

the effects of agricultural policies on world trade and a study of the obstacles to an expansion of the export earnings of the less-developed countries. At the fourteenth session, the contracting parties decided to convene a tariff conference in September 1960. Detailed rules for this conference were adopted at the fifteenth session. Consultations were held with a large number of contracting parties during the year to assess the effects of their agricultural policies on world trade. These are to be completed in 1960, following which a general assessment will be made. Detailed studies of obstacles facing the export of some of the most important products exported by the less-developed countries were carried out and the contracting parties were invited to review their tariffs, revenue duties, internal charges, quantitative restrictions, and other measures affecting trade, with a view to assisting an expansion of the export earnings of the less-developed countries.

The fourteenth session of GATT took action in the long-standing issue of the quantitative restrictions maintained by Germany without the justification of balance of payments difficulties. The German Government agreed to remove many of these restrictions at an early date in accordance with a specified timetable. The contracting parties granted Germany a special waiver allowing her to maintain certain restrictions on imports for a period of three years. These restrictions cover mainly agricultural products. The German Government is expected to apply these restrictions without discrimination and to provide for gradual increases in imports of these products. The contracting parties were given reports on developments in the implementation of the European Economic Community and will continue their examination of EEC arrangements as further information becomes available. Consultations were held with the six member countries of the EEC regarding the possibility of damage to the exports of some contracting parties, as a result of the special preferential arrangements in favour of the associated overseas territories and countries of the EEC. Canada participated in the consultations on tobacco, aluminum, lead, and zinc. Tariff negotiations with the six EEC countries with respect to the proposed common tariff of the EEC will be held from September 1 to December 31, 1960, during the first part of the tariff conference.

The contracting parties were also given a report on the proposed establishment of a European Free Trade Association comprising the United Kingdom, Norway, Sweden, Denmark, Switzerland, Austria and Portugal. This new arrangement will be examined in GATT in 1960. The delegations of Brazil, Chile, Peru, Uruguay and the observers for Argentina and Bolivia informed the contracting parties of the progress made during 1959 in their plans for the gradual and progressive integration of Latin American markets.

The Government of Israel acceded to the GATT in 1959 on a provisional basis pending the conclusion of negotiations at the tariff conference, when it will seek full accession. A request by the Government of Tunisia for provisional accession on the same conditions was approved at the session. The Government of Yugoslavia became associated with the GATT during 1959 under the terms of a declaration providing for the establishment of commercial relations between Yugoslavia and those contracting parties that signed the declaration, to as great an extent as possible on the basis of the provisions of the General Agreement. The contracting parties also approved a declaration on relations between the contracting parties