

1 March 1955

PROTOCOL MODIFYING PART II AND PART III OF  
THE GENERAL AGREEMENT ON TARIFFS AND TRADE

The Governments which are contracting parties to the General Agreement on Tariffs and Trade (hereinafter referred to as "the contracting parties" and "the General Agreement" respectively),

Desiring to effect an amendment to the Agreement, pursuant to the provisions of Article XXX thereof,

Hereby agree as follows:

1. The texts of the Preamble, Articles III, IV, VI, VII, VIII, IX, XII, XIV, XV, XVI, XVII, XVIII, XX, XXII, XXIV, XXVI, XXVII, XXVIII, XXXI, XXXV of the General Agreement and certain related provisions in Annexes G, H, I and J shall be modified and a new article shall be inserted as follows:

A

The Preamble shall be deleted.<sup>1</sup>

B

Article III shall be amended as follows as soon as the Protocol modifying Part I and Articles XXIX and XXX of the General Agreement on Tariffs and Trade comes into force:

- (i) The heading shall read "Article IV".
- (ii) Paragraph 10 shall read:

"10. The provisions of this Article shall not prevent any contracting party from establishing or maintaining internal quantitative regulations relating to exposed cinematograph films. If any contracting party establishes or maintains such regulations they shall take the form of screen quotas which shall conform to the following requirements:

follows the text of sub-paragraphs (a), (b), (c) and (d) of  
Article IV changing "of this Article" in two places in (c) to read  
"of this paragraph".

C

Article IV shall be deleted as soon as the Protocol Modifying Part I and Articles XXIX and XXX of the General Agreement on Tariffs and Trade comes into force.

D

Article VI shall be amended as follows:

The text of paragraph 6 of Article VI shall read as follows:

[see L/334]

E

Article VII shall be amended as follows:

- (i) The words "at the earliest practicable date" in paragraph 1 shall be deleted.
- (ii) The text of the first sentence of paragraph 2(b) shall read:
- (iii) The text of paragraphs 4(a) and (b) shall read:

[see L/329 page 18]

[see L/329 page 18]

F

Article VIII shall be amended as follows:

- (i) The title shall read:  
"Fees and Formalities connected with Importation and Exportation"
- (ii) The text of paragraphs 1 and 2 shall read:

[see L/329 page 18]

G

Article IX shall be amended as follows:

- (i) The following new paragraph shall be inserted immediately after paragraph 1:
- (ii) Paragraphs 2, 3, 4 and 5 shall be renumbered 3, 4, 5 and 6.

[see L/329 page 19]

H

The text of Article XII shall read:

"Article XII

"Restrictions to safeguard the Balance of Payments

: [see L/332/Rev.1 page 10]

I

The text of Article XIV shall read:

"Article XIV

"Exceptions to the Rule of Non-Discrimination

[see L/332 Rev.1 page 13]

J

Article XV shall be amended as follows:

The following words shall be inserted in the third sentence of paragraph 2 immediately after the words "in paragraph 2(a) of Article XII":

"or in paragraph 9 of Article XVIII"(?)<sup>1</sup>

K

Article XVI shall be amended as follows:

- (i) The text of the present Article shall become paragraph 1 and shall be preceded by the sub-title:

"A - Subsidies"

- (ii) The following text shall be added:

"B - Additional Provisions on Export Subsidies"

[see L/327]

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<sup>1</sup> L/332/Rev.1 page 14

L

Article XVII shall be amended as follows:

(i) The title shall read:

"State Trading Enterprises"

(ii) The text of the following paragraphs shall be added:

"3. [see L/334]

M

The text of Article XVIII shall read as follows:

[see L/329 page 19, L/327 page 34 and ...]

N

Article XX shall be amended as follows:

(i) The numeral "I" after the first paragraph of this Article shall be deleted.<sup>1</sup>

(ii) The text of sub-paragraph (h) shall read:

"h. [see L/327 page 34]

(iii) The following sub-paragraph shall be inserted immediately after sub-paragraph (i):

"j. [see L/334]

(iv) Section II shall be deleted.<sup>1</sup>

O

The text of Article XXII shall read:

"Article XXII

"Consultation

[see L/327 page 34]

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<sup>1</sup> L/334

P

The words "Article II" in paragraph 6 shall read "Article III" as soon as the Protocol modifying Part I and Articles XXIX and XXX of the General Agreement on Tariffs and Trade comes into force:

Q

The text of Article XXVI shall read:

"Article XXVI

"Acceptance, Entry into Force and Registration

[see L/327 and Corr.1 page 35]

R

Article XXVII shall be amended as follows:

The second sentence of this Article shall read:

"A contracting party taking such action shall notify the CONTRACTING PARTIES and, upon request, consult with contracting parties which have a substantial interest in the product concerned."<sup>1</sup>

S

The text of Article XXVIII shall read:

"Article XXVIII

"Modification of Schedules

[see L/329 page 20]

T

The following new Article shall be inserted.

This Article shall become Article XXIX as soon as the Protocol modifying Part I and Articles XXIX and XXX of the General Agreement on Tariffs and Trade comes into force.

"New Article XXIX

"Tariff Negotiations

[see L/329 page 22]

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<sup>1</sup> L/329 page 20

U

Article XXXI shall be amended as follows:

The words "on or after January 1 1951" in the first and second sentences shall be deleted.<sup>1</sup>

V

The text of Article XXXV shall read:

"Article XXXV

"Non-Application of the Agreement  
between particular Contracting Parties

[see L/327 page 38]

AA

Annex G shall be amended as follows:

- (i) The words "paragraph 3 of Article I" in the title shall read "paragraph 4 of Article II".
- (ii) The words "Lebanon-Syrian Customs Union ... November 30 1938" shall be deleted.

BB

Annex H shall read:

"PERCENTAGE SHARES OF TOTAL EXTERNAL TRADE TO BE USED FOR THE PURPOSE OF  
MAKING THE DETERMINATION REFERRED TO IN ARTICLE XXVI

"(based on the average of 1949 - 1953)

[see L/327 page 38]

CC

The title to interpretative notes on Annex I relating to Article III shall read: "Ad Article IV".

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<sup>1</sup> L/327 page 37

DD

The interpretative notes in Annex I relating to Article VI shall be amended as follows:

The following paragraph shall be inserted immediately after the note to paragraph 1.

[see L/334]

EE

The interpretative notes in Annex I relating to Article VII shall be amended as follows<sup>1</sup>:

- (i) The note to paragraph 1 shall be deleted and replaced by the following note:

"Paragraph 1

"The expression "or other charges" is not to be regarded as including internal taxes or equivalent charges imposed on or in connexion with imported products."

- (ii) The words "read in conjunction with" in the second paragraph of this interpretative note to paragraph 2 shall be deleted.
- (iii) The text of the third paragraph of the interpretative note to paragraph 2 shall read:

"The standard of "fully competitive conditions" permits contracting parties to exclude from consideration prices involving special discounts limited to exclusive agents."

- (iv) The text of the fourth paragraph of the interpretative note to paragraph 2 shall read:

"The wording of sub-paragraphs (a) and (b) permits contracting parties to determine the value for customs purposes uniformly either (1) on the basis of a particular exporter's prices of the imported merchandise, or (2) on the basis of the general price level of like merchandise."

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<sup>1</sup> L/329

FF

The text of the interpretative note in Annex I to Article VIII shall read:

"1. While Article VIII does not cover the use of multiple rates of exchange as such, paragraphs 1 and 4 condemn the use of exchange taxes or fees as a device for implementing multiple currency practices; if, however, a contracting party is using multiple currency exchange fees for balance-of-payments reasons with the approval of the International Monetary Fund, the provisions of Article XV:9(a) fully safeguard its position."

"2. It would be consistent with paragraph 1 that on the importation of products from the territory of any contracting party into the territory of any other contracting party the production of certificates of origin should only be required to the extent that is strictly indispensable."

GG

The interpretative notes in Annex I to Article XII shall be deleted and the following new note inserted:

"Paragraph 3(c)(i)

[see L/332/Rev.1 page 14]

"Paragraph 4(b)

[see L/332/Rev.1 page 14]

"Paragraph 4(e)

[see L/332/Rev.1 page 15]

HH

The interpretative notes in Annex I relating to Article XIV shall be amended as follows:

The note to paragraph 1(g) shall be deleted and the following new note shall be inserted:

"Paragraph 1

[see L/332/Rev.1 page 15]



II

The following interpretative notes shall be added immediately after the interpretative note in Annex I to Article XV:

"Ad Article XVI, Part B

[see L/334]

JJ

The following notes shall be added immediately after the notes in Annex I to Article XVII:

"Paragraph 3:

[see L/334]

"Paragraph 4(b):

[see L/334]

KK

The notes to Article XVIII shall read:

[see W.9/233 as corrected by Spec/184/55]

LL

The following interpretative note shall be inserted in Annex I immediately after the notes to Article XVIII

"Ad Article XX

"Sub-paragraph (h)

"The exception provided for in this sub-paragraph extends to any commodity agreement which conforms to the principles approved by the Economic and Social Council in its resolution No.30 (IV) of 28 March 1947."<sup>1</sup>

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<sup>1</sup> L/327 page 40

MM

The interpretative note in Annex I to Article XXVI shall be deleted.<sup>1</sup>

NN

The following interpretative notes shall be inserted in Annex I immediately after the interpretative note relating to Article XXIV:

"Ad Article XXVIII

[see L/329 page 25]

OO

The following interpretative note shall be inserted in Annex I related to the new Article referred to in Section S of the protocol.

"Ad New Article

"Paragraph 3

"It is understood that the reference to fiscal needs would include the revenue aspect of duties and particularly duties imposed primarily for revenue purposes or duties related to such duties."<sup>2</sup>

PP

The Final Note in Annex I shall be deleted.<sup>1</sup>

QQ

Annex J including the related interpretative note shall be deleted.<sup>3</sup>

RR

The heading of Annex G, Annex H and Annex I shall become "Annex F", "Annex G" and "Annex H" respectively if the Protocol modifying Part I and Articles XXIX and XXX of the General Agreement on Tariffs and Trade comes into force and if therefore Annex F is deleted.

<sup>1</sup> L/327 page 40

<sup>2</sup> L/329 page 28

<sup>3</sup> L/332/Rev.1, page 15

2. This Protocol shall, following its signature at the close of the second session of the CONTRACTING PARTIES, be deposited with the Executive Secretary of the CONTRACTING PARTIES.
3. The deposit of this Protocol will, as from the date of deposit, constitute the deposit of the instrument of acceptance of the amendment set out in paragraph 1 of this Protocol by any contracting party the representative of which has signed this Protocol without any reservation.
4. The instruments of acceptance of those contracting parties which have not signed this Protocol, or which have signed it with a reservation as to acceptance, will be deposited with the Executive Secretary of the CONTRACTING PARTIES.
5. The amendment set out in paragraph 1 of this Protocol shall, upon the deposit of instruments of acceptance pursuant to paragraphs 3 and 4 of this Protocol by two-thirds of the Governments which are at that time contracting parties, enter into force in accordance with the provisions of Article XXX of the Agreement.
6. The amended text of paragraph 1 of Article XIV as provided in Section ... of the Protocol, and the deletion of Annex J as provided in Section ... of the Protocol, shall, notwithstanding the provisions of paragraph 5 above, come into force on the day on which the obligations of Article VIII, Sections 2, 3 and 4 of the Articles of Agreement of the International Monetary Fund shall have become applicable to contracting parties, members of the Fund, whose combined foreign trade constitutes at least fifty per cent of the aggregate trade of all contracting parties.<sup>1</sup>
7. The Executive Secretary of the CONTRACTING PARTIES will inform all interested Governments of each acceptance of the amendment set out in this Protocol and of the date upon which such amendment enters into force.
8. The Executive Secretary is authorized to effect registration of this Protocol at the appropriate time.

IN WITNESS WHEREOF the respective representatives, duly authorized to that effect, have signed the present Protocol.

DONE, at Geneva in a single copy, in the English and French languages, both texts authentic, this ... day of ..... one thousand nine hundred and fifty-five.

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<sup>1</sup> L/332 page 15