THIRD COMMITTEE: COMMERCIAL POLICY

SUB-COMMITTEE J (STATE TRADING)

NOTES ON FIFTH MEETING

Held Friday, 23 January 1948, at 10.30 a.m.

(Reference: E/CONF.2/C.3/9)

Chairman: Right Hon. Walter NASH (New Zealand)

1. Item 3 (Note): The draft text recommended by the Working Party not being acceptable to all members, the Working Party was requested to give it further consideration.

2. Items 7 and 8 (a) (New Zealand proposal and Note): The Sub-Committee adopted a recommendation by the Working Party to insert, after Article 30, a new Article as follows:

"If a member establishes or maintains a marketing board, commission or similar organization it shall:

(a) be subject to the provisions of paragraph 1 of Article 30 with respect to purchases or sales of such bodies; and

(b) with respect to any regulations of such bodies governing the operations of private enterprises, be subject to the other relevant provisions of the Charter."

3. Item 8 (b) (Note): The Sub-Committee agreed to a recommendation of the Working Party to retain the principle in the form of a footnote, but to change the text to read:

"Different prices for sales and purchases of products in different markets are not precluded by the provisions of this Article, provided that such different prices are charged or paid for commercial reasons to meet the conditions of supply and demand in such markets."

4. Item 13 (United States): It was decided to adopt a recommendation by the Working Party to amend the last three lines of sub-paragraph 1 (b) of Article 31 as follows:

"or designed to reduce any limitation of imports which is comparable with a limitation made subject to negotiation under other provisions of this Chapter."

5. Item 16 (Note): The Sub-Committee adopted the recommendation of the Working Party
Working Party that this footnote be retained without change.

6. **Item 19 (Mexico):** The representative of Mexico declared his readiness to withdraw the amendment if a statement by his delegation relating to the interpretation of paragraph 6 were included in the Report of the Sub-Committee. The matter was deferred for further examination.