Text of Newly Suggested Paragraph 4

4. The provisions of paragraph 1 of this Article shall not apply to new preferential arrangements concluded between two or more countries belonging to the same economic region and designed to promote production or reconstruction in these countries.

(a) Not later than five years from the introduction of these preferences Members, parties to these arrangements, shall decide if they wish to enter into a Customs Union in which case the provisions of Article 42 of this Charter shall apply.

(b) If Members, who are parties to such an arrangement do not contemplate entering into a Customs Union, the preferences shall be reduced and finally eliminated in accordance with Article 17 at the same rate as preferences permitted under paragraph 2 of Article 16 will be eliminated.

(c) The introduction of these preferences shall be done by a reduction of tariffs and other charges on imports and the margin of preference shall not be greater than the average margin of preferences permitted for like or directly competitive products under this Charter.