

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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CONTRACTING PARTIES  
Fifteenth Session

## SUMMARY RECORD OF THE FIRST MEETING

Held at the Sankei Kaikan, Tokyo,  
on Monday, 26 October, at 3 p.m.

Chairman: Mr. F. GARCIA OLDINI (Chile)

The Prime Minister of Japan, Mr. NOBUSUKE KISHI, addressed the CONTRACTING PARTIES and welcomed them to Tokyo on the occasion of their fifteenth session. The Prime Minister's address is reproduced in Press Release GATT/459.

Following the Prime Minister's address the CHAIRMAN opened the fifteenth session of the CONTRACTING PARTIES; Mr. GARCIA OLDINI's statement is reproduced in Press Release GATT/460.

The following subjects were then discussed by the CONTRACTING PARTIES:

1. Participation of Yugoslavia in Fifteenth Session
2. Adoption of Agenda
3. Discrimination for Balance-of-Payments Reasons
4. Security

### 1. Participation of Yugoslavia in Fifteenth Session

The CHAIRMAN reported that at a meeting of Heads of delegations earlier in the day it had been recommended that, although the Declaration on Relations with Yugoslavia had not yet entered into force, Yugoslavia should be invited to participate fully in the work of the fifteenth session.

This was agreed.

### 2. Adoption of Agenda (L/1044 and Add.1, 2, 3, 4)

The proposed agenda for the session was adopted.

### 3. Discrimination for Balance-of-Payments Reasons

Mr. HEBBARD, representative of the International Monetary Fund, communicated to the CONTRACTING PARTIES the following text of a decision taken by the Executive Directors of the International Monetary Fund on 23 October 1959 (L/1081):

"The following decision deals exclusively with discriminatory restrictions imposed for balance-of-payments reasons.

"In some countries, considerable progress has already been made towards the elimination of discriminatory restrictions; in others, much remains to be done. Recent international financial developments have established an environment favourable to the elimination of discrimination for balance-of-payments reasons. There has been a substantial improvement in the reserve positions of the industrial countries in particular and widespread moves to external convertibility have taken place.

"Under these circumstances, the Fund considers that there is no longer any balance-of-payments justification for discrimination by members whose current receipts are largely in externally convertible currencies. However, the Fund recognizes that where such discriminatory restrictions have been long maintained a reasonable amount of time may be needed fully to eliminate them. But this time should be short and members will be expected to proceed with all feasible speed in eliminating discrimination against member countries, including that arising from bilateralism.

"Notwithstanding the extensive moves toward convertibility, a substantial portion of the current receipts of some countries is still subject to limitations on convertibility, particularly in payments relations with State-trading countries. In the case of these countries the Fund will be prepared to consider whether balance-of-payments considerations would justify the maintenance of some degree of discrimination, although not as between countries having externally convertible currencies. In this connexion the Fund wishes to reaffirm its basic policy on bilateralism as stated in its decision of 22 June 1955."

The CHAIRMAN said that delegations would wish to consider the important statement made by the representative of the International Monetary Fund; reference to the subject raised in the statement would, no doubt, be made during the meetings of Trade Ministers.

#### 4. Security

The EXECUTIVE SECRETARY pointed out that the success of the work of the CONTRACTING PARTIES was in large measure due to the fact that contracting parties were able to discuss frankly trade problems, confident that such discussions would remain confidential. Unfortunately, in the recent past, the contents of certain confidential documents had reached the press. While his strict instructions to the secretariat regarding security had been re-emphasized, the precautions taken by the secretariat could be made ineffective if there were not equal discretion on the part of other officials dealing with GATT documents. He would, therefore, urge delegations to bear in mind the very great importance which the confidential character of the work of the CONTRACTING PARTIES had for the success of that work.

The CHAIRMAN stressed the importance of the matter raised by the Executive Secretary.

The meeting adjourned at 4.20 p.m.