ARTICLE 35 - FORMALITIES CONNECTED WITH IMPORTATION AND EXPORTATION

1. The Sub-Committee discussed the amendment proposed by the delegation of Haiti to paragraph 1 (E/CONF.2/C.3/10/Add.1). The CHAIRMAN stated that in the opinion of Sub-Committee A, whose Chairman has been consulted in accordance with the decisions made at the tenth meeting, there was no necessity for a joint meeting of Sub-Committees A and C because the proposal of Haiti was one which did not fall within the scope of Sub-Committee A.

Sub-Committee A agreed that nothing in Article 17 would preclude the raising of tariffs on unbound items to compensate for protective fees and charges eliminated under Article 35, and that Members would not be required to eliminate protective fees and charges under Article 35 immediately upon signing the Charter, but only "at the earliest practicable date".

The Sub-Committee concurred in the opinion of Sub-Committee A.

The Sub-Committee then discussed the amendment of the delegation of Turkey (Item 39) and the amendment of the delegation of Peru (E/CONF.2/C.3/10/Add.2). The CHAIRMAN proposed, and the Sub-Committee agreed, to establish Working Party III, composed of the representatives of Haiti, Lebanon, Peru, United Kingdom and the United States with the representative of Australia in the Chair and the representative of Turkey as observer, to "consider paragraph 1 of Article 35 in relation to the amendments proposed by the delegations of Haiti, Peru and Turkey, particularly with a view to clarifying whether Article 35 should, and in fact does, refer only to fees and charges imposed by Governments in payment for services rendered, and to redraft this paragraph to distinguish such fees and charges from Tariffs and other imposts, such as internal taxes."
2. On the suggestion of the representative of Argentina the Sub-Committee agreed to insert the words "directly affected" after the words "another Member" in paragraph 2 in accordance with a similar change previously made in paragraph 2 of Article 31. Paragraph 2 was then accepted.

3. The Sub-Committee discussed the proposal of the delegation of Uruguay (Item 42) to add to paragraph 5 a special reference to studies relating to facilities for commercial and tourist propaganda and privileges for commercial travellers. In this connection reference was made to Articles 21:3 (c) (ii) and (iii), and 69.

The CHAIRMAN proposed, and the Sub-Committee agreed, to establish a Drafting Group I composed of the representatives of United Kingdom, United States and Uruguay.

"to consider the proposal of the delegation of Uruguay and to endeavour to find a form of words to be written into paragraph 3 to cover its content".