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

Draft Charter

AMENDMENTS PROPOSED BY THE AUSTRALIAN DELEGATION

Articles 14 and 15

Article 14 (1) line 13. Insert after the word "shall" the words "except as otherwise provided elsewhere in this Charter".

Article 15 (3) line 2. Insert after the word "shall" the words "except as otherwise provided elsewhere in this Charter".

COMMENT:

It was clearly not the intention that the "most-favoured-nation" treatment required by Article 14, and the "national" treatment required by Article 15, should over-ride specific exceptions provided in other Articles of the Charter. For example, Article 28 provides for the possibility of discrimination in certain circumstances, and some provisions of Articles 30 and 31 might be regarded as inconsistent with full "national" treatment. The words which it is suggested should be added to Articles 14 and 15 are designed merely to remove any possible doubt on this question.

P.T.O.
Article 24(1)(b)

Replace existing paragraph by:

"(b) In the negotiations relating to any specific product -

(i) Where the negotiations affect only the m.f.n. rate, any negotiated reduction in that rate shall operate automatically to reduce or eliminate any margin of preference applicable to the product;

(ii) Where the negotiations affect only the preferential rate, the m.f.n. rate shall automatically be reduced to the extent of any reduction in the preferential rate;

(iii) Where the negotiations affect both the m.f.n. rate and the preferential rate, such reductions may be effected in either as may be agreed between the Members concerned;

(iv) No margin of preference shall be increased and no new preference created except in accordance with other sections of the Charter or with the agreement of the parties having a substantial interest in the concession."