

DRAFT CHARTER

Ceylon: PROPOSED AMENDMENTS

Chapter II

Article 4: Number the existing Article as paragraph (1) of Article 4.

Line 4: Delete the word "whatever"

Line 5: Delete the words "may be appropriate and feasible".

Line 7: Delete the words "for export and generally".

Line 8: Delete the last sentence of Article 4.

Insert a new paragraph (2) of Article 4:

(b) The Organization shall take steps to ascertain what action has been taken by Members in pursuance of sub-paragraph (a) above, and shall submit an annual report thereon to the Conference of the Organization.

Insert a new paragraph (3) of Article 4:

Members which are also members of the International Labour Organization shall co-operate with that Organization in pursuance of the objects of sub-paragraph (a) of this paragraph.

Chapter III

Article 9, Line 2: Delete the word "progressively".

Article 12: Add the following sentence at the end of paragraph 1:

"Nothing in this Article shall be so construed as

(a) to entitle any Member to invest in any other Member's country without the prior approval of that Member, or

(b) to entitle any Member to retain an existing investment in the country of another Member except with the consent of that Member.

Delete paragraph 2 of Article 12.

Article 12, Paragraph 2 (a), Line 4: Delete the word "non-discriminatory".

Paragraph 2 (a), Line 5: Delete the words "with any provision of

Chapter IV or"

Paragraph 3 (a): Renumber this as sub-paragraph 2 (a), and in line 3, delete the word "any" and substitute "the". In lines 5-11, delete the words "which would be inconsistent with ...any such obligation."

Paragraph 3 (b): Renumber this as sub-paragraph 2 (e), and in line 2, delete "(a)" and substitute "(d)".

/Paragraph 3 (c):

Paragraph 3 (c): Renumber this as sub-paragraph 2 (f), and in line 5, delete "(a)" and substitute "(d)".

Insert a new sub-paragraph 2 (g):

"The Organization shall at the earliest opportunity, but ordinarily within 15 days, after receipt of the statement referred to in sub-paragraph (a) of this paragraph, advise the applicant Member of the date by which the Organization will notify it whether or not it concurs in principle with the proposed measure, with or without modification".

Paragraphs 4, 5: Delete these paragraphs.

Insert a new paragraph 3 in Article 13:

3. (a) "If any Member, in the interests of its programme of economic development or reconstruction, adopts any protective measure which conflicts with any provision of Chapter IV, other than a measure of the type referred to in paragraph 2 of this Article, the Member shall notify the Organization of its adoption of the measure."

(b) The Organization shall promptly transmit such statement to all other Members and any Member, which considers that its trade would be substantially affected by the measure may transmit its views to the Organization within such period as shall be prescribed by the Organization.

(c) "The Organization shall then promptly examine the measure to determine whether it concurs in it, with or without modification, and shall in its examination have regard to the provisions of this Charter, to the considerations presented by the applicant Member and its stage of economic development or reconstruction, to the views presented by Members which may be substantially affected, and to the effect which the proposed measure, with or without modification, is likely to have, on international trade."

(d) On the completion of the examination pursuant to sub-paragraph (c) of this paragraph, the Organization shall make such recommendation to the applicant Member as it deems appropriate, and the Member shall give effect to such recommendation.

#### Chapter IV

Article 17: Insert a new sub-paragraph (c) in paragraph 1:

"Account shall be taken in the negotiations of the revenue aspect of existing tariffs, in the case of Members who derive a substantial percentage of their revenue from customs duties".

/Article 18:

Article 18

Paragraph 3 (a), Line 1: After the word "made", insert the words "or maintained".

Paragraph 3 (b): Delete the words "of which there is no substantial domestic production".

Paragraph 4 (b): Delete.

Paragraph 5: Delete.

Article 20: Delete.

Article 21: Amend the title of this Article to read "use of Quantitative Restrictions on Imports".

Delete paragraph 1 of this Article and substitute:

"Any Member may through quotas, import or export licenses or other measures, restrict the quantity or value of merchandise permitted to be imported, in order

(a) to safeguard its external financial position and balance of payments, or

(b) to promote the establishment, or protect the development or reconstruction of particular industries, or particular branches of agriculture, when no other form of protection is available or considered satisfactory by the Member.

Paragraph 2 (a): Add a new sub-paragraph (iii):

or (iii) to afford adequate protection to the particular industry or branch of agriculture concerned.

Paragraph 3 (c) (ii): Delete the word "commercial" in line 4.

Paragraph 3 (c) (iii): Insert the words "far as is possible" between the words "as" and "to" in line 2.

Paragraph 4: Delete sub-paragraph (a) and number the remaining sub-paragraphs (a), (b), (c), (d).

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