Dear Mr. Traboulsi,

The Tariff Negotiations Working Party has considered your letters of the 8th and 9th October, addressed to the Acting Executive Secretary, regarding paragraph 6 of Article XVIII of the General Agreement on Tariffs and Trade, and listing in this connection the products to which Lebanon-Syria at present applies non-discriminatory protective measures for the establishment, development or reconstruction of particular industries or particular branches of agriculture.

The Working Party points out that paragraph 6 of Article XVIII applies only to non-discriminatory measures used for purposes of development or reconstruction and not for reasons connected with balance of payments difficulties. On these grounds it considers that many of the items listed in your letter do not come within the scope of paragraph 6 of Article XVIII. Moreover, the inclusion in the list of any items on which tariff concessions have been negotiated at Geneva would not be in accordance with the provisions of this Article.

The Working Party feels that, for the reasons stated above, your letter of the 14th October does not meet the requirements laid down in the General Agreement. If, however, in the light of this letter, the Lebanon-Syrian Delegation wishes to submit a revised list of non-discriminatory measures, falling within the scope of paragraph 6 of Article XVIII, it
is welcome to do so, but the Tariff Negotiations Working Party would request that this list should be provided as soon as possible accompanied by information on the following points:

1. The nature and amount of each of the measures involved.
2. The date when each such measure came into actual operation and whether it is still in force.
3. Whether such measures are, in fact, non-discriminatory.
4. The purpose of each such measure.
5. Whether any of such measures apply to products with respect to which obligations may be assumed by Lebanon-Syria through negotiations at Geneva with other Members of the Preparatory Committee.

Your earliest advice on these matters will be appreciated.

Yours sincerely,

L.D. Wilgress.
Chairman,
Tariff Negotiations Working Party.

M. Traboulsi,
Lebanon-Syrian Delegation,
Palais des Nations,
Geneva.
Messieurs,

I have received your letter of the 25th October, and have placed it before the Tariff Negotiations Working Party. The Working Party notes that, for the purposes of paragraph 6 of Article XVIII of the General Agreement on Tariffs and Trade, the Lebano-Syrian Customs Union submits the list of non-discriminatory measures contained in document E/PC/T/251 after deletion of those items which appear in the Lebano-Syrian consolidated list of tariff concessions negotiated at Geneva. However, in view of the wide range and variety of items still remaining in the list, even after these deletions are made, the Working Party takes the view that in many cases, the primary purpose of the non-discriminatory measures in question relates to balance of payments difficulties and not to the establishment of particular industries or particular branches of agriculture.

Yours sincerely,

L. D. Wilgress
Chairman
Tariff Negotiations Working Party.

M. I. Traboulsi,
La Delegation Syrienne.

M. J. Mikacui,
Le President de la
Delegation Libanaise.
Translating from French.

Letter from: The Syro-Lebanese Customs Union.

to: Hon. L. D. Wilgress,
Chairman of the Tariff Negotiations Working Party.

Dated: 25 October 1947

Dear Sir,

In reply to your letter of 18 October 1947 concerning Article XVIII, paragraph 6, of the General Agreement on Tariffs and Trade, we have the honour to make the following statement:

1. The Syro-Lebanese Customs Union intends to take as a basis the list contained in Document E/PC/T/251; therefore, the list reproduced in Document E/PC/T/248 can be abandoned.

2. In conformity with Article XVIII, paragraph 7, we agree to remove from the aforementioned list the products which appear in our consolidated schedule of final concessions negotiated at Geneva. Our two Governments would nevertheless be able to avail themselves of the provisions of Article XII of the General Agreement and order any quantitative restrictions for the purpose of safeguarding the balance of payments.

3. The measures taken and mentioned in our list were in force on 1 September 1947 and our two Governments intend to maintain them.

4. As we have already stated, these measures are in no way discriminatory and are imposed for the establishment or development of particular branches of industry or agriculture and, in a general way, for economic purposes.

5. For the time being we are unable to state the amount they cover, as the quota might vary from one period to another according to the requirements of our two countries.

In the hope that this statement will be to the satisfaction of the Tariff Negotiations Working Party,

We have the honour to be, etc.,

For the Syrian Delegation: IZZAT TRABOUSI

The Head of the Lebanese Delegation: J. MIKAOUAI