SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT.

Tariff Agreement Committee

Sub-committee Established to Consider the Chinese Proposal Contained in Document E/PC/T/219 (Applicability of the General Agreement on Tariffs and Trade to Areas at Present under Allied Military Occupation)

The Sub-committee met on September 29, and after electing Mr. A.B. Speekenbrink Chairman, proceeded to a full discussion of the question.

The Sub-committee agreed the following texts unanimously:

1. Interpretative Note to Article XXVI.
   "Areas for which the contracting parties have international responsibility do not include areas under military occupation."

2. Final Note.
   "The applicability of the General Agreement on Tariffs and Trade to the trade of contracting parties with the areas under military occupation has not been dealt with and is reserved for further study at an early date. Meanwhile, nothing in this agreement shall be taken to prejudge the issues involved. This, of course, does not affect the applicability of the provisions of Articles XXII and XXIII to matters arising from such trade."

Unless an objection is received from any Delegation by Monday, October 6, 1947 at noon, it will be understood that the Sub-committee's proposal is agreeable to the members of the Tariff Agreement Committee.