the Provisional Accession of the Swiss Confederation should be extended (a Decision on this by the CONTRACTING PARTIES is pending), paragraph 7 of the draft Protocol provides that the concessions negotiated at the present Conference by Switzerland and by participating countries with Switzerland shall be incorporated in schedules which will become Schedules to the Swiss Declaration of 22 November 1958. Participating countries which are starting the final preparation of their schedules to be annexed to the Protocol should therefore bear in mind the fact that their concessions to Switzerland would under such circumstances be incorporated in separate schedules to the Protocol which would become Schedules to the Declaration of 22 November 1958.

(b) Contracting parties which wish to avail themselves of the possibility provided for in the draft Protocol of the inclusion of the results of any Article XXVIII negotiations which have been concluded at the present conference or on earlier occasions should
(i) ensure that they have submitted the "Final Report" on the lines set out in document TN,60/5;
(ii) prepare for the inclusion of these concessions in the Schedule which will be annexed to the Protocol.

(c) It will be noted that paragraph 8 of the draft Protocol provides in general language that such higher rates of duty as may result from modifications under Article XXVIII will automatically supersede lower rates in earlier schedules. Consequently it would appear that the only instance in which it will be necessary to make specific reference
to the fact that an item in the new schedule modifies a concession contained in an earlier schedule will be in the case of the withdrawal in whole or in part of concessions from the latter. Any particular drafting problems which arise might appropriately be discussed with the secretariat.

5. Questions have been raised during the discussions of the Working Party on

(a) the extent and nature of the obligations which might be assumed by the member States of the EEC in respect of their tariffs in the transitional period before the Common External Tariff comes into force.

(b) whether for the purpose of determining in future Article XXVIII negotiations "claims to have principal supplying interest all substantial interest" regard should be had to the EEC as a unit or to member States individually.

6. These questions are now the subject of informal discussion between delegations. If in the light of this it should subsequently be considered that provisions on these subjects should be included in the Protocol or decisions of substance be needed by the Tariff Negotiations Committee they will be made the subject of a separate report.

7. This interim report is therefore circulated for information. Should any delegation have any preliminary comments on the draft legal instruments attached it might wish to get in touch with the Chairman (Mr. G.R. Denman, United Kingdom Delegation, Room 320, GATT Conference Building, 63-65 rue de Lausanne. Extension 275).
I. Draft Final Act Authenticating the Results of the 1960-61 Tariff Conference held under the Auspices of the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade at Geneva from 1 September 1960 to 1961

The CONTRACTING PARTIES to the General Agreement on Tariffs and Trade on 29 May 1959 decided to arrange for a tariff conference to convene on 1 September 1960.

The negotiations at that conference, which opened on that date and was concluded on _______________ 1961, included:

(a) Negotiations directed towards the accession countries to the General Agreement pursuant to Article XXIII;

(b) Renegotiation of existing concessions pursuant to paragraph 6 of Article XXIV of the General Agreement resulting from the institution of the European Economic Community;

(c) The negotiation of new concessions pursuant to Article XXVIII bis between contracting parties, and between contracting parties and the European Economic Community;

(d) Renegotiations by contracting parties of existing concessions pursuant to Article XXVIII of the General Agreement;

(e) New negotiations and renegotiations, between contracting parties and Switzerland in relation to the Declaration for the Provisional Accession of Switzerland to the General Agreement, of 22 November 1958; and

(f) The negotiation of new concessions compensatory for action taken with respect to certain existing concessions.

As a result of these negotiations, and of other modifications of schedules to the General Agreement effected pursuant to procedures established by the CONTRACTING PARTIES, the following instruments have been prepared:

(a) Decisions agreeing to the accession of Cambodia, Ireland, Israel, Portugal, Spain, and Tunisia to the General Agreement (Annex I); and

(b) The Protocol Embodying the Results of the 1960-61 Tariff Conference (Annex II).

The texts of these instruments in the English and French languages are annexed hereto, and are hereby authenticated; and it is hereby certified that, in each case in which a Schedule in Annex B, D, or E to the Protocol in Annex II to this Final Act results for any product in treatment less favourable than was provided for such product in the schedules to the General Agreement or to the Swiss Declaration of 22 November 1958 existing on September 1960, appropriate action has been undertaken pursuant to paragraph 6 of Article XXIV or Article XXVIII of the General Agreement, or under some other provision of that Agreement or procedure thereunder, to enable effect to be given to such change.

Done at Geneva this __________ day of __________ one thousand nine hundred and sixty-one, in a single copy in the English and French languages, both texts being authentic. [Signatures]
II. Draft Protocol to the General Agreement on Tariffs and Trade embodying Results of the 1960-61 Tariff Conference

The Governments which are contracting parties to the General Agreement on Tariffs and Trade (hereinafter referred to as "contracting parties" and "the General Agreement", respectively), the Governments of Cambodia, Ireland, Israel, Portugal, Spain, and Tunisia (hereinafter referred to as "acceding Governments"), the European Economic Community, and the Government of the Swiss Confederation (hereinafter referred to as "Switzerland"),

HAVING carried out at the 1960-61 Tariff Conference negotiations pursuant to paragraph 6 of Article X XIV, Article XXXVIII, Article XXXVIII bis, Article XXXIII, and other relevant provisions of the General Agreement,

HAVE through their Representatives agreed as follows:

PART I -- ACCESSION

1. An acceding Government shall, upon the entry into force of this Protocol with respect to it pursuant to sub-paragraph (b) of paragraph 12, become a contracting party to the General Agreement, as defined in Article XXXII thereof, and shall apply provisionally, and subject to this Protocol:

(a) Parts I and III of the General Agreement, and

(b) Part II of the General Agreement to the fullest extent not inconsistent with its legislation existing on the date of this Protocol or, in the case of an acceding Government a declaration for the provisional accession of which is in force immediately prior to its accession, the date of that declaration; the obligations incorporated in paragraph 1 of Article I by reference to Article III and those incorporated in paragraph 2(b) of Article II by reference to Article VI shall be considered as falling within Part II for the purpose of this paragraph.

2. (a) The provisions of the General Agreement to be applied by an acceding Government shall, except as otherwise provided in this Protocol, be the provisions contained in the text annexed to the Final Act of the second session of the Preparatory Committee of the United Nations Conference on Trade and Employment, as rectified, amended, supplemented, or otherwise modified by the instruments at least partially in effect on the date of this Protocol listed in Annex A to this Protocol: Provided this does not mean that an acceding Government undertakes to apply a provision of any such instrument prior to the effectiveness of such provision pursuant to the terms of the instrument.

(b) In each case in which paragraph 6 of Article V, sub-paragraph 4(d) of Article VII, and sub-paragraph 3(c) of Article X of the General Agreement refer to the date of that Agreement, the applicable date in respect of an acceding Government shall be the date of this Protocol or, in the case of an acceding Government a declaration for the provisional accession of which is in force immediately prior to its accession, the date of such declaration.

PART II - SCHEDULES

4. The schedule in Annex B relating to any contracting party shall, upon the entry into force of this Protocol with respect to such contracting party, become a schedule to the General Agreement relating to that contracting party.

5. The schedule in Annex C relating to any acceding Government shall, upon the entry into force of this Protocol with respect to such acceding Government, become a schedule to the General Agreement relating to that acceding Government.

6. The schedule in Annex D relating to the European Economic Community shall, upon the entry into force of this Protocol with respect to the Community, become a schedule to the General Agreement relating to the European Economic Community.

7. The schedule in Annex E relating to any contracting party, any acceding Government, the European Economic Community, or Switzerland shall, upon the date on which both the Declaration on the provisional Accession of the Swiss Confederation to the General Agreement on Tariffs and Trade, of 22 November 1958 (hereinafter referred to as the Swiss Declaration of 22 November 1958) and this Protocol shall have entered into force with respect to such contracting party, acceding Government, the European Economic Community, or Switzerland, as the case may be, become a schedule to the Swiss Declaration of 22 November 1958 relating to such contracting party, acceding Government, the European Economic Community, or Switzerland.

8. In each case in which a schedule in Annex B, D, or E to this Protocol provides, for any product imported into a contracting party, treatment less favourable than was provided for such product in a schedule applicable to such contracting party on 1 September 1960, such provision for less favourable treatment in the schedule annexed to this Protocol shall, when such schedule becomes a schedule to the General Agreement pursuant to paragraphs 4, 6 or 7, terminate the provision for such product in such prior schedule.

9. (a) In each case in which paragraph 1 of Article II of the General Agreement refers to the date of that Agreement:

(i) The applicable date in respect of each product which is the subject of a concession provided for in the schedule annexed to this Protocol of an acceding Government, or of a contracting party or of Switzerland, if such product was not the subject of a concession provided for in the same part or section, as the case may be, of a schedule to the General Agreement of such contracting party or Switzerland on 1 September 1960, shall be the date of this Protocol.

(ii) The applicable date in respect of each product which is the subject of a concession provided for in the schedule of the European Economic Community shall, when imported into the Kingdom of Belgium, the French Republic, the Federal Republic of Germany, the Republic of Italy, the Grand Duchy of Luxemburg, or the Kingdom of the Netherlands, be:
(I) If the product was provided for in Part I of a schedule (or of a relevant section of a schedule) applicable to such contracting party on 1 September 1960: the date of the instrument by which such product was first provided for therein:

Provided, that a concession on such product has been continuously in effect since the entry into force of the concession provided for in such instrument.

(II) If the product was not so provided for on 1 September 1960: the date of this Protocol.

(b) For the purpose of the reference in paragraph 6(a) of Article II of the General Agreement to the date of that Agreement, the applicable date in respect of the schedules annexed to this Protocol shall be the date of this Protocol.

10. Any contracting party, any acceding Government, the European Economic Community, or Switzerland, after a schedule relating to it annexed to this Protocol has become a schedule to the General Agreement or to the Swiss Declaration of 22 November 1958 pursuant to the provisions of paragraphs 4, 5, 6, or 7, of this Protocol, shall be free at any time to withhold or to withdraw in whole or in part any concession in such schedule which it determines to have been initially negotiated with a contracting party, an acceding Government, the European Economic Community, or Switzerland, the schedule relating to which annexed to this Protocol has not yet become a schedule to the General Agreement or to the Swiss Declaration of 22 November 1958, as the case may be: Provided that:

(a) This paragraph shall only apply to concessions negotiated pursuant to Article XVIII bis of the General Agreement.

(b) Written notice of any such withholding of a concession shall be given to the CONTRACTING PARTIES (or to the parties to the Swiss Declaration of 22 November 1958, in the case of a concession in a schedule to that Declaration) within thirty days after the date of such withholding.

(c) Written notice of intention to make any such withdrawal of a concession shall be given to the CONTRACTING PARTIES (or to the parties to the Swiss Declaration of 22 November 1958) at least thirty days before the date of such intended withdrawal.

(d) Consultations shall be held, upon request, with any contracting party, any acceding Government, the European Economic Community, or Switzerland, the relevant schedule relating to which has become a schedule to the General Agreement or the Swiss Declaration of 22 November 1958, as the case may be, and which has a substantial interest in the product involved.
(e) Any concession so withheld or withdrawn shall be applied on and after the day on which the schedule of the contracting party, the acceding Government, the European Economic Community, or Switzerland with which such concession was initially negotiated becomes a schedule to the General Agreement or to the Swiss Declaration of 22 November 1958, as the case may be, or, if it should be a later date, on the thirtieth day following the day on which this Protocol shall have been accepted by such contracting party, the European Economic Community, or Switzerland, as the case may be.

**PART III - FINAL PROVISIONS**

11. (a) This Protocol shall be deposited with the Executive Secretary of the CONTRACTING PARTIES. It shall be open to acceptance, by signature or otherwise, by contracting parties, by the acceding Governments, by the European Economic Community, and by Switzerland.

(b) Acceptance of this Protocol by a contracting party, to the extent that it shall not have already taken final action to become a party to the following instruments and except as it may otherwise notify the Executive Secretary in writing at the time of such acceptance, shall constitute final action to become a party to each of the following instruments:

1. Protocol Amending Part I and Articles XXIX and XXX, Geneva, 10 March 1955;

2. Protocol Amending the Preamble and Parts II and III, Geneva, 10 March 1955;


4. Procès-Verbal of Rectifications Concerning the Protocol Amending Part I and Articles XXIX and XXX, the Protocol Amending the Preamble and Parts II and III and the Protocol of Organizational Amendments, Geneva, 3 December 1955;

5. Fifth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 3 December 1955;

6. Sixth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 11 April 1957;

7. Seventh Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 30 November 1957;

(ix) Eighth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 18 February 1959; and


(o) Acceptance of this Protocol by an acceding Government shall constitute final action to become a party to each of the following instruments:

(i) Protocol Amending Part I and Articles XXIX and XXX, Geneva, 10 March 1955;

(ii) Fifth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 3 December 1955;

(iii) Sixth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 11 April 1957;

(iv) Seventh Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 30 November 1957;


(vi) Eighth Protocol of Rectifications and Modifications to the Texts of the Schedules, Geneva, 18 February 1959; and


12. (a) This Protocol shall enter into force:

(i) For any contracting party or for Switzerland, on the thirtieth day following the day upon which it shall have been accepted by that contracting party or by Switzerland, or on such earlier date following such acceptance as may be notified to the Executive Secretary in writing at the time of such acceptance.

(ii) For any acceding Government on the thirtieth day following the day upon which it shall have been accepted by that acceding Government.

(iii) For the European Economic Community, on the thirtieth day following the day on which it shall have been accepted by the European Economic Community or on such earlier date following such acceptance by the Community as may be notified to the Executive Secretary in writing at the time of such acceptance.
(b) An acceding Government, which has become a contracting party to the General Agreement pursuant to paragraph 1 of this Protocol, may accede to the General Agreement upon the applicable terms of this Protocol by deposit of an instrument of accession with the Executive Secretary. Such accession shall take effect on the day on which the General Agreement enters into force pursuant to Article XXVI or on the thirtieth day following the day of the deposit of the instrument of accession, whichever is the later. Accession to the General Agreement pursuant to this paragraph shall, for the purposes of paragraph 2 of Article XXXII of that Agreement, be regarded as acceptance of the Agreement pursuant to paragraph 4 of Article XXVI thereof.

13. (a) Each acceding Government accepting this protocol pursuant to sub-paragraph (a) of paragraph 11 or acceding to the General Agreement pursuant to sub-paragraph (b) of paragraph 12 does so in respect of its metropolitan territory and of the other territories for which it has international responsibility, except any separate customs territory as it shall notify to the Executive Secretary in writing at the time of its acceptance or accession.

(b) Any acceding Government, which has so notified the Executive Secretary under the exceptions in sub-paragraph (a) may at any time give notice to the Executive Secretary in writing that its acceptance shall be effective in respect of any separate customs territory so excepted and such notice shall take effect on the thirtieth day following the day on which it is received by the Executive Secretary.

14. An acceding Government may withdraw its provisional application of the General Agreement, prior to its accession thereto pursuant to sub-paragraph (b) of paragraph 12, and such withdrawal shall take effect on the sixtieth day following the day on which written notice thereof is received by the Executive Secretary.

15. The Executive Secretary shall promptly furnish a certified copy of this Protocol, a notification of each acceptance thereof pursuant to sub-paragraph (a) of paragraph 11, of each accession to the General Agreement pursuant to sub-paragraph (b) of paragraph 12, and of each notice or notification pursuant to sub-paragraph (b) or (c) of paragraph 10, sub-paragraph (b) of paragraph 11, sub-paragraph (a) of paragraph 12, paragraph 13, or paragraph 14 to each contracting party, to each acceding Government, to the European Economic Community, to each Government which shall have acceded provisionally to the General Agreement, and to each other Government with respect to which an instrument establishing special relations with the CONTRACTING PARTIES to the General Agreement shall have entered into force.

Done at Geneva this day of one thousand nine hundred and sixty-one, in a single copy in the English and French languages, both texts being authentic except as otherwise specified with respect to schedules annexed hereto.

[Signatures]
ANNEX A

INSTRUMENTS RECTIFYING, AMENDING, SUPPLEMENTING, OR OTHERWISE MODIFYING THE GENERAL AGREEMENT AS IT IS TO BE APPLIED BY ACCEDING GOVERNMENTS PURSUANT TO PARAGRAPH 2(a)

Protocol of Provisional Application, Geneva, 30 October 1947 (55 UNTS 308 to 316);

Protocol of Rectifications, Havana, 24 March 1948 (62 UNTS 2 to 25);

Protocol Modifying Certain Provisions, Havana, 24 March 1948 (62 UNTS 30 to 39);

Special Protocol Modifying Article XIV, Havana, 24 March 1948 (62 UNTS 40 to 55);

Special Protocol Relating to Article XXIV, Havana, 24 March 1948 (62 UNTS 56 to 66);

Protocol Modifying Part I and Article XXIX, Geneva, 14 September 1948 (138 UNTS 334 to 345);

Protocol Modifying Part II and Article XXVI, Geneva, 14 September 1948 (62 UNTS 80 to 111);

Second Protocol of Rectifications, Geneva, 14 September 1948 (62 UNTS 74 to 79);

Protocol Replacing Schedule I (Australia), Annecy, 13 August 1949 (107 UNTS 84 to 310);

Protocol Replacing Schedule VI (Ceylon), Annecy, 13 August 1949 (138 UNTS 347 to 378);

First Protocol of Modifications, Annecy, 13 August 1949 (138 UNTS 382 to 397);

Third Protocol of Rectifications, Annecy, 13 August 1949 (107 UNTS 312 to 378);

Annecy Protocol of Terms of Accession, Annecy, 10 October 1949 (62 UNTS 122 to 439, 63 UNTS passim, 64 UNTS 3 to 438);

Fourth Protocol of Rectifications, Geneva, 3 April 1950 (138 UNTS 398 to 465);

Fifth Protocol of Rectifications, Torquay, 16 December 1950 (167 UNTS 265 to 294);
Torquay Protocol, Torquay, 21 April 1951
(142 UNTS 34 to 436, 143 to 146 UNTS passim, 147 UNTS 162 to 389);

First Protocol of Rectifications and Modifications to the Texts of
the Schedules, Geneva, 27 October 1951 (176 UNTS 2 to 387);

First Protocol of Supplementary Concessions (South Africa and Germany),
Geneva, 27 October 1951 (131 UNTS 316 to 324);

Second Protocol of Rectifications and Modifications to the Texts of
the Schedules, Geneva, 8 November 1952 (321 UNTS 245 to 266);

Second Protocol of Supplementary Concessions (Austria and Germany),
Innsbruck, 22 November 1952 (172 UNTS 340 to 346);

Third Protocol of Rectifications and Modifications to the Texts of
the Schedules, Geneva, 24 October 1953 (321 UNTS 266 to 282);

Fourth Protocol of Rectifications and Modifications to the Annexes
and to the Texts of the Schedules, Geneva, 7 March 1955
(324 UNTS 300 to 333);

Protocol Amending the Preamble and Parts II and III, 10 March 1955
(278 UNTS 168 to 245);

Protocol of Terms of Accession of Japan, Geneva, 7 June 1955
(220 UNTS 164 to 379);

Protocol of Rectifications to the French Text, Geneva, 15 June 1955
(253 UNTS 316 to 332);

Third Protocol of Supplementary Concessions (Denmark and Federal Republic
of Germany), Geneva, 15 July 1955 (250 UNTS 293 to 296);

Fourth Protocol of Supplementary Concessions (Federal Republic of Germany
and Norway), Geneva, 15 July 1955 (250 UNTS 297 to 300);

Fifth Protocol of Supplementary Concessions (Federal Republic of Germany
and Sweden), Geneva, 15 July 1955 (250 UNTS 301 to 311);

Procès-Verbal of Rectifications concerning the Protocol Amending Part I
and Articles XXIX and XXX, the Protocol Amending the Preamble and
Parts II and III and the Protocol of Organizational Amendments, Geneva,
3 December 1955 (278 UNTS 246 to 258);

Sixth Protocol of Supplementary Concessions, Geneva, 23 May 1956
(244 to 246 UNTS passim);

Seventh Protocol of Supplementary Concessions (Austria and Federal
Republic of Germany), Bonn, 19 February 1957 (309 UNTS 364 to 370); and

Eighth Protocol of Supplementary Concessions (Cuba and United States),
Havana, 20 June 1957 (274 UNTS 322 to 331).