There are circulated herewith two draft resolutions which it is suggested should be submitted to the Preparatory Committee, covering:

1. the convening of a second session of the Preparatory Committee, and

2. the report of the Preparatory Committee including the establishment of a Drafting Committee.

The resolution referred to in 1 above has been submitted by the United States Delegation.
WHEREAS the Resolution of the Economic and Social Council of 18 February 1946 decided to call an International Conference on Trade and Employment for the purpose of promoting the expansion of exchange and consumption of goods; constituted this Committee to elaborate an annotated draft agenda, including a draft convention, for consideration by the Conference; and suggested that the Agenda of this Committee include among its topics "International Agreement relating to regulations, restrictions and discriminations affecting international trade;" and "Establishment of an international trade organization;" and

WHEREAS the United States Government has invited the governments appointed by the Economic and Social Council as members of this Committee to meet to negotiate concrete arrangements for the relaxation of tariffs and trade barriers of all kinds; and

WHEREAS the preparation for the International Conference should include concrete action on the part of the principal trading nations of the world for the actual reduction of tariffs and other trade barriers and for the elimination of preferences; and

WHEREAS the Draft Charter for an International Trade Organization of the United Nations, suggested by the United States and under consideration by this Committee, contemplates negotiations between Members directed to the substantial reduction of tariffs and to the elimination of tariff preferences as a step in the establishment of an International Trade Organization;

The Preparatory Committee of the International Conference on Trade and Employment
DECIDES:

1. That as part of the work of the Second Session of this Committee relating to regulations, restrictions and discrimination affecting international trade, the Members of this Committee should negotiate for the actual reduction and relaxation of all forms of trade barriers;

2. That in order to accomplish these objectives it will sponsor the meeting of its members envisaged by the invitations sent out by the United States Government; in connection with and as a part of the Second Session of the Committee; and

3. That the Second Session of this Committee should convene at Geneva on 6 April 1947; and

INSTRUCTS the Executive Secretary to make the necessary arrangements for said Session.
The following resolution is submitted to the Preparatory Committee for consideration in conjunction with a resolution submitted by the United States Delegation concerning a meeting to negotiate a multilateral trade agreement embodying tariff concessions, and is drafted on the assumption that the Committee approves the United States draft resolution.

I

Report of the First Session of the Preparatory Committee

The Report of the First Session of the Preparatory Committee shall consist of a First Part, a Second Part and an Appendix.

Part One will be drafted under the headings of item 10 of the Agenda adopted by the Preparatory Committee at its Third Executive Session on 17 October 1946, and such additional headings as may be appropriate in the light of the discussions of the Preparatory Committee. Under each of these headings there will be a report in continuous form, reviewing the main principles upon which a general identity of view was established at the meeting and drawing attention in the second place to any conflicting views. This will provide a general narrative statement of the discussions of the Preparatory Committee.

Part Two will take the form of suggestions for the guidance of a Drafting Committee for the preparation of a Draft Charter. It will specify the points on which a general identity of view had been reached and offer alternative suggestions where there are differing views. The items to be included in Part Two will fall roughly under three categories:

1. Provisions of a comparatively formal character which it is expected will be easily agreed upon;
2. Important matters upon which a general identity of view has been established;
3. Important matters on which differences of view still exist in the Preparatory Committee. The various viewpoints will be set out in detail with suggestions to the Drafting Committee as to possible alternative draft clauses to cover the different points of view.

The appendix will be in the form of a Draft Charter, including those parts of the United States Draft Charter on which there is general identity of views, any amendments or additions which are proposed or agreed upon, and any alternative draft clauses. These amendments, additions, and alternative clauses will reflect the suggestions in Part Two of the Report. The object of the Appendix, which will not be an integral part of the Report itself, will be to serve as a guide or basis for the work of the Drafting Committee.

II

Appointaient of a Drafting Committee

The Preparatory Committee hereby appoints a Drafting Committee to meet in New York, beginning 20 January 1947.

The Drafting Committee shall consist of representatives of the Member Governments of the Preparatory Committee. In the interests of the efficient and rapid conduct of the business of the Drafting Committee, it is requested that Member Governments appoint not more than two or three technical experts drawn so far as possible from the Delegations which have participated in the work of the First Session of the Preparatory Committee.

The terms of reference of the Drafting Committee shall be to prepare a Draft Charter or Articles of Agreement based upon the draft contained in the Appendix to the Report of the First Session of the Preparatory Committee, considered against the background of the suggestions contained in Part II of the Report.
It will not be the function of the Drafting Committee to endeavour to reconcile differences of opinion revealed in the work of the Preparatory Committee, except insofar as the Drafting Committee may feel able to submit draft articles or clauses, based upon Part II of the Report aimed at the reconciliation of different viewpoints expressed in the Report. The Drafting Committee will confine itself to preparing the Draft Charter or Articles of Agreement, including such alternative draft clauses as may be appropriate to take account of different views expressed in the Preparatory Committee, together with such explanatory notes and commentaries as the Drafting Committee may consider desirable and useful.

The Drafting Committee shall complete its work with all possible despatch in order that the draft may be available to Governments in advance of the Second Session of the Preparatory Committee which is to meet in Geneva on 8 April.

III.

Consideration of the Report of the Preparatory Committee

The Report of the First Session of the Preparatory Committee, together with the Report of the Drafting Committee, shall be submitted for consideration by the Second Session of the Preparatory Committee to be held in Geneva beginning 31 March. The Preparatory Committee at its Second Session will consider and approve the final Report of the Preparatory Committee, which will include the Report of the First Session and of the Drafting Committee, amended as the Preparatory Committee may decide, together with the Report on the Tariff discussions which will form the principal business of the Second Session of the Preparatory Committee.

This final Report will be submitted to the Economic and Social Council in accordance with the Council's resolution of 18 February 1946, appointing the Preparatory Committee,
Completion of the Agenda of the Preparatory Committee

The Preparatory Committee RESOLVES that items 11, 12, 13, and 15 of the Agenda be referred to the Second Session of the Preparatory Committee.