SIXTH COMMITTEE: ORGANIZATION

SUB-COMMITTEE ON ARTICLE 93 (RELATIONS WITH NON-MEMBERS)

NOTES UPON THE SEVENTH MEETING

Held 23 February 1948 at 10.30 a.m.

Chairman: Mr. FORTHOMME (Belgium)

The Sub-Committee continued its examination, paragraph by paragraph, of the text suggested by the delegation of Czechoslovakia and adopted as a basis for discussion.

Paragraph 3

The representative of Lebanon pointed out that one whole Chapter of the Charter was devoted to the question of development and that each Member was obliged to develop the resources of its own country, Article 15 visualizing, in certain circumstances, the use of preferential arrangements for this purpose. He therefore suggested that the commencement of paragraph 3 should be amended to read "subject to the provisions of Article 15 and of Chapter IV" and that the second sentence of paragraph 2 should be made to read "Accordingly, subject to the provisions of Article 15 and of Chapter IV ..... such arrangement."

The representative of Lebanon went on to state that after examining Articles 15, 16 and 42, he wished to make the following remarks:

(a) There was nothing in the text of Article 15 stipulating that preferential arrangements were to be made solely between Members;
(b) The recognition by the Charter of the established preferences mentioned in paragraphs 2 and 3 of Article 16 was not conditional upon the membership of all the parties to those preferences in the Organization.

The representative of Czechoslovakia suggested that to meet the point raised by the representative of Lebanon and various other representatives, the opening words of paragraph 3 should be amended to read: "Subject to any other provisions of this Charter".

In reply to a question asked by the representative of Italy, it was clarified that the intention of the draft was that paragraph 3 should apply/to both
to both existing and new arrangements. In view of this clarification the representative of Lebanon suggested that Article 93 should provide for a transitional period in which Members would be able to revise their existing arrangements.

The representative of the United Kingdom suggested that the word "other" should be inserted between "any" and "Member" and that the word "materially" should be inserted before the word "injures". He considered the provision of the transitional period was not necessary, as did the representative of Czechoslovakia.

The representative of Sweden queried whether there was not some duplication between the first sentence of paragraph 2 and the first sentence of paragraph 3.

The representative of Iran suggested that the following sentence should be added at the end of paragraph 3:

"Existing agreements inconsistent with the provisions of paragraphs 1 and 3 shall not be renewed after their expiration."

The representative of the United States, replying to the representative of Sweden, said that he thought there was no question of duplication as the first sentence of paragraph 2 laid down a general principle whilst the second sentence, as well as paragraph 3, imposed specific obligations.

The representative of China said that he preferred the text of paragraph 3 suggested by the representative of France. He also suggested that the second sentence of paragraph 2 should be made into a new paragraph.

Paragraph 4

The representative of Australia suggested that the words "as favourable as" should be deleted. In reply to this suggestion the Chairman and the representative of the United States thought that an undesirable change in substance might be involved.

Paragraph 5

The representative of Iran suggested the following interpretive note to paragraph 5:

"In making its recommendations the Executive Board shall have due regard to special conditions and economic circumstances of those Members which are creditor countries or have substantial long-standing trade with such non-Members with which they are neighbors and shall take appropriate account of the consequences of its recommendations upon the interests of such Members."

A discussion took place as to whether the second sentence of paragraph 5 should not be deleted or placed in a separate paragraph. The
debate upon these proposals being inconclusive, it was agreed to leave the
text as it stood until second reading. The representative of Cuba made the
suggestion that the commencing words of this sentence should read: "Any
recommendation involving alteration in the provisions of this Article".