SECOND AND THIRD COMMITTEES

JOINT SUB-COMMITTEE OF COMMITTEES II AND III

TARIFF PREFERENCES

AGENDA FOR THIRD MEETING

To be held, Monday, 29 December 1947, 10.30 a.m., Conference Room J

ARTICLE 15 - PREFERENTIAL ARRANGEMENTS FOR ECONOMIC DEVELOPMENT

(Reference E/CONF.2/C.2/9, pages 61 to 63)

Paragraph 1

1. The delegations of Argentina, Chile and Venezuela propose the deletion of the second sentence so as to remove the control of the Organization over the use of preferential arrangements for development purposes.

2. The delegation of Ecuador would substitute a simple majority for the two-thirds affirmative vote required in the second sentence.

New Paragraph

3. The delegation of Chile proposes to insert a new paragraph after paragraph 1 exempting from the provisions of paragraph 1 of Article 16 "preferences in force between adjacent countries whose economic or industrial development is inadequate or backward...in order to apply industrial processes which are of special and reciprocal interest to them and to provide them with a sound and adequate basic market".

Paragraph 2

4. The delegation of Argentina would delete the second and third sentences, while the delegation of Chile would substitute "This statement shall be communicated by the Organization to all Members".

5. The delegation of Venezuela would rewrite paragraph 2 so as not to require the submission of a written statement to the Organization until after the preferential arrangement has been concluded; this statement would then be transmitted to other Members and any Member which considered that its trade was substantially damaged could communicate its views to the Organization and the procedure set forth in Article 13 would then apply.

/General
General

6. At Geneva, the delegation of Brazil entered a reservation on Article 15 pending a decision on the question of voting requirements.