

EB/CGATT/54/12

July 12, 1954

To: Members of the Committee on Liaison with the CONTRACTING
PARTIES to the GATT

From: A. Z. Saad, Chairman

As Chairman of the Committee I have received the attached memorandum from Mr. Southard. I am sure the Executive Directors will be interested in this document.

Att:(1)

Other Distribution:
Members of the Executive Board
Department Heads
Division Chiefs

SOME TENTATIVE UNITED STATES IDEAS ON
PROCEDURES FOR IMPROVING CO-ORDINATION BETWEEN
THE GATT AND THE FUND

1. The GATT Contracting Parties would establish in Washington a permanent Standing Committee, the functions of which would be both to conduct consultations under the GATT and to be available on a continuous basis for consultation on matters of common interest to the GATT and Fund. This Committee would be composed in the same way that working parties are now normally established by the GATT. It would consist of the principal trading countries in the GATT, which would have permanent membership, and of other countries which would have temporary membership on a rotating basis. Any Contracting Party not represented on the Committee at the time a particular case arose in which it was directly interested, would be permitted to sit on the Committee in an observer's status for that case. In order to service the Committee with necessary trade information, the Committee would have a staff established in Washington, this staff constituting a branch office of the GATT Secretariat.

2. The Standing Committee in Washington might be authorized by the GATT Contracting Parties to act on their behalf, subject to appeal by any country in disagreement to whatever superior body is provided for by the renegotiated agreement.

3. There would be established a Joint Staff Committee drawn from the regular international staffs of the GATT and the IMF, the branch office of the GATT Secretariat in Washington providing the GATT staff for this purpose. The function of this Committee would be to prepare co-ordinated reports for the IMF Executive Board and the GATT Standing Committee on problems of restrictions. The reports would be prepared at the initiative of either the IMF Board or the GATT Standing Committee. While not every case would need to be the subject of a report by the Joint Staff Committee, the usual procedure would be for this Committee to prepare a report prior to consideration by the IMF Board and by the GATT Standing Committee.

4. The IMF Board and the GATT Standing Committee, as appropriate under the Fund and GATT Agreements, would act promptly upon cases covered in the Joint Staff Committee reports. In the consideration of all such cases, representatives of the GATT would sit with the IMF Board, and the IMF would be represented at meetings of the Standing Committee.