THIRD COMMITTEE: COMMERCIAL POLICY

SUB-COMMITTEE A (ARTICLES 16, 17, 18, 19)

Notes of Eighth Meeting, 23 December 1947, 4.00 p.m.

Chairman: Dr. G. A. IAMSVELT (Netherlands)

1. Items 30 (Cuba) and 36 (Geneva Note) regarding prior international commitments. (A decision on these items was deferred from the previous meeting.)

The Chairman, in view of the substantial agreement reached at the previous meeting to incorporate into the text of Article 17 the substance of the Cuban proposal and the Geneva Note, proposed that the actual wording be re-examined later, when a re-draft of Article 17 was beginning to take shape. This was agreed.

Agenda Item 1 - amendments to rules for negotiations

2. Item 31 (i) - prior equalization of tariff levels (Mexico)

The Mexican delegate explained that the real intention of his delegation's proposal could be explained in the following words:

"In negotiations with other Members, no Member shall be required to reduce its rates on a given item below the rates applied by the other Member on the same item imported from third countries."

It was the sense of the Sub-Committee that:

(a) this proposal was impracticable, and

(b) the point was covered in any case by sub-paragraph 1 (b) and by the proposal (agreed in principle by the Sub-Committee) to state explicitly in Article 17 that no Member would be required to reduce the tariff on any particular item.

The Mexican delegate reserved his position temporarily regarding his delegation's proposals to amend the rules for negotiations pending consideration of the final form of paragraph 1 of Article 17 as a whole.

Note: References are to items in the Revised Annotated Agenda (E/CONF.2/C.3/6).

/3. Items 31 (i) (iii)
3. Items 31 (ii) (iii) (Mexico), 33 (ii) (Peru) and 35 (Colombia) - special
consideration for devastated, underdeveloped and debtor countries.

The Mexican delegate reiterated his position as indicated above.
The Peruvian delegate withdrew his delegation's proposal.

The Colombian delegate said that he had assumed there was considerable
support for his delegation's proposal in the Third Committee and would
therefore provisionally maintain his proposal pending consideration of the
proposed re-draft of Article 17 to be formulated by the Sub-Committee.

The Sub-Committee agreed in principle that the particular needs of any
Member country, in whatever category it might be, e.g., underdeveloped or
developed, etc., should be taken into account by other Members during
negotiations.

There was, however, some difference of opinion as to whether Article 17
should stipulate that certain categories of countries were entitled to
special consideration.

The delegates for Australia, France, Netherlands, United Kingdom and
United States held the view that to ensure mutually advantageous negotiations
only those rules should be written into Article 17 which would be applicable
equally to all Member countries. The selective nature of negotiations (which
the Sub-Committee appears to agree should be stipulated in Article 17) would,
they felt, permit any Member to withhold any particular item from negotiations
for protective purposes.

The delegates of Brazil and Colombia favoured amending the rules for
negotiations set forth in Article 17 so as to require explicitly that
special consideration be given to underdeveloped countries. The Mexican
delegate, while supporting this view, took the same position as indicated
above.

The delegate for Brazil, after indicating at some length his impression
of the experience of his delegation during the Geneva negotiations, supported
an amendment to Article 17 along the lines proposed by Colombia (Item 35),
perhaps supplemented by an amendment to sub-paragraph 1 (b), which he felt
would establish a useful criterion for judging the balance of concessions
as between developed and underdeveloped countries.