

under the Charter. Such measures may be maintained pending a decision of the Organization, which must be given within twelve months of the Member's assuming membership.

Article 15 recognizes that special circumstances may justify new preferential arrangements by two or more countries in the interests of economic development or reconstruction. The question whether the Organization should approve such arrangements by a two-thirds majority of Members voting or by some other voting procedure is left open for determination by the World Conference.

Chapter III stands in an important relationship to Article 21, dealing with the use of quantitative restrictions for balance of payments reasons. In the first place, the obligation imposed on Members by Article 9 to develop their economic resources is mentioned in Article 21 (3) (b) as a factor which may increase a Member's demand for imports, and therefore justify the imposition of quantitative restrictions. In the second place, it is clear that the right of import selection conferred by Article 21 (3) (b) (ii) is not qualified by anything in Articles 13 or 14 because these Articles deal only with measures not otherwise permitted by the Charter.

CHAPTER IV.—COMMERCIAL POLICY

SECTION A.—TARIFFS, PREFERENCES, AND INTERNAL TAXATION AND REGULATION. (Articles 16–19)

Article 16.—General Most-favoured-nation Treatment

The rule of general Most-favoured-nation Treatment amongst Members provides that, with respect to customs duties and certain related matters, "any advantage, favour, privilege, or immunity granted by any Member to any product originating in or destined for any other country, shall be accorded immediately and unconditionally to the like product originating in or destined for all other Member countries respectively."

Exceptions are made for certain preferential arrangements, provided the margins of preference do not exceed defined levels. The preferences in question are listed in the text of Article 16, and in annexes to the Charter. They include British Commonwealth preferences and certain other preferential systems. The maximum margins of preference are defined as those resulting from the Geneva negotiations, or from subsequent negotiations, or, if not provided for under agreements resulting from such negotiations, those existing on 10 April 1947 or on some earlier base date used in the negotiations.

Special provision is made regarding the replacement of multiple preferential rates by a single rate, of preferential internal taxes by tariff preferences, and of quota preferences by tariff preferences; also regarding British Commonwealth preferential meat quotas, and the New Zealand preferential film hire tax (see Annex A of the Charter).