

15 September, 1955

SUGGESTIONS BY THE UNITED STATES GOVERNMENT RE
PROPOSED TARIFF NEGOTIATIONS COMMITTEETerms of Reference

- I. With a view to facilitating the negotiations during the forthcoming tariff conference the Tariff Negotiations Committee (TNC) is established.
- II. The Tariff Negotiations Committee (TNC) shall consist of representatives of all countries negotiating at the conference.
- III. The terms of reference of the Tariff Negotiations Committee (TNC) shall be as follows:
 - a. It shall exercise its good offices for the purpose of achieving the maximum practicable progress toward the objectives of the proposed Article XXIX on tariff negotiations. In exercising its good offices the TNC shall be at the disposal of any country or group of countries to arrange for additional negotiations on a group basis whenever it is felt that the resort to triangular or multilateral techniques would improve the scope of concessions where purely bilateral techniques have proved inadequate.
 - b. It shall review the consolidated offers as soon as practicable after the opening of the negotiations and in the final phases of the negotiations.
 - c. Upon the request of any negotiating country, it shall consider any problems that such country may believe are impeding or unduly delaying the successful conclusion of negotiations.
- IV. The TNC may give advice and make suggestions on any of the matters under III above. Participants will give full consideration to its advice or suggestions. Each country retains, however, the right to determine for itself whether to accept such advice or recommendations and to decide on the basis of its own assessment whether to accept the results of the negotiations.
- V. In formulating advice or suggestions the Tariff Negotiations Committee (TNC) should be guided by the principles of the proposed Article XXIX. All negotiating countries should contribute toward the maximum practicable progress toward the objectives of the new Article XXIX by making overall concessions commensurate with the overall concessions received.

- VI. In connection with point III-b, the opening of negotiations bilaterally should in no way be conditioned upon the conduct or completion of the review contemplated in point III(b); the bilateral negotiations should proceed concurrently.
- VII. The binding against increase of low duties or duty-free treatment shall, in principle, be recognized as a concession equivalent in value to the reduction of high duties. For example, duties on manufactures or on food products having an ad valorem incidence of 10 per cent or less would be considered as coming under this principle. However, this principle should not be applied so as to preclude reductions of low duties where it is practicable for a negotiating country to make such reductions in exchange for concessions received.
- VIII. No negotiating country shall be expected to give a reduction in a rate or to bind a previously unbound rate in exchange for the continuation of a binding already agreed to in the GATT.