Report of the Ad Hoc Subcommittee of the Tariff Agreement Committee on new Paragraphs 6 and 7 of Article XVIII (formerly Article XVII).

At its nineteenth meeting, the Tariff Agreement Committee appointed a Subcommittee to consider further a text which had been proposed by the United States Delegation for Paragraphs 6 and 7 of Article XVIII, formerly Article XVII, (E/PC/T/W/328) in the light of the discussion which had taken place in the Tariff Agreement Committee. Representatives of the following Delegations were appointed members of the Subcommittee:

- India
- Netherlands
- Norway
- United Kingdom
- United States

Mr. ADARKAR (India) was designated Chairman.

The Subcommittee held one meeting and agreed on the accompanying text which it recommends for the approval of the Committee.

In inserting "10 October 1947" as the date of notification in Paragraph 6, the Subcommittee has assumed that the Final Act will be signed about 15 October.

**Paragraphs 6 and 7 of Article XVIII**

"6. Any contracting party may maintain any non-discriminatory measure, in force on 1 September 1947, which has been imposed for the establishment, development or reconstruction of particular industries or particular branches of agriculture and which is not otherwise permitted by this Agreement; Provided,
that any such contracting party shall have notified the other contracting parties, not later than 10 October 1947, of each product on which any such existing measure is to be maintained and of the nature and purpose of such measure. Any contracting party maintaining any such measure shall, within 60 days of becoming a contracting party, notify the Contracting Parties of the measure concerned, the considerations in support of its maintenance and the period for which it wishes to maintain the measure. The Contracting Parties shall, as soon as possible, but in any case within twelve months from the day on which such contracting party becomes a contracting party, examine and give a decision concerning the measure as if it had been submitted to the Contracting Parties for their concurrence under the provisions of the preceding paragraphs of this Article. The Contracting Parties, in making a decision under this paragraph specifying a date by which any modification in or withdrawal of the measure is to be made, shall have regard to the possible need of a contracting party for a suitable period of time in which to make such modification or withdrawal.

7. The provisions of Paragraph 6 of this Article shall not apply in respect of any contracting party to any product described in the appropriate Schedule annexed to this Agreement."