

DRAFT NOTE ON DECISIONS TAKEN ON 22-23 SEPTEMBER

In dealing with the items on its Agenda (IC/W/42) the Committee adopted the following principal decisions:

I. PROVISIONAL AGENDA FOR THE TENTH SESSION

Sixth Annual Report under Article XIV:1(g) -

The governments which have not yet submitted answers to the balance-of-payment questionnaire were requested to send them in without delay so that the secretariat could proceed with the preparation of a draft of the annual report on the discriminatory application of restrictions.

Report by Member States of the European Coal and Steel Community -

Representatives of the member States assured the Committee that their annual report would be sent to the Executive Secretary about 7 October. It was recalled that the CONTRACTING PARTIES had agreed at the Ninth Session that governments wishing to address requests for additional information to the member States or to the High Authority should send them in writing to the Executive Secretary at least one week before the opening of the Session.

New Zealand/Article XV:6 Waiver -

The Committee was informed by the representative of New Zealand that his Government had not taken action in exchange matters which would have had to be reported to the CONTRACTING PARTIES had New Zealand signed a special exchange agreement, and that in its opinion there would therefore be no need at the Tenth Session for a consultation under the Decision of 20 January 1955; however, if the CONTRACTING PARTIES should decide that the terms of the waiver require an annual report and consultation, even in the absence of such action, and if his Government agreed to carry out a consultation the information required would be available in the documentation provided by the International Monetary Fund for New Zealand's consultation on import restrictions under Article XIV:1(g). On the other

hand, if its interpretation of the waiver provisions were not accepted, his Government might find it necessary to seek an amendment of the waiver. He was not authorized to engage in a discussion of the interpretation of the provisions of the Decision and he hoped, therefore, that this question could be left for examination at the Tenth Session. In the light of information from the representative of the IMF to the effect that the Fund would be able at short notice to consult with the CONTRACTING PARTIES pursuant to Article XV:2 in this connexion, the Committee agreed that the question of interpretation could be referred to the CONTRACTING PARTIES.

Customs Tariff of the Federation of Rhodesia and Nyasaland and South Africa/Southern Rhodesia Customs Union

The Committee approved the proposal of the representative of Rhodesia and Nyasaland and the Executive Secretary that the item relating to the new tariff of the Federation should read as follows:

"Consideration of the new Federal tariff, as modified by trade agreements, in relation to the Report (L/293) adopted by the CONTRACTING PARTIES at the Ninth Session."

It was noted that further documentation, in particular the customs tariff and trade agreements which were in force prior to the introduction of the new tariff, would be furnished by the Federation, and that the secretariat after consultation with the representative of the Federation, would distribute a factual statement on the structure of the new tariff to assist the examination of this matter at the Tenth Session.

Declaration on the Continued Application of Schedules -

(see Spec/304/55)

Accession of Japan -

The representative of Japan informed the Committee that his Government wished to ask the CONTRACTING PARTIES to review the operation of Article XXXV in the case of Japan since fourteen governments were withholding application of the Agreement to Japanese trade. The Committee agreed that this question could be discussed under this item and that a note of Japan's intention would be included in the Provisional Agenda.

II. ORDER OF BUSINESS FOR TENTH SESSION

The Committee discussed the arrangement of meetings tentatively proposed by the Executive Secretary in L/399 and agreed that a programme for the Tenth Session along these lines would be useful and could be examined in detail at the Committee's next meeting prior to the opening of the Session. For the guidance of the Executive Secretary in preparing a programme, the Committee decided that consideration of the following items should begin on the dates indicated:

The Belgian/Luxemburg Waiver request on 31 October

The new tariff of Rhodesia and Nyasaland on 1 November

The report by the member States of the European Coal and Steel Community on 3 November

Balance-of-payments consultations and other matters of particular interest to the representatives of the International Monetary Fund on 7 November

Questions of customs administration on 10 November

The report by the Governments of Italy and Libya on Italian special customs treatment of Libyan products on 10 November - and that the Government of Libya be informed accordingly

The appointment of a new Chairman for ICCICA in the first days of the Session.

III. HOURS OF MEETINGS DURING THE TENTH SESSION

The Committee considered the proposal put forward by the Executive Secretary that the hours of Plenary and Working Party meetings should be 10-12.30 and 2.30-5 in order to allow time for the preparation, translation and reproduction of documents. The Committee agreed to recommend to the CONTRACTING PARTIES that the meetings during the Tenth Session should be arranged accordingly.

IV. EXTENDED USE OF PANELS

The Committee discussed the proposals of the Executive Secretary in L/392, and the Executive Secretary agreed to modify his Note (and in particular the second recommendation) to take account of comments made during the discussion.

V. FRENCH SPECIAL TEMPORARY COMPENSATION TAX ON IMPORTS

(see Spec/302/55 and Corr.1)

VI. FINLAND'S REQUEST FOR RENEGOTIATION

The Committee examined the request of Finland (SECRET/52 and Add.1) for authority to renegotiate the concessions on certain textile items which had been initially negotiated with the United Kingdom and France. The Finnish representative explained that it had appeared to his Government, in the course of renegotiations under Article XXVIII and in the course of consultations under the Decision of 3 March 1955, that it would be desirable to make changes in the concessions affecting a certain number of other bound textile items in order to provide certain minimum specific rates in addition to the bound ad valorem rates and to convert certain specific duties into ad valorem duties while maintaining specific minima.

The Committee agreed that by thus enlarging the negotiations to cover a group of related items the negotiating countries could reach a higher level of mutually advantageous concessions than would otherwise be the case. The Committee considered that these circumstances constituted "special circumstances" in the sense of paragraph 4 of Article XXVIII, and therefore decided to grant the request for authority to renegotiate these items in accordance with the procedures and conditions laid down in that paragraph.

In view of the desire of the Finnish Government to complete the negotiations promptly and to give effect to the modifications agreed upon in the course of other negotiations and consultations, the Committee invited any contracting party which considered that it had a substantial interest in the items concerned to present its claim to the Finnish Government without delay and to notify the Executive Secretary.

VII. UNITED STATES DUTY ON BICYCLES

Referring to the action by the Government of the United States under Article XIX, whereby the rates of duty on bicycles (item no. 371 in Schedule XI) were increased on 19 August 1955, the representatives of France, Germany and the United Kingdom informed the Committee that their Governments intended to consult with the Government of the United States with a view to seeking

compensation; it seemed unlikely, however, that the consultations could be concluded with sufficient time for them to avail themselves, in the event of failure, of their right to suspend equivalent obligations or concessions within the time limit prescribed by paragraph 3(a) of Article XIX. Therefore they enquired whether an extension of this time limit could be granted. The United States representative advised that he was in agreement with an extension of the time limit as proposed.

Accordingly the following draft decision by the CONTRACTING PARTIES was prepared. The representatives of ... , members and observers attending the meeting, signified favourable votes on this decision and the Executive Secretary was instructed to submit it to the contracting parties not represented by postal ballot.

DRAFT DECISION OF ... 1955 EXTENDING THE TIME LIMIT
IN ARTICLE XIX:3(a) FOR NOTIFICATION BY CONTRACTING PARTIES
OF ANY SUSPENSION OF OBLIGATIONS OR CONCESSIONS IN CONNEXION
WITH THE INCREASE IN THE UNITED STATES DUTIES ON BICYCLES
UNDER ARTICLE XIX

CONSIDERING that on 19 August 1955 the Government of the United States took action under Article XIX to raise the rates of duty on bicycles bound under item no. 371 in Schedule XX,

CONSIDERING that several contracting parties have informed the United States Government that they wish to enter into consultations under Article XIX:2 in respect to this action with a view to reaching agreement on compensation, and

CONSIDERING that the said consultations may not have been completed in time for the said governments to avail themselves, in the event of the failure of the consultations, of their right to suspend equivalent obligations or concessions pursuant to paragraph 3(a) of Article XIX,

The CONTRACTING PARTIES

DECIDE that the time period prescribed in Article XIX:3(a) shall begin to run as from the date of the completion of the aforesaid consultations.