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

Chairman's Committee
(Heads of Delegations)

Summary Record of the Eighth Meeting held on
Friday, 27 June 1947, at 10.30 a.m.
Chairman: Mr. SUETENS (Belgium).

Agenda Item 1. Special Report on the Progress of Tariff
Negotiations by the Tariff Negotiations Working Party.
(E/PC/T/S/2).

1. Mr. WILGRESS (Canada), Chairman of the Working Party, presented the report, which provided Heads of Delegations with all the information available to the Working Party regarding the progress of tariff negotiations through 14 June. The information contained in the report and that received subsequently through 21 June was most disappointing. The Working Party was convinced that more determination must be shown by all Delegations if the 15 August target date for the termination of negotiations was to be met. Mr. Wilgress therefore made the following proposals for expediting tariff negotiations:

(a) The number of tariff negotiating meetings should be increased substantially.

(b) The Working Party should be given the responsibility for scheduling tariff negotiating meetings. To enable this to be done, each Delegation should provide to
the Working Party a fortnightly list of its proposed meetings. Within its discretion, the Working Party would consult with particular Delegations which appeared to be lagging behind in their negotiations to see if the number of meetings could be increased.

(c) The Chairman’s Committee should review regularly the fortnightly progress report of the Tariff Negotiations Working Party.

Mr. WILGRESS moved the adoption of these proposals, along with the Report of the Working Party.

2. Mr. HOLMES (United Kingdom), while agreeing with the intention of these proposals, expressed some doubts as to the feasibility of scheduling all tariff negotiations a fortnight in advance. This would be an extremely complicated task which in his view might not necessarily result in more progress. If such a schedule were attempted, it should certainly be flexible and subject to change.

3. Dr. HOLLOWAY (South Africa) suggested that rather than schedule all meetings, the Working Party should concentrate on locating and attempting to eliminate the "bottle necks" in negotiations, particularly when these were caused by Delegations carrying such a heavy load of work that they were behind in their negotiations.

4. Dr. COOMBS (Australia) doubted that the number of meetings held was any real indication of the progress being made, and believed it was more important for the Working Party to identify the reasons for delays in particular negotiations. He proposed that the Working Party should be given the responsibility and authority for discussing at its discretion with particular pairs of negotiating countries the progress of their negotiations in order to
ascertain the reasons for any delay, without imposing on it the difficult task of scheduling all meetings. In this way, the real issues might be isolated and an effort made to resolve them.

5. Dr. SPEEKENBRINK (Netherlands) favoured the proposal to schedule meetings in advance, which he believed would have the effect of forcing countries to expedite their negotiations.

6. Mr. WILGRESS (Canada) said that it had been his intention that the Working Party should consult only with those Delegations whose negotiations were lagging and thereby endangering the attainment of the target date for the termination of negotiations. But it would be of material assistance to the Working Party in attempting to isolate and determine the reasons for such delays if Delegations would submit their proposed programme of negotiations for at least one week in advance.

7. Mr. WILCOX (United States) supported Mr. Wilgress' proposals, recalling that the tariff negotiations had been launched originally as a result of assigning to the Working Party the responsibility for scheduling meetings. He proposed that the Working Party be delegated the necessary authority to take such steps as it considered necessary to speed up the progress of negotiations, including, within its discretion, the scheduling of some or all meetings.

8. The Committee accepted the Report and agreed to adopt Mr. Wilgress' proposals as amended by Mr. Wilcox's suggestion in paragraph 8.

Agenda Item 2. Date and Place of World Conference. (E/PC/T/DEL/40). (Contd.).

9. It was agreed to defer further consideration of this item until the next meeting.

(Contd.).

10. The Committee resumed its consideration of this paper with a discussion of the position of certain customs territories which are autonomous as regards matters covered by the Draft Charter but whose international relations are the responsibility of certain states.

11. Mr. BARADUC (France) referred to the amendment to Article 88(4) submitted by the French Delegation, and proposed that the draft resolution set out in the Secretariat paper be amended to the effect that the Economic and Social Council should send invitations to customs territories through the metropolitan countries responsible for the conduct of their international relations. The resolution as now drafted was not satisfactory, and if adopted, his Delegation would have to reserve its position as to the second paragraph thereof. Nor would the French representative on the Economic and Social Council be able to accept this resolution as drafted.

12. Mr. WILCOX (United States) did not believe that amendments to Article 88(4) should be prejudged in the Chairman's Committee prior to their consideration in the Commission, sub-committee and Preparatory Committee, and therefore urged that the question before the Committee be examined on the basis of the present text of Article 88(4).

13. Mr. WYNDHAM WHITE (Executive Secretary) reminded the Committee that the draft resolution had been put forward by the Secretariat in this form merely as a basis of discussion and as a means of clarifying this question.

14. Mr. HOLMES (United Kingdom) said that the draft submitted by the Secretariat appeared to his Delegation to be
along the right lines. Regardless of what the Preparatory Committee might later decide regarding Article 88(4), there were certain customs territories in the category described in the Secretariat paper and he believed, therefore, that the Committee must consider whether or not invitations should be addressed to them. Since such territories would be responsible for enforcing obligations assumed under the Charter, it seemed appropriate that they should be invited to the World Conference to express their own views regarding the obligations contemplated in the Draft Charter, and as to whether or not they could accept them. So far as the United Kingdom's responsibilities were concerned, there were only three territories at present within the category defined.

15. Sir R. PILLAI (India) endorsed heartily the remarks made by the United Kingdom Delegate.

16. Dr. HOLLOWAY (South Africa) suggested that an appreciable part of world trade would be beyond the scope of the Charter unless such territories were invited to participate in the World Conference. If the Preparatory Committee agreed that they should be invited, the Economic and Social Council could decide in each case, on the advice of the state having political responsibility therefor, as to the proper form of the invitation.

17. Mr. WILCOX (United States) asked precisely what was involved in the proposal before the Committee:

(a) Did the United Kingdom Delegate's proposal to extend invitations to certain territories imply their full membership in the World Conference including the right to vote?

(b) How many and which territories would be involved? If it were left to the metropolitan state to declare that
any customs territory had complete authority over its external commercial relations, the Committee would not be able to answer the second question. In order to facilitate a decision on the question before the Committee, he believed it would be desirable to identify the territories coming within the category defined in the Secretariat paper so that they could be named in the resolution.

18. Mr. HOLMES (United Kingdom) replied that so far as the British Commonwealth was concerned, the customs territories at present having complete independence in respect of their external commercial relations were Ceylon, Burma and Southern Rhodesia. However, he believed it would be perfectly possible for the Economic and Social Council to determine whether or not a particular territory came within the prescribed category. In any event, such territories would be required to present appropriate credentials before being admitted to the World Conference.

19. Dr. AUGENTHALER (Czechoslovakia), while not holding any particular views with respect to the territories mentioned, believed the World Conference should not be increased in size more than absolutely necessary. In his view, only countries fully subject to international law should be invited. Members would, of course, be free to include on their own Delegations representatives of territories for which they had an international responsibility.

20. Mr. BARADUC (France) confirmed that he was in agreement with the United Kingdom Delegate's proposal that territories independent with respect to their external commercial relations should be represented at the World Conference. His previous proposal, which was not contradictory to this point of view, was that the invitations to such territories
should be sent through the intermediary of the state responsible for the territory's international relations.

21. Mr. WYNDHAM WHITE (Executive Secretary) pointed out that the Secretary-General could appropriately decide the method of dispatching the invitations in accordance with the status under international law of the territory concerned. It seemed to him that the question under discussion was which territories should be invited, not how the invitations should be sent.

22. The CHAIRMAN supported the view expressed by the Executive Secretary, pointing out that, in his view, both the French and United Kingdom Delegates' suggestions were met by the present draft.

23. Dr. COOMBS (Australia), while of the opinion that the territories mentioned by the United Kingdom Delegate conformed to the necessary requirements, proposed that the Committee should examine the case of each territory which might conceivably conform to the criteria laid down in the draft Resolution and recommend to the Economic and Social Council specifically what territories it believed should be invited. It might be possible for the Committee to establish criteria by which the Economic and Social Council could issue invitations to territories for whose international affairs a non-member of the Preparatory Committee was responsible.

24. Mr. JOHNSEN (New Zealand) favoured a plan by which the Committee would establish criteria for inviting customs territories, and the Economic and Social Council would issue the invitations in accordance with the criteria laid down.

25. Dr. GUTIERREZ (Cuba) was of the opinion that from the juridical point of view, invitations should be sent to the appropriate metropolitan countries which should appoint to
their Delegations representatives of the territories concerned.

26. Mr. WILGESS (Canada) believed the Preparatory Committee should resolve the question under discussion, not pass it on to the Economic and Social Council. In his view, all these customs territories having an appreciable interest in world trade and possessing full autonomy with respect to their external commercial relations should be invited to the World Conference. Specifically, he favoured inviting the three territories mentioned by the United Kingdom Delegate. He proposed that a small sub-committee be established to examine the question and draw up a list of territories which, subject to the Preparatory Committee's approval, should be submitted to the Economic and Social Council with the recommendation that they be invited to the World Conference via the metropolitan country responsible for their external political relations.

27. The CHAIRMAN summarized the Committee's discussion as follows:

There seemed to be general agreement that -

(a) the list of countries to be invited should be extended;

(b) the criteria laid down in the Secretariat paper for inviting customs territories needed to be re-examined, perhaps revised;

(c) the rights of any customs territories invited should be the same as those of any country participating in the World Conference;

(d) the Economic and Social Council should determine the appropriate mode of invitation in each case in consultation with the metropolitan country and in accordance with
international law. A list of customs territories which might be invited would be submitted to the next meeting to assist the Committee in arriving at a decision.

28. Mr. WILCOX (United States) objected to the first point made by the Chairman. He could not agree to the principle that more countries should be invited to the World Conference until the number involved was known. He was inclined to agree with the view expressed by the Delegate for Czechoslovakia that customs territories should be represented on the Delegation of the metropolitan country rather than separately, but was not prepared to take firm a position until he knew which and how many territories were involved.

29. Dr. AUGENTHALER (Czechoslovakia) and Mr. BARADUC (France) preferred that the issue be settled in principle rather than in relation to a specific list of countries.

30. The CHAIRMAN ruled that the discussion would be continued at the Committee's next meeting on Tuesday, 1 July, and that the Committee would have before it a list of territories which might possibly be invited on the basis of the criteria laid down in the Secretariat paper which it could refer to if it so desired.

31. The meeting rose at 1 p.m.