THIRD COMMITTEE: COMMERCIAL POLICY
SUB-COMMITTEE C ON GENERAL COMMERCIAL PROVISIONS
(Articles 32 - 39)
NOTES ON SEVENTEENTH MEETING

Held on 21 January 1948, at 10.30 a.m. in Conference Room B

Chairman: Mr. C. E. MORTON (Australia)

ARTICLE 32 - FREEDOM OF TRANSIT

1. The representative of Australia introduced the report of Working
   Party IV (G.C.P/W.P/L14) concerning the Afghanistan proposal originally
   presented to Article 35, dealing with improvement of transport facilities
   etc.

   The representative of the United States stated that his delegation
   supported very warmly all matters which would tend toward improvement in
   transport facilities and was especially aware of the difficulties of
   land-locked countries in regard to transport to the sea. It was true, he
   stated, that Article 69 provided for studies in the field of transport, but
   his delegation thought that the question of transport facilities was of
   such outstanding importance to some countries that it should be mentioned
   specifically in an Article dealing with traffic in transit, which was the
   only Article suitable for such a subject. He explained that the term
   'equitable use of facilities' was a broad term meaning that fair and
   reasonable facilities should be afforded to meet specific circumstances in
   individual countries. The term 'special arrangement' was a general and
   flexible expression and did not mean that such special arrangements would
   contain any discrimination in violation of Article 32. He stated that
   nothing in Article 32 could be interpreted to mean that a country through
   which the transport of goods to another country was being effected should
   necessarily be required to build new railways, locomotives or roads, etc.
   to provide facilities greater than existing at present.

   At the request of the representative of Pakistan the CHAIRMAN
   indicated that the statement of the representative of the United States would
   be circulated in full among the Members of the Sub-Committee.

   /The representative
The representative of Argentina, while not wishing to delay discussions on this matter, requested and the Sub-Committee agreed, that the final decision on the Report of Working Party IV be postponed until the next meeting.

ARTICLE 35 - FORMALITIES CONNECTED WITH IMPORTATION AND EXPORTATION

2. The representative of the International Monetary Fund introduced the report (G.C.P/W.P/10) on his discussions with the representative of Peru concerning a suggested change in the Note to paragraph 6 of the Geneva Draft. The Sub-Committee adopted the change proposed in the report.

3. The representative of Australia introduced the Report of Working Party V (G.C.P/W.P/13) concerning the Cuban amendment with regard to the practice of using distinctive regional or geographical names in tariff classifications. The representative of the United States called attention to paragraph 6 of G.C.P/W.P/13 which should be included in the report of the Sub-Committee. The CHAIRMAN advised that, in accordance with the wishes of the Working Party, he would forward a copy of this report to the Chairman of Sub-Committee A of Committee III.

At the request of the delegations of Argentina and France the Sub-Committee decided to postpone the final discussion of this Report until the next meeting.

ARTICLE 37 - PUBLICATION AND ADMINISTRATION OF TRADE REGULATIONS

4. The representative of Australia introduced the Report of Drafting Group II (G.C.P/W.P/12) on the proposal of the delegation of Uruguay concerning consultations with customs authorities.

The Sub-Committee unanimously approved of the Report and the proposed additional sentence to paragraph 3 of Article 37.

5. The Sub-Committee agreed unanimously to the proposal made by the representatives of the United Kingdom and the United States to replace the word "published" at the end of paragraph 2 by the words "made public". The Sub-Committee agreed to include in its report a statement that "it was the opinion of the Sub-Committee that this change would make clearer the intentions of the original wording that the term 'published' originally used should cover not only the public issue of official documents, but also an official announcement made in the legislature in the country concerned".

ARTICLE 38 - INFORMATION, STATISTICS AND TRADE TERMINOLOGY

6. The CHAIRMAN introduced the redraft of this Article proposed by the delegation of Norway (E/CONF.2/C.3/10/Add.3) in collaboration with the Statistical Office of the United Nations and the amendments presented by the /delegations of
delegations of Czechoslovakia (E/CONF.2/C.3/10/Add.3/Rev.1) and Australia (E/CONF.2/C.3/10/Add.4).

The representative of Norway, in stating the reasons for his delegation’s redraft of Article 38, said that the United Nations Economic and Social Council, having the responsibility for the co-ordination and development of statistics of international organizations, had established a Statistical Commission as a central organ for these purposes. The statistical work of the League of Nations had been transferred to the United Nations, including the responsibility for the collection and dissemination of external trade statistics under the International Convention Relating to Economic Statistics (1928).

The ITO will require extensive statistical information in its operations, but the details of these requirements were not clear at this time, and therefore no attempt should be made to write detailed requirements regarding the furnishing of statistics into the Charter.

The Norwegian amendment would first impose upon Members a general obligation to supply statistics needed by the Organization. The second principle underlying the amendment would specifically relate the statistical activities of the Organization to those of the United Nations and other international organizations in order to insure, not only the co-ordination of statistics, but also the utilization of all available international sources of information. International trade statistics, the representative of Norway stated, were a part of the more comprehensive plan of economic statistics and should be organized according to generally recognized standards. By requiring the Organization to co-ordinate its statistical services with those of other international organizations, the statistical work of Member Governments, when supplying data to international organizations, will be facilitated.

The representative of the Statistical Office of the United Nations, in supplementing the statement of the representative of Norway, explained the responsibility of the United Nations to develop a system of comparable statistics suitable to the needs of international organizations. There was an overall responsibility for developing statistics and statistical services in various specialized fields, but emphasis must be laid upon the larger obligation to insure that such specialized parts fit into a coherent whole. Because statistics of external trade were only one section of an international pattern of economic statistics it was important that the Organization recognize the obligation to relate its statistical activities to those of other international organizations through the United Nations.

/There was
There was a body of opinion in the Sub-Committee that the requirements and obligations stated by the representatives of Norway and the Statistical Office were provided for in the Geneva Draft of Article 38, and that under Article 84 the Organization was called upon "to provide for effective co-operation and the avoidance of unnecessary duplication in activities of the Organization".

The representative of the United States expressed doubts whether the Organization could require the Statistical Commission to serve the Organization. The relationship between all bodies concerned with statistics would be regulated by special agreements.

The CHAIRMAN proposed, and the Sub-Committee agreed, to establish Working Party No. VI, composed of the representatives of Norway, United Kingdom, United States and the Statistical Office of the United Nations, with the representative of Australia acting as Chairman, and any other delegates who may wish to participate in the discussions of the Working Party, to consider the Norwegian redraft and the amendments proposed to it, in the light of the discussion.

In document E/CONF.2/C.3/C/W.17, page 2, add a new third paragraph in Item 3 (Article 35) as follows:

"The representative of Argentina requested that in the Spanish translation of Article 35 the expressions "tasas y cargas" (fees and charges) be used, and not "derechos y cargas" (duties and charges) since in his country the term "derecho" is used as an equivalent of "impuesto" and would thus be contrary to the terms used in paragraph 1 which define "tasas" as understood in Argentina. The representative of Uruguay supported this request. The CHAIRMAN stated that the suggestions just made by the representatives of Cuba and the United States were also relevant to translations into any official language."