

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

IC/W/52

10 September 1956

Special Distribution

Intersessional CommitteeADVANCE AGENDA FOR THE ELEVENTH SESSIONwith Explanatory Notes

The principal purpose of the meeting of the Intersessional Committee commencing on 11 September is to consider the matters likely to arise at the Eleventh Session, to examine the adequacy of the documentation and to undertake such preliminary work as would facilitate and expedite the discussions at the Session.

The following is a list of the items proposed for the Provisional Agenda, including those proposed by contracting parties:

1. ADOPTION OF AGENDA AND ORDER OF BUSINESS

Proposals for the arrangements for the Session and for the order of business are put forward in IC/W/53.

2. PROCEDURES FOR ELECTIONS

The Committee was instructed to consider the question of procedures to be followed when the CONTRACTING PARTIES are required to hold elections "with a view to drawing up a general procedure for the future." Proposals have been put forward by the Executive Secretary (L/490).

3. ELECTION OF CHAIRMAN AND VICE-CHAIRMEN

Under Rule 10 of the Rules of Procedure the terms of office of the Chairman and Vice-Chairmen will expire on 27 October. However, the present Chairman indicated that he thinks the election of Chairman should take place at the opening of the Eleventh Session to ensure that there will be continuity in the Chair through the Session, and, accordingly, the Executive Secretary invited contracting parties to submit nominations for the Chairmanship not later than 11 September (L/490). In the light of its consideration of item 2 the Committee might consider the procedure for the election of the Chairman and of the two Vice-Chairmen.

Under this item the Executive Secretary wishes to raise the question whether Rule 10 should be amended to provide that these terms of office will expire at the opening of each regular annual session.

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4. PLANS FOR TARIFF REDUCTION

It was agreed at the Tenth Session that an item on further progress in the field of tariff reduction should appear on the agenda (SR.10/5).

If the Committee recommends that the request of the Council of Europe for consideration of its resolution on the formation of a European Free-Trade Area (see page 10 of this document) be included in the Provisional Agenda, it might be recommended that these two items be considered together.

5. COMMODITY PROBLEMS

Developments since the Tenth Session in resolving differences of view concerning certain provisions of the draft Agreement on Commodity Arrangements (SACA) and recent discussions on commodity problems and action by other organizations are summarized in IC/W/51.

6. CHAIRMANSHIP OF ICCICA

At the Tenth Session the CONTRACTING PARTIES nominated Sir Claude Corea as Chairman of ICCICA for one year. The Executive Secretary has invited contracting parties to submit nominations for the coming year so that, at the request of the United Nations, this item can be taken up early in the Session.

7. RESTRICTIVE BUSINESS PRACTICES

At the Tenth Session it was agreed (SR.10/3) that this item should be retained on the agenda. There have been no developments since the Executive Secretary's Note (L/384) was distributed in August 1955.

8. GATT-FUND RELATIONS

The question of relations between the International Monetary Fund and the CONTRACTING PARTIES was on the agenda for the Tenth Session but substantive discussion was deferred (SR.10/8). A Note will be distributed by the Executive Secretary.

9. BALANCE-OF-PAYMENT IMPORT RESTRICTIONS

(a) Intensification of restrictions

The Executive Secretary has prepared a Note on changes since the Tenth Session in the application of restrictions maintained for balance-of-payments reasons (IC/W/55). At its meeting on 26 July the Committee decided to recommend to the CONTRACTING PARTIES that the question of inviting Australia to consult under Article XII:4(b) be examined at the Session.

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

Australia, Ceylon, New Zealand, Rhodesia and Nyasaland and the United Kingdom have initiated consultations on deviations from the provisions of Article XIII in the application of import restrictions under Article XII (L/482). The International Monetary Fund has agreed to consult with the CONTRACTING PARTIES pursuant to Article XV:2 in connexion with these consultations.

(c) Seventh annual report under Article XIV:1(g)

Contracting parties applying restrictions under the provisions of Article XII have been asked to submit replies to the questionnaire adopted at the Tenth Session for the purpose of collecting information for the preparation of the Annual Report (L/486). A draft of the Annual Report on the Discriminatory Application of Restrictions will be distributed, if possible, before the opening of the Session, but answers to the questionnaire have not yet been received from Australia, Burma, Ceylon, Chile, Denmark, France, Greece, Italy, New Zealand, Pakistan, Turkey, South Africa and Uruguay.

(d) Procedures for consultations and report under Article XIV:1(g) in 1957

At each regular session the CONTRACTING PARTIES have referred the question of procedures for the ensuing year to the working party appointed to conduct the consultations and to prepare the annual report on discrimination.

10. REPORTS AND CONSULTATIONS UNDER WAIVERS

(a) European Coal and Steel Community (Basic Instruments and Selected Documents, First Supplement, p.17)¹

At the Tenth Session it was agreed that the Fourth Annual Report by the member States on "the measures taken by them towards the full application of the Treaty" should be circulated at least three weeks before the opening of the Session (i.e. by 20 September) and that any contracting party wishing to obtain additional information should submit its request in writing to the Executive Secretary at least one week before the opening of the Session.

¹ Further references to the Basic Instruments and Selected Documents will be abbreviated; e.g. the First Supplement will be referred to as "1st S.".

It was also agreed at the Tenth Session that a Note along the same lines as last year should be prepared by the Executive Secretary and that this should include a section on coal and coke prices. It was suggested that contracting parties might submit, for inclusion in this Note, price data on coal and steel products, relating either to the export prices quoted by their exporters or to prices actually paid by their importers. The Executive Secretary's Note is being prepared and will be distributed shortly after the report by the member States.

(b) Italy/Libya (1st S. p.14 and 4th S. p.16)

The Fourth Annual Reports by the Governments of Italy and Libya have been received and are being prepared for distribution.

(c) Australia/Papua-New Guinea (2nd S. p.18)

The Third Annual Report by the Government of Australia is to be submitted before the opening of the Session.

(d) United Kingdom/Article I (2nd S. p.20 and 3rd S. p.25)

The Third Annual Report by the Government of the United Kingdom is to be submitted before the opening of the Session.

(e) United Kingdom/Dependent Overseas Territories (3rd S. p.21)

The Second Annual Report by the Government of the United Kingdom is to be submitted not later than 13 September.

(f) United States/Agricultural Adjustment Act (3rd S. p.32)

The Second Annual Report by the Government of the United States under paragraph 6 of the Conditions and Procedures annexed to the Decision of 5 March 1955, is to be submitted before the opening of the Session.

(g) Belgium/Import Restrictions (3rd S. p.38 and 4th S. p.22)

The First Annual Report by the Government of Belgium, under paragraph 4 of the Decision of 5 March 1955, has been distributed (L/515).

(h) New Zealand/Article XV:6 (3rd S. p.42)

Second Annual Report by New Zealand.

(i) Czechoslovakia/Article XV:6 (3rd S. p.43)

Second Annual Report by Czechoslovakia.

11. VOTES REQUIRED FOR GRANTING WAIVERS

At the Tenth Session the representative of Cuba put forward his Government's objections to the CONTRACTING PARTIES having recourse to the provisions of Article XXV:5(a) to grant waivers from obligations of Part I of the Agreement. The Committee was instructed to consider this question in the light of the Cuban statement (L/459) and of the analysis by the Executive Secretary (L/403) and to report to the Eleventh Session "as to whether a sufficient foundation exists for the CONTRACTING PARTIES to go into the matter thoroughly at that time" (SR.10/18).

12. CUSTOMS ADMINISTRATION

(a) Consular formalities

Under the Decision of 7 November 1952 it was recommended that contracting parties should abolish consular formalities by 31 December 1956. In April 1956 the contracting parties which maintain such formalities were invited to report on steps taken toward their abolition and to furnish details of the formalities still in existence (L/485). The statements received will be distributed prior to the Session.

(b) Nationality of imported goods

At the Tenth Session it was agreed that this item should appear again on the agenda (SR.10/11). Proposals by the Government of F.R. Germany for amending the draft definition were submitted prior to the Tenth Session (L/434).

(c) Marks of origin

At the Tenth Session it was agreed that the proposals of the International Chamber of Commerce for an international arrangement relating to the use of marks of origin (L/430) would be examined at this Session in the light of information furnished by contracting parties concerning their legislation and regulations on marking requirements. In March 1956 contracting parties were invited to submit relevant extracts from their laws and regulations and to comment on the ICC proposals (L/478). The extracts and comments have been distributed in L/478/Add.1 to 8; a summary will be prepared by the secretariat.

(d) Certificates of origin

At the Tenth Session it was agreed that a proposal by the International Chamber of Commerce to amend the recommendations concerning proof of origin, which were adopted by the CONTRACTING PARTIES in 1953, would be examined at this Session. In April 1956 contracting parties were invited to submit their comments (L/481). The comments received have been distributed in L/481/Add.1 to 4.

(e) Samples convention

The International Convention to Facilitate the Importation of Commercial Samples and Advertising Material, which was drawn up by the CONTRACTING PARTIES and came into force in November 1955, has been accepted by twenty countries of which sixteen are contracting parties to GATT. The Committee may wish to recommend that the CONTRACTING PARTIES should urge contracting parties which have not yet accepted the Convention to do so as soon as possible and that the Secretary-General of the United Nations should be asked to recommend acceptance by non-contracting parties which have not yet accepted it.

At the Tenth Session a working party examined a question of interpretation of Article III, and the Executive Secretary was instructed to obtain the views of the parties to the Convention. This request for views was made in December 1955 and the replies received have been distributed in L/472/Add.1 to 7.

13. ANTI-DUMPING AND COUNTERVAILING DUTIES

At the Tenth Session it was decided to collect information on the customs legislation and administrative regulations of contracting parties which provide for the levy of anti-dumping and countervailing duties and other supplementary duties and charges intended to protect domestic production against the competition of low-priced imports and also to invite contracting parties to comment on their experience in this field. The request for extracts from national legislation and regulations and for comments was issued in March 1956 (L/479) and the statements received have been distributed in L/479/Add.1 to 13. A summary will be prepared by the secretariat.

14. COMPLAINTS

(a) Brazilian internal taxes

In Resolution of 30 November 1955 (4th S. p.21) the CONTRACTING PARTIES urged the Government of Brazil to take all steps necessary to amend the existing laws relating to certain internal taxes so as to bring them into conformity with the General Agreement, and requested the Government to report prior to the Eleventh Session on action taken.

(b) French special temporary compensation tax on imports

In their Decision of 30 November 1955 (4th S. p.20) the CONTRACTING PARTIES called upon the French Government to report to the Committee on measures taken to implement the undertakings and recommendation contained in the Decision of 17 January 1955. The French Government's report has been distributed in L/495.

(c) French stamp tax

At the Tenth Session the Government of France undertook to withdraw the increase in the stamp tax and to submit a report on action taken prior to the Eleventh Session (SR.10/5).

15. NICARAGUA-EL SALVADOR FREE-TRADE AREA

The Fifth Annual Report by Nicaragua under the Decision of 25 October 1951 (Vol.II, p.30) has been distributed (L/504).

16. FRANCE - TUNISIA CUSTOMS UNION

At the Tenth Session the representative of France, referring to paragraph 7 of Article XXIV, announced that a customs union between France and Tunisia would be established as from 1 January 1956. Subsequently, the Convention of 3 June 1955 and the Protocol of Application of 30 December 1955 were submitted to the secretariat and were distributed (L/475). A copy of the new customs tariff of the Union has also been sent to each contracting party.

17. DISPOSAL OF SURPLUSES

At the Tenth Session the contracting parties discussed their experience under the Resolution of 4 March 1955 on the liquidation of agricultural surpluses and agreed that this question should be included on the agenda of the Eleventh Session (SR.10/10).

18. FREEDOM OF CONTRACT IN TRANSPORT INSURANCE

A working party of the Tenth Session submitted a draft recommendation on the elimination of restrictions in the field of transport insurance (L/462). Consideration of this report was deferred to the Eleventh Session. In May 1956 the International Chamber of Commerce, at whose request this question was first taken up by the Transport Commission of ECOSOC, adopted a report on the effects of restrictions on the freedom of contract and in support of the working party's draft recommendation; at the request of the Chamber copies of this report will be distributed to delegations attending the Eleventh Session.

19. ARTICLE XXXV AND JAPAN

At the Tenth Session it was agreed that the Japanese Government would continue its discussions with the fourteen contracting parties which had invoked Article XXXV and would report progress to the Committee. The Committee was requested to keep this matter under review (SR.10/21).

20. STATUS OF AGREEMENT AND PROTOCOLS

The status of the following instruments on 1 September is set out in L/517.

- (a) Resolution on Reservations to definitive Application of the Agreement (3rd S. p.48)
- (b) Protocols of Amendment
- (c) Agreement on the Organization for Trade Cooperation
- (d) Second, Third, Fourth and Fifth Protocols of Rectifications and Modifications
- (e) Sixth Protocol of Supplementary Concessions
- (f) Protocol of Terms of Accession of Japan (4th S. p.7)
- (g) Declaration of 10 March 1955 on the Continued Application of Schedules (3rd S. p.30)

21. SCHEDULES

- (a) Rectifications and modifications

Contracting parties were asked to submit requests for rectification and modification of their Schedules by 15 August (L/487). The requests received from eleven contracting parties have been distributed in L/487/Add.1 to 4 and a draft protocol is being prepared.

- (b) Consolidation of schedules

It was agreed at the Tenth Session to proceed with a second consolidation of the GATT schedules. Instructions for the preparation of the second edition and for the distribution of drafts direct to contracting parties were issued in L/483 and Add.1. So far as is known to the secretariat only Australia, Czechoslovakia, India, Indonesia, Japan and New Zealand have distributed their drafts. Approval of the drafts is to be finalized during the Eleventh Session and the CONTRACTING PARTIES should then take decisions on the reproduction and distribution of the approved texts.

22. TRAINING PROGRAMME

At the Tenth Session it was agreed (L/452 para.18) that the Executive Secretary's report on the operation of the training programme should be referred to the Committee and that, if the Committee decides to recommend the continuation of the scheme in 1957, the Executive Secretary would be authorized to communicate with governments with a view to obtaining nominations. The report is contained in L/511.

23. FINANCIAL STATEMENT AND BUDGET

(a) Audited accounts for 1955 and report by auditors (L/499)

(b) Financing of 1956 budget

A report will be submitted by the Executive Secretary.

(c) Budget estimates for 1957

Estimates have been distributed (L/506).

(d) Scale of contributions

It was agreed at the Tenth Session (L/452, para.16) that the question of the revision of the scale of contributions should be considered at this Session.

(e) Affiliation to the United Nations Pension Fund

At the Tenth Session the Executive Secretary was authorized (L/452/Add.1) to resume discussions with the United Nations Pension Board with a view to the admission of the ICITO staff into the United Nations Pension Fund. A report by the Executive Secretary is contained in L/509, where it is suggested that this question might be considered by the Committee in advance of the Session.

24. INTERSESSIONAL ADMINISTRATION OF THE AGREEMENT

(a) Report by the Intersessional Committee on action between the Tenth and Eleventh Sessions

A draft report will be submitted for approval at the next meeting of the Committee.

(b) Renewal of Arrangements

25. DATE OF THE TWELFTH SESSION

Items proposed by contracting parties

ARTICLE XVIII - CEYLON

The Government of Ceylon has submitted an application for releases under Article XVIII. The supporting statements are being prepared for distribution.

CENTRAL AMERICAN FREE-TRADE AREA

The Government of Nicaragua has requested a release, similar to that granted by the Decision of 25 October 1951 (Vol.2 p.30), to enable it to enter into a free-trade area arrangement with the other Central American Republics (L/508). The draft Free Trade Treaty is being prepared for distribution.

SCHEDULE III - BRAZIL

The Government of Brazil has furnished copies of the draft Customs Tariff which has been submitted to the Brazilian Congress for approval and has indicated that it may wish to raise certain consequential matters relating to the Brazilian Schedule.

RHODESIA AND NYASALAND TARIFF

The Government of the Federation has given notification under the Decision of 3 December 1955 of its intention, if the CONTRACTING PARTIES agree, to apply the Federal Tariff uniformly to cover the whole of the Federation.

Items proposed by the Executive Secretary

EUROPEAN FREE-TRADE AREA

The Committee of Ministers of the Council of Europe has submitted for study by the CONTRACTING PARTIES a suggestion that a free-trade zone might be set up among member states with a view to bringing about a European customs union (L/500).

TRADE RESTRICTIONS ON ORTHOPAEDIC EQUIPMENT

The Committee of Ministers of the Council of Europe has referred to the CONTRACTING PARTIES a recommendation that member states should grant exemption from customs duties, prohibitions and import restrictions for artificial limbs and orthopaedic equipment and that customs formalities should be reduced to a minimum; the CONTRACTING PARTIES are asked to examine this recommendation in the light of existing customs legislation and regulations and to inform the Council of their conclusions (L/496).

ARTICLE XX:II:(a)

It was agreed at the Ninth Session that the validity of paragraph (a) of Part II of Article XX should be extended and provision for this was made in the Protocol of Amendment. In view of the delay in the entry into force of the amendment, it is suggested that the CONTRACTING PARTIES might take a formal decision extending the validity of this paragraph (L/507).