The Governments which are contracting parties to the General Agreement on Tariffs and Trade (hereinafter referred to as "the contracting parties" and "the General Agreement" respectively),

Desiring to effect amendments to the General Agreement, pursuant to the provisions of Article XXX thereof,

Hereby agree as follows:

1. The provisions of Articles I, II, XXIX and XXX of the General Agreement, Annexes A, B, C, D; E, F, G, and I thereto, and of the Schedules annexed thereto shall be amended and a new Article shall be inserted therein, as follows:

   The following new article shall be inserted immediately after "PART I":

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1 The heading and arrangement are provisional. The final clauses will be found in W.9/244.
"Article I

"Objectives

1. The contracting parties recognize that their relations in the field of trade and economic endeavour should be conducted with a view to raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, developing the full use of the resources of the world and expanding the production and exchange of goods, and promoting the progressive development of the economies of all the contracting parties.

2. The contracting parties desire to contribute to these objectives through this Agreement by entering into reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international commerce."

B

(a) Subject to the provisions of paragraph 7 of this Protocol, the number of this Article shall be changed to II both in the Article itself and wherever a reference to it occurs in the provisions of Article II (before amendment pursuant to Section C(a) of this Protocol), XXIX or XXX, of the Annexes relating to such Articles, or of the Schedules annexed to the General Agreement, and wherever such provisions may hereafter be amended to contain such a reference.

(b) Article I (to become "Article II", but hereinafter referred to as "Article I") shall be amended as follows:

(i) Paragraph 1 shall read:

"1. With respect to customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports, and with respect to the method of levying such duties and charges, and with respect to all rules and formalities in connection with importation and exportation, and with respect to the application of internal taxes to exported goods, and with respect to all matters referred to in paragraphs 2 and 4 of Article IV, any advantage, favour, privilege or immunity granted by any contracting party to any product originating in or destined for any other country shall be accorded immediately and unconditionally to the like product originating in or destined for the territories of all other contracting parties."
(ii) Paragraph 2(d) shall read:

"(d) preferences in force exclusively between neighbouring countries listed in Annex E."

(iii) Paragraph 3 shall read:

"3. The provisions of paragraph 1 shall not apply to preferences between the countries formerly a part of the Ottoman Empire and detached from it on July 24, 1923, provided such preferences are approved under paragraph 5 of Article XX."

(c) Annex A shall be amended as follows:

(i) The part of the list of territories following "Ireland" shall read:

"India
Pakistan
Southern Rhodesia
Burma
Ceylon".

(ii) In the third paragraph following the list of territories, the words "under part I(h) of Article XX" shall read: "under sub-paragraph (h) of Article XX".

(iii) The last paragraph shall be deleted.

(d) The list of territories in Annex B shall read:

"France
French Equatorial Africa (Treaty Basin of the Congo and other territories)
French West Africa
Cameroons under French Trusteeship
French Somali Coast and Dependencies
French Establishments in Oceania
French Establishments in the Condominium of the New Hebrides
Indo-China
Madagascar and Dependencies
Morocco (French Zone)
New Caledonia and Dependencies
Saint-Pierre and Miquelon
Togo under French Trusteeship
Tunisia

"1 For imports into Metropolitan France and Territories of the French Union."
(e) The list of territories in Annex C shall read:

"The Belgium-Luxemburg Economic Union
Belgian Congo
Ruanda Urundi
Netherlands, Kingdom of the
New Guinea
Surinam
Netherlands Antilles
Republic of Indonesia"

(f) Annex E shall read:

"ANNEX E

LISTS OF TERRITORIES COVERED BY PREFERENTIAL ARRANGEMENTS
BETWEEN NEIGHBOURING COUNTRIES REFERRED TO IN PARAGRAPH 2(d) OF ARTICLE I

(i) Chile, on the one hand, and

1. Argentina
2. Bolivia
3. Peru, on the other.

(ii) Uruguay and Paraguay."

(g) Annex F shall be deleted.

(h) Annex G shall read:

"ANNEX F

DATES ESTABLISHING MAXIMUM MARGINS OF PREFERENCE
REFERRED TO IN PARAGRAPH 4 OF ARTICLE I

"Australia . . . . . . . . . . . . . . . . . . . . . . . . . . . . . October 15, 1946
Canada . . . . . . . . . . . . . . . . . . . . . . . . . . . . . July 1, 1939
France . . . . . . . . . . . . . . . . . . . . . . . . . . . . . January 1, 1938
Union of South Africa . . . . . . . . . . . . . . . . . . . . July 1, 1938
Southern Rhodesia . . . . . . . . . . . . . . . . . . . . . . May 1, 1941"

(i) In Annex I (to become "Annex H" pursuant to the Protocol amending Parts II and III, but hereinafter referred to as "Annex I") the second paragraph of the note to paragraph 1 shall be deleted.
(a) Subject to the provisions of paragraph 7 of this Protocol the number of this Article shall be changed to III both in the Article itself and wherever a reference to it occurs in the provisions of Article I (before amendment pursuant to Section B(a) of this Protocol), XXIX or XXX, of the Annexes relating to such Articles, or of the Schedules annexed to the General Agreement, and wherever such provisions may hereafter be amended to contain such a reference.

(b) Article II (to become "Article III", but hereinafter referred to as "Article II") shall be amended as follows:

(i) The second sentence of paragraph 1(b) and the second sentence of paragraph 1(c) shall read:

"Such products shall also be exempt from all other duties or charges of any kind imposed on or in connexion with importation, including charges of any kind imposed on the international transfer of payments for imports, in excess of those imposed on the date of this Agreement or those directly or mandatorily required to be imposed thereafter by legislation in force in the importing territory on that date."

(ii) Paragraph 6(a) shall read:

"The specific duties and charges included in the Schedules relating to contracting parties members of the International Monetary Fund, and margins of preference in specific duties and charges maintained by such contracting parties, are expressed in the appropriate currency at the par value accepted or at the rate of exchange recognized by the Fund at the date of this Agreement. Accordingly, in case the par value accepted or the rate of exchange recognized by the Fund is reduced consistently with the Articles of Agreement of the Fund by more than twenty per centum, such specific duties and charges and margins of preference may be adjusted to take account of such reduction; Provided that the CONTRACTING PARTIES (i.e., the contracting parties acting jointly as provided for in Article XXV) concur that such adjustments will not impair the value of the concessions provided for in the appropriate Schedule or elsewhere in this Agreement, due account being taken of all factors which may influence the need for, or urgency of, such adjustments."
(c) The notes in Annex I to Article II shall be amended as follows:

(i) The note to paragraph 2(a) shall be deleted.

(ii) The following note to paragraph 4 shall be inserted:

"The provisions of this paragraph will be applied in the light of the following:

"1. The protection afforded through the operation of an import monopoly in respect of products described in the appropriate schedule shall be limited by means of:

(a) a maximum import duty that may be applied in respect of the product concerned; or

(b) any other mutually satisfactory arrangement consistent with the provisions of this Agreement; any contracting party entering into negotiations with a view to concluding such arrangement shall afford to other interested contracting parties an opportunity for consultation.

"2. The import duty mentioned in 1(a) above shall represent the margin by which the price charged by the import monopoly for the imported product (exclusive of internal taxes conforming to the provisions of Article III, transportation, distribution, and other expenses incident to the purchase, sale or further processing, and a reasonable margin of profit) exceeds the landed cost; Provided that regard may be had to average landed costs and selling prices over recent periods; and Provided further that, where the product concerned is a primary commodity which is the subject of a domestic price stabilization arrangement, provisions may be made for adjustment to take account of wide fluctuations or variations in world prices, subject to agreement between the countries parties to the negotiations."

(d) Subject to the provisions of paragraph 7 of this Protocol, the number of Article III shall be changed to IV wherever reference to it occurs in the provisions of Article I or II (before amendment pursuant to this Protocol), of the Annexes relating to such Articles or of the Schedules annexed to the General Agreement, and wherever such provisions may be amended to contain such a reference.
D

(a) Article XXIX shall be deleted.

(b) The note to Article XXIX in Annex I shall be deleted.

E

(a) Article XXX shall read:

"1. (a) Except as provided for in paragraph 3 of this Article, amendments to the provisions of this Agreement shall be made in accordance with the provisions of this paragraph.

"(b) Amendments to the provisions of this Agreement shall be submitted to the contracting parties for acceptance in accordance with sub-paragraphs (c) and (d) below; Provided that such amendments have been approved by the CONTRACTING PARTIES by a majority of two-thirds of the votes cast.

"(c) Amendments to the provisions of Part I of this Agreement or of this Article shall become effective on the thirtieth day following the day on which they have been accepted by all the contracting parties.

"(d) Other amendments to this Agreement shall become effective in respect of those contracting parties which have accepted them on the thirtieth day following the day on which they have been accepted by two-thirds of the contracting parties, and thereafter for each other contracting party on the thirtieth day following the day on which they have been accepted by it.

"2. (a) The CONTRACTING PARTIES may decide that any amendment made effective under sub-paragraph (d) of paragraph 1 of this Article is of such a nature that any contracting party which has not accepted it within a period specified by the CONTRACTING PARTIES shall be free to withdraw from this Agreement or to remain a contracting party with the consent of the CONTRACTING PARTIES."
"(b) A withdrawal from this Agreement under sub-paragraph (a) of this paragraph shall take effect upon the expiration of the sixtieth day following the day on which written notice of withdrawal is received by the Executive Secretary to the CONTRACTING PARTIES. A contracting party which, in the circumstances described in sub-paragraph (a), fails to accept the amendment or to give notice of withdrawal, shall cease to be a contracting party upon the expiration of the period referred to in that sub-paragraph in the sixtieth day following the day on which the CONTRACTING PARTIES shall have decided to withhold their consent to the contracting party remaining a contracting party, whichever date is the later.

"3. Any amendments to the schedules annexed to this Agreement which record rectifications of a purely formal character or modifications resulting from action taken under paragraph 6 of Article II, Article XVIII, Article XXIV, Article XXVII or Article XXVIII, shall become effective on the thirtieth day following this certification by the CONTRACTING PARTIES; Provided that prior to such certification, all contracting parties have been notified of the proposed amendments and no objection has been raised, within thirty days of such notification by any contracting party, on the ground that the proposed amendments are not within the terms of this paragraph."

(b) The following note to Article XXX shall be inserted in Annex I:

"Ad Article XXX

"The acceptance of amendments pursuant to this paragraph shall be in such form as may be determined by the CONTRACTING PARTIES."