

**ECONOMIC
AND
SOCIAL COUNCIL****CONSEIL
ECONOMIQUE
ET SOCIAL**E/PC/T/C.6/84
15 February 1947

ORIGINAL: ENGLISH

**DRAFTING COMMITTEE OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT****SUMMARY RECORD OF THE TWENTY-SECOND MEETING**

Held at Lake Success on 14 February 1947 at 10:30 a.m.

Chairman: H. E. Erik COLBAN

1. Second Reading of Articles 66, 69, 70, 71, 72, 73, 74, 78, 79, 80 and 81

The Committee approved in second reading Articles 66, 69, 70, 71, as formulated in document E/PC/T/C.6/68 and Articles 72, 73, 74, 78, 79, 80 and 81 as formulated in document E/PC/T/C.6/70.

With respect to Article 74, the Delegate for the Netherlands remarked that the Administrative Sub-Committee in its tenth meeting had decided upon a new text of Article 74, different from the one contained in document E/PC/T/C.6/70.

The CHAIRMAN ruled that Article 74 will be reconsidered by the Committee at the same time when Articles 75 and 77 in the formulation of the Administrative Sub-Committee will be taken up for debate.

2. The Delegate for Brazil, on behalf of the Chairman of the Administrative Sub-Committee, requested that the United Kingdom's note on provisions for two-third's majority in the draft Charter, (document E/PC/T/C.6/W.64) which have been referred to the Administrative Sub-Committee, should be removed from the agenda of the Sub-Committee and instead considered by the full Committee, in order to enable the Sub-Committee to finish its work in its next meeting.

The CHAIRMAN pointed out that he did not want the Sub-Committee to make any elaborate review of document E/PC/T/C.6/W.64 but, merely requested the

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opinion of the Sub-Committee on this note. However, if it should be impossible for the Administrative Sub-Committee to deal with this matter in its next meeting, the full Committee will discuss this note in the course of the following week.

The Sub-Committee then proceeded to the consideration of the Report of the Technical Sub-Committee, document E/PC/T/C.6/55 - Revision 1.

It was decided that the comments in this Report which changes in texts should be deleted. All reservations were maintained except those mentioned as withdrawn below. Certain new reservations were made during this meeting and are indicated below. Comments and decisions taken with respect to the Technical Sub-Committee's Report are given below by Article and paragraph:

Article 15 - National Treatment on Internal Taxation and Regulation

Page 3, Comment 15:1. The first paragraph at the top of page 3 was deleted at the suggestion by the Delegate for the Union of South Africa.

Page 3, Comment 15:2, last paragraph: The reservation by the Delegate for Cuba applies to the entire Article, not only to paragraph 2.

Page 4, text 15:3, line 15. The Delegate for the United States suggested that a period be placed after "concur" and that the rest of this sentence be deleted. However, this proposal did not meet with general acceptance of the Committee and the paragraph was approved without change. The Delegate for the United States did not press for this deletion.

Page 5, Comment 15:3. The Delegates for Brazil, the Netherlands and the Union of South Africa maintained their reservations made at the First Session as to mixing requirements as they felt that the amendment to this paragraph does not adequately meet their objections to the original text. The Delegate for Cuba joined in this reservation.

The Delegate for Czechoslovakia suggested that a second proviso be added in this paragraph, permitting the establishment of new requirements (of the kind here considered) in the future if the Organization concurs that the requirements are less restrictive of international trade than other

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measures permissible under the Charter. He also reserved his position on the last sentence of this paragraph.

Page 8, text 15:5. Add to the end of paragraph in square brackets:

"[or for use in production of goods for sale.]"

The Delegate for Brazil wished that new paragraph be added providing for a date of entry into force of this Article.

Article 16 - Freedom of Transit

The Committee approved of alternative text B (referring to goods and means of transport) to be presented to the Second Session. The Delegate for Chile preferred text A which refers to goods only.

Page 9, text 16:1. The last sentence of this paragraph pertaining to the operation of aircraft was the subject of some discussion. The Delegates for Australia and Belgium suggested deletion of this sentence. It was decided that the sentence be retained but the matter might be again brought up at the Second Session.

Page 14, text 16:5. The Delegate for the Union of South Africa stated that the preferential rail rates granted to certain products of contiguous territories of the Union of South Africa were compatible with this paragraph since these products did not compete with imported products. It was agreed that his statement should not be included in the report.

Page 15, comment referring to the whole of Article 16. The Delegate for Chile withdrew his reservation.

Article 17 - Anti-dumping and Countervailing Duties

Page 16, Comment 17:1, last paragraph on the page. The Delegate for Czechoslovakia associated himself with the other delegates suggesting the addition of "by more than five percent" in this paragraph.

Page 17, Comment 17:1, third paragraph on this page. The Delegate for India withdrew his suggestion that the definition of margins of dumping be left to the Organization.

Page 18, Comment 17:2. The definition of countervailing duty given at

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the top of page 18 was added to the text of paragraph 2 of Article 17.

Page 20, Comment 17:5. Second paragraph on this page should read: "The Delegate for Brazil suggested the deletion of this paragraph."

Pages 20 and 21, suggested new paragraph 7 of Article 17. The Delegates for New Zealand and the Union of South Africa supported this Australian amendment. It was decided to include the suggested paragraph in the commentary of the Report.

Article 18 - Tariff Valuation

Page 23, text 18:2 (a). It was decided to discuss this sub-paragraph at a later meeting.

Page 23, Comment 18:2 (b). The words "customs duty or" were inserted in square brackets before "internal" in the second line of the text of this sub-paragraph.

The Delegate for China reserved his position on this sub-paragraph as well as on 2 (c), as both affect the customs revenue of China.

Article 19 - Customs Formalities

Page 25, text 19:1, line 10. For "mimizng" read "minimizing".

Article 20 - Marks of origin

Pages 29 and 30, Alternatives A and B. The Delegate for the United States will prepare an alternative text that might be acceptable generally to the Committee, for consideration at a subsequent meeting.

Page 32, text 20:7, Alternatives A and B. The Committee decided to forward Alternative A as the generally agreed text of this paragraph, Alternative B will be given in the commentary of the Report for further consideration at the Second Session.

The Delegate for Cuba pointed out that at the First Session the Cuban Delegation had submitted amendments to this Article (cf. documents E/PC/T/C.2/15 or E/PC/T/C.2/W.33).

Article 21 - Publication and Administration of Trade Regulations -
Advance Notice of Restrictive Regulations

Page 34, text 21:1. The square brackets were deleted in the last two lines of this text. The similar phrase in square brackets in paragraph 2 of Article 35 will be discussed on its own merits.

The Committee will resume discussion of the Report of the Technical Sub-Committee commencing with Article 22, at its next meeting.

Page 36, text 21:2, line 7: for "of inter alia,", read, "inter alia, of".

Page 37, comment 21:2, line 8: for "minister" read "Minister".

Page 37, text 21:3, line 17: for "therefore" read "therefor".
