GENERAL AGREEMENT ON TARLFFS AND TRADE

RESTRICTED

IC/W/22 20 August 1953

AD HOC COMMITTEE ON AGENDA AND INTERSESSIONAL BUSINESS

Draft of principal Recommendations for insertion in Summary Record of the Meeting of the Intersessional Committee, held in Geneva commencing on 17 August, and for inclusion in the Committee's Report to the CONTRACTING PARTIES on the Eighth Session Agenda

-_____

(Reference: IC/W/14)

A. AGENDA FOR THE EIGHTH SESSION

1. ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

The Committee took note of the fact that the terms of office of the Chairman would expire on 2 October 1953 and, therefore, in order to avoid a change in the Chairmanship during the Session, decided to recommend that the Chairman's term of office be extended for the duration of the Eighth Session and that the election of Chairman and Vice-Chairman for the following year be held towards the end of the Session.

2. TARIFF NEGOTIATIONS

(a) Article XXVIII

The Committee considered the proposals contained in the Chairman's note (L/93) and decided, in order to facilitate discussion of this question by the CONTRACTING PARTIES to instruct the Executive Secretary to prepare a draft declaration on the lines of that adopted at Torquay, whereby the CONTRACTING PARTIES would agree not to invoke the provisions of Article XXVIII for a specified period.

(b) Report by the Working Party on Reduction of Tariff Levels

The Committee considered that it would be useful if the CONTRACTING PARTIES at the Eighth Session would examine the questions of principle raised by the French plan against the background of the broader question of the adequacy of the present negotiating procedures and then appoint an intersessional body to pursue these matters after the Eighth Session at such time as may seem appropriate, having regard to the prospects for further progress in the process of tariff reduction.

In order that such consideration should be possible, the Committee considered that it would be necessary to make arrangements for the completion of the study of the technical aspects of the French plan and requested the Executive Secretary to convene the Sub-Group of the Working Party to meet on 10 September. The Committee recommends that the Working Party should meet to receive the Sub-Group's report early in the Session and prior to the discussion of this item by the CONTRACTING PARTIES.

(c) The Creation of a "Low Tariff Club"

The Committee recommends that the intersessional body proposed under the foregoing paragraph should be asked to examine, against the same background, the proposal for a "Low Tariff Club", which has been submitted to the CONTRACTING PARTIES by the Council of Europe, and also any other proposals which may be submitted by contracting parties.

(d) Accession of Japan

In order to clarify the issues involved in the proposal submitted by the Japanese Government (GATT/AIR/37), the Committee instructed the Executive Secretary to prepare a document which would set out in technical terms an instrument which might be used to give effect to the Japanese proposal in the event that it should commend itself to the CONTRACTING PARTIES.

The Committee also considered what action should be taken on the Report L/76, which had been drawn up at its meeting in February 1953. The Committee considered that it would not be necessary to discuss that Report unless the CONTRACTING PARTIES should decide to proceed with Japan's application to accede under Article XXXIII or unless a contracting party, which was disposed to accept the provisional arrangement suggested in the Japanese proposal referred to in the foregoing paragraph, should make it a condition of its acceptance that the CONTRACTING PARTIES should adopt the interpretation of Article XXIII and the connected procedures proposed in that Report.

3. BALANCE-OF-PAYMENT IMPORT RESTRICTIONS

(a) Consultations under Article XIV: 1 (g)

The Committee recommends that the seven consultations initiated in March 1953 under the provisions of Article XIV: 1 (g) should be entrusted to a working party which would be instructed, as last year, to direct its attention particularly to the trade aspects of the restrictions. Further, the Committee proposes for consideration by the CONTRACTING PARTIES that, if it should prove impossible to carry out any of these consultations at the Eighth Session, the CONTRACTING PARTIES should record that the contracting party concerned had fulfilled its 1953 ebligation to consult.

With reference to the three consultations under Article XIV: 1 (g) which were initiated in 1952 but were not completed at the Seventh Session, the Committee proposes for consideration by the CONTRACTING PARTIES that if it

IC/W/22 Page 3

should not be possible to complete any of these consultations, for the same reason that led to its postponement last year, the CONTRACTING PARTIES should record that the contracting party concerned had fulfilled its 1952 obligation to consult.

- 2.13 -

(b) Fourth Annual Report on Discrimination

The Committee recommends that the preparation of the annual report on discrimination, required under the provisions of Article XIV: 1 (g), should be entrusted, as lastyear, to the working party which conducts the consultations, and that, in future, these reports should be published, along with other working party reports, in supplements to "Basic Instruments and Selected Documents".

(c) Procedures for report and consultations under Article XIV: 1 (g) in 1954

The Committee recommends that this item be referred to the working party which conducts the consultations and prepared the report on discrimination.

(d) Consultations under Article XII: 4 (b)

With reference to the seven consultations under the provisions of Article XII: 4 (b), which were initiated in 1952, but were not completed at the Seventh Session, the Committee proposes for consideration by the CONTRACTING PARTIES that if it should not be possible to complete any of these consultations, for the same reason which led to its postponement last year, the CONTRACTING PARTIES should record that the contracting party concerned had fulfilled its obligations.

The Committee agreed that a consultation with the Government of Pakistan should be initiated under Article XII: 4 (b) to be carried out at the Eighth Session, provided that the IMF is able to furnish the necessary financial data.

4. METHODS OF VALUATION FOR CUSTOMS PURPOSES NATIONALITY OF GOODS CONSULAR FORMALITIES

The Committee recommends that these three items be referred to a working party with a composition similar to that appointed to deal with these items at the Seventh Session, and that the Working Party be instructed to consult with representatives of the International Chamber of Commerce, insofar as this would facilitate their discussions.

5. EUROPEAN COAL AND STEEL COMMUNITY

The Committee instructed the Executive Secretary to inform the six governments that it would be helpful if they could submit their first annual report well in advance of the Session so as to allow time for it to be studied by contracting parties in preparation for discussion at the Session. The Committee instructed the Executive Secretary to collect such additional material as he considers would be useful to the CONTRACTING PARTIES in examining this item.

- 21.4 -

6. CONVENTION ON IMPORTATION OF SAMPLES AND ADVERTISING MATERIAL

The Committee recommends that contracting parties should be invited to indicate their intentions concerning the acceptance of or accession to this convention and further, that the Secretary-General of the United Nations be requested to send a copy of the convention to the Government of Spain.

7. DISCRIMINATION IN TRANSPORT INSURANCE

The Committee recommends that this item should be included in the agenda, but that the CONTRACTING PARTIES should limit their action at this stage to an instruction to the Executive Secretary to prepare, in consultation with governmental and non-governmental organizations, and circulate a report on the issues involved.

8. DATE AND PLACE OF THE NINTH SESSION

The Committee recommends that in considering the date and place of the Ninth Session, the CONTRACTING PARTIES should take into account the pattern of conferences established by the Secretary-General of the United Nations and the desirability of avoiding a clash with the date foreseen for the Annual Meeting of Governors of the IMF.

B. OTHER ARRANGEMENTS FOR THE EIGHTH SESSION

1. THE OPENING PLENARY MEETINGS

In view of the intention of a number of contracting parties that their delegations should be led, for the early part of the Session, by ministers, it appeared to the Committee desirable that during this first part of the Session there should be an opportunity for these ministerial representatives to make statements on general policy issues and also that there should be a discussion of the major issues of the agenda. Accordingly, the Committee recommends that the following questions should be taken up in plenary meetings in the first day's session: (a) any general policy statements which may be made following the Chairman's opening remarks;

-215~

(b) the item relating to Article XXVIII;

(c) the item proposed by the United Kingdom Government affecting the application of Article I; and

(d) the question of Japanese accession.

2. BALANCE-OF-PAYMENT IMPORT RESTRICTIONS

Since the opening of the Session will follow closely the meeting of the Board of Governors of the IMF, the CONTRACTING PARTIES consider that it would be of mutual advantage to the IMF and the CONTRACTING PARTIES if this item were not taken up before October.

3. EUROPEAN COAL AND STEEL COMMUNITY

As special representation will presumably be necessary for some of the contracting parties, the Committee recommends that the discussion of this item should begin on a predetermined date and, since the report is not yet available, proposes Monday, 5 October.

4. ITALIAN SPECIAL TREATMENT FOR LIBYAN PRODUCTS

The Committee considers that this item should also be taken on a predetermined date, in order to facilitate the representation of the Government of Libya, and has instructed the Executive Secretary to consult with the Government of Libya and to propose an appropriate date for consideration at the next meeting of the Committee.