The Committee considered the question of the treatment of certain preferential arrangements existing under international agreements but not effected by the normal method of the difference in rates of duty. In these special circumstances they recommend that the matter should be dealt with by a provision in a protocol to the Charter or (pending the conclusion of the Charter) to the general agreement on tariffs and trade that the member applying these arrangements shall be entitled to continue them or equivalent measures pending either:

1. an arrangement under Chapter VI, if the member countries concerned desire that a product should be made the subject of such an arrangement, or,

2. some other arrangement regarding the matter between the member countries affected.

The Committee agreed further that only a very limited number of commodities fell under this heading and that the countries concerned should establish the facts about them so that this recommendation on the subject could be taken into account in the forthcoming negotiations.

+ This addition was presented in Committee II by Mr. Helmore (United Kingdom). It is understood that it resulted from consultation among the Delegates for Australia, Canada, New Zealand, the United Kingdom and the United States who, by decision of Committee II on 29 October 1946, had been asked to consider the question of the negotiability of preferences in the form of quotas. (Document E/PC/T/C. II/PV/4, page 26).