SENATE

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Calendar No. 1593

## BEIRUT AGREEMENT IMPLEMENTATION LEGISLATION

SEPTEMBER 20, 1966.—Ordered to be printed.

Mr. Long of Louisiana, from the Committee on Finance, submitted the following

# REPORT

## [To accompany H.J. Res. 688]

The Committee on Finance, to which was referred the joint resolution (H.J. Res. 688) to give effect to the Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific, and Cultural Character, approved at Beirut in 1948, having considered the same, reports favorably thereon without amendment and recommends that the joint resolution do pass.

## PURPOSE

The purpose of House Joint Resolution 688 is to implement the Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific, and Cultural Character, which is known as the Beirut agreement. To accomplish this purpose the joint resolution would authorize the President to designate a Federal agency or agencies to assume the responsibility of carrying out the provisions of the agreement. It would add a new headnote and a new item to part 6 of schedule 8 of the Tariff Schedules of the United States to permit duty-free treatment for articles that are determined to be visual or auditory materials of an educational, scientific, or cultural character within the meaning of the agreement.

## GENERAL STATEMENT

## BACKGROUND

The Beirut agreement, which would be implemented by House Joint Resolution 688, was proposed by the U.S. delegation to the General Conference of the United Nations Educational, Scientific, and Cultural Organization (UNESCO) at its third session in Beirut, Lebanon, in 1948. The agreement was there developed and adopted in its present textual form and recommended to members states for signature. A copy of the agreement is contained in the appendix to this report.

Your committee is advised that at the present time the agreement is formally operational in 17 countries. In accordance with its terms, the agreement entered into force on August 12, 1954, when the 10th country commenced formal participation.

The U.S. Senate gave advice and consent to ratification of the Beirut agreement on May 26, 1960. Deposit of ratification is being withheld pending enactment of this implementing legislation. Upon eanctment of this legislation it is expected that the instrument of ratification will be deposited with the United Nations.

## SUMMARY OF THE RESOLUTION'S PROVISIONS

House Joint Resolution 688, as passed by the House and agreed to by your committee, would authorize the President to designate a Federal agency or agencies to carry out the provisions of the Beirut Your committee was advised that it is expected that the Agreement. President will designate the U.S. Information Agency to perform this This work consists of certifying that outgoing materials are function. educational, scientific, or cultural, in order to facilitate their free importation into a foreign country. It also involves review of certificates accompanying incoming materials to verify that these materials are educational, scientific, or cultural, entitled to duty-free treatment in this country. The measure would also authorize other agencies of the Federal Government to furnish facilities and personnel for the purpose of assisting the agency or agencies designated by the President in carrying out the provisions of the agreement.

Section 3(a) of the resolution would add a new provision, item 870.30, to the special classification provisions of the Tariff Schedules of the United States to permit free entry for certain specified types of articles which are determined to be visual or auditory materials in accordance with a new headnote to be inserted after the heading to schedule 8, part 6, of the Tariff Schedules. The proposed new headnotes specifies that no article shall be exempted from duty under item 870.30 unless a Federal agency or agencies designated by the President determines that such article is visual or auditory material of an educational, scientific, or cultural character within the meaning of the agreement.

The visual and auditory articles, which would be permitted to enter free of duty under the conditions and limitations specified in the new headnote are developed photographic film, including motion picture film on which pictures or sound and pictures have been recorded; photographic slides; transparencies; sound recordings; recorded video tape; models; charts; maps; globes; and posters. Materials moving from commercial consignors to commercial consignees are within the reach of the agreement.

The bill also provides that whenever the President determines that there is or may be profitmaking exhibition or use of the articles entered under the agreement which interferes significantly (or threatens to interfere significantly) with domestic production of similar articles, he may prescribe regulations imposing restrictions on the entry of such foreign articles to insure that they will be exhibited or used only for non-profit-making purposes. This language is consistent with paragraph 5 of article IV of the agreement which permits the issuance of such regulations by the contracting states. The word "significantly" as used in the amendment does not contemplate a mathematical test or measure of interference as a guide to the President, but the term means more than de minimus and certainly less than serious injury.

## EFFECTIVE DATE

Section 3(b) of the resolution provides that the amendments to the Tariff Schedules of the United States are to apply with respect to articles entered, or withdrawn from warehouse, for consumption, on or after a date to be proclaimed by the President, which date is to be within a period of 6 months beginning the day after the day on which the U.S. instrument of acceptance of the agreement is deposited with the Secretary General of the United Nations.

#### BENEFITS TO THE UNITED STATES

The United States produces more educational audiovisual materials than all other countries combined and is the world's major exporter of such materials. Your committee is informed that enactment of this legislation will have the effect of increasing the institutional use abroad of certified American educational films and comparable materials.

In addition, your committee believes that full participation of the United States in the agreement, as would be provided for in this legislation, would promote better understanding of the United States in other countries and would increase mutual understanding between the people of the United States and those of other nations.

## CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italic; existing law in which no change is proposed is shown in roman):

# TARIFF SCHEDULES OF THE UNITED STATES

# SCHEDULE 8-SPECIAL CLASSIFICATION PROVISIONS

PART 6.—OTHER SPECIAL CLASSIFICATION PROVISIONS

## Part 6 headnote:

1. No article shall be exempted from duty under item 870.30 unless a Federal agency or agencies designated by the President determines that such article is visual or auditory material of an educational, scientific, or cultural character within the meaning of the Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific, and Cultural Character. Whenever the President 4

determines that there is or may be profit-making exhibition or use of articles described in item 870.30 which interferes significantly (or threatens to interfere significantly) with domestic production of similar articles, he may prescribe regulations imposing restrictions on the entry of such foreign articles to ensure that they will be exhibited or used only for nonprofit-making purposes.

870. 10	Records, diagrams, and other data with regard to any business, engineering, or exploration operation conducted outside the		
	- United States, whether on paper, cards, photographs, blueprints,		
	tapes, or other media	Free	Free
	Nets or sections or parts of nets:		
370. 20	Monofilament gill nots to be used for fish sampling	Free	Free
870, 25	To be used in taking wild birds under license issued by an ap-		
	propriate Federal or State governmental authority	Free	Free
870. 30	Developed photographic film, including motion-picture film, on which		(
	pictures or sound and pictures have been recorded; photographic slides;		
	transparencies; sound recordings; recorded videolape; models; charts;		
	maps; glubes; and posters; all of the foregoing which are determined to be visual or auditory materials in accordance with headnote 1 of this	•• •	
		Free	Free
	part	1.100	1.100

# APPENDIX

Text of Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific, and Cultural Character

The Governments of the States signatory to the present Agreement, Being convinced that in facilitating the international circulation of visual and auditory materials of an educational, scientific and cultural character, the free flow of ideas by word and image will be promoted and the mutual understanding of peoples thereby encouraged, in conformity with the aims of the United Nations Educational, Scientific and Cultural Organization,

Have agreed as follows:

#### ARTICLE I

The present Agreement shall apply to visual and auditory materials of the types specified in Article II which are of an educational, scientific or cultural character.

Visual and auditory materials shall be deemed to be of an educational, scientific or cultural character:

(a) When their primary purpose or effect is to instruct or inform through the development of a subject or aspect of a subject, or when their content is such as to maintain, increase or diffuse knowledge, and augment international understanding and good will; and

(b) When the materials are representative, authentic, and accurate; and

(c) When the technical quality is such that it does not interfere with the use made of the material.

#### ARTICLE II

The provisions of the preceding Article shall apply to visual and auditory materials of the following types and forms:

(a) Films, filmstrips and microfilm in either negative form, exposed and developed; or positive form, printed and developed.

(b) Sound recordings of all types and forms.

(c) Glass slides; models, static and moving; wall charts, maps and posters.

These materials are hereinafter referred to as material.

#### ARTICLE III

1. Each of the contracting States shall accord, within six months from the coming into force of the present Agreement with respect to that State exemption from all customs duties and quantitative restrictions and from the necessity of applying for an import license in

5

respect of the importation, either permanent or temporary, of material originating in the territory of any of the other contracting States.

2. Nothing in this Agreement shall exempt material from those taxes, fees, charges or exactions which are imposed on the import of all articles without exception and without regard to their nature and origin, even though such articles are exempt from Customs duties; such taxes, fees and exactions shall include, but are not limited to nominal statistical fees and stamp duties.

3. Material entitled to the privileges provided by paragraph 1 of this Article shall be exempt, in the territory of the country of entry, from all internal taxes, fees, charges or exactions other or higher than those imposed on like products of that country, and shall be accorded treatment no less favourable than that accorded like products of that country in respect of all internal laws, regulations or requirements affecting its sale, transportation or distribution or affecting its processing, exhibition or other use.

4. Nothing in this Agreement shall require any contracting State to deny the treatment provided for in this Article to like material of an educational, scientific or cultural character originating in any State not a party to this Agreement in any case in which the denial of such treatment would be contrary to an international obligation or to the commercial policy of such contracting State.

#### ARTICLE IV

1. To obtain the exemption, provided under the present Agreement for material for which admission into the territory of a contracting State is sought, a certificate that such material is of an educational, scientific or cultural character within the meaning of Article I, shall be filed in connection with the entry.

2. The certificate shall be issued by the appropriate governmental agency of the State wherein the material to which the certificate relates originated, or by the United Nations Educational, Scientific and Cultural Organization as provided for in paragraph 3 of this Article, and in the forms annexed hereto. The prescribed forms of certificate may be amended or revised upon mutual agreement of the contracting States, provided such amendment or revision is in conformity with the provisions of this Agreement.

3. Certificates shall be issued by the United Nations Educational, Scientific and Cultural Organization for material of educational, scientific or cultural character produced by international organizations recognized by the United Nations or by any of the Specialized Agencies.

4. On the filing of any such certificate, there will be a decision by the appropriate governmental agency of the contracting State into which entry is sought as to whether the material is entitled to the privilege provided by Article III, paragraph 1 of the present Agreement. This decision shall be made after consideration of the material and through the application of the standards provided in Article I. If, as a result of that consideration, such agency of the contracting State into which entry is sought intends not to grant the privileges provided by Article III, paragraph 1 to that material because it does not concede its educational, scientific and cultural character, the Government of the State which certified the material, or UNESCO, as the case may be, shall be notified prior to any final decision in order that it may make friendly representations in support of the exemption of that material to the Government of the other State into which entry is sought.

5. The Governmental agency of the contracting State into which entry is sought shall be entitled to impose regulations upon the importer of the material to ensure that it shall only be exhibited or used for non-profit-making purposes.

6. The decision of the appropriate governmental agency of the contracting State into which entry is sought, provided for in paragraph 4 of this Article, shall be final, but in making its decision the said agency shall give due consideration to any representations made to it by the Government certifying the material or by UNESCO as the case may be.

## ARTICLE V

Nothing in the present Agreement shall affect the right of the contracting States to censor material in accordance with their own laws or to adopt measures to prohibit or limit the importation of material for reasons of public security or order.

#### ARTICLE VI

Each of the contracting States shall send to the United Nations Educational, Scientific and Cultural Organization a copy of each certificate which it issues to material originating within its own territory and shall inform the United Nations Educational, Scientific and Cultural Organization of the decisions taken and the reasons for any refusals in respect of certified materials from other contracting States for which entry is sought into its own territory. The United Nations Educational, Scientific and Cultural Organization shall communicate this information to all contracting States and shall maintain and publish in English and French catalogues of material showing all the certifications and decisions made in respect of them.

#### ARTICLE VII

The contracting States undertake jointly to consider means of reducing to a minimum the restrictions that are not removed by the present Agreement which might interfere with the international circulation of the material referred to in Article I.

#### ARTICLE VIII

Each contracting State shall communicate to the United Nations Educational, Scientific and Cultural Organization, within the period of six months following the coming into force of the present Agreement the measures taken in their respective territories to ensure the execution of the provisions of the present Agreement. The United Nations Educational, Scientific and Cultural Organization shall communicate this information as it receives it to all contracting States.

### ARTICLE IX

1. All disputes arising out of the interpretation or application of the present Agreement between States which are both parties to the Statute of the International Court of Justice, except as to Articles IV and V, shall be referred to the International Court of Justice unless in any specific case it is agreed by the parties to have recourse to another mode of settlement.

2. If the contracting States between which a dispute has arisen are not parties or any one of them is not party to the Statute of the International Court of Justice, the dispute shall, if the States concerned so desire, be submitted, in accordance with the constitutional rules of each of them, to an arbitral tribunal established in conformity with the Convention for the Pacific Settlement of International Disputes signed at The Hague on 18 October 1907, or to any other arbitral tribunal.

#### ARTICLE X

The present Agreement is open to acceptance by the signatory States. The instrument of acceptance shall be deposited with the Secretary-General of the United Nations who shall notify all the Members of the United Nations of each deposit and the date thereof.

### ARTICLE XI

1. On or after 1 January 1950 any Member of the United Nations not a signatory to the present Agreement, and any non-Member State to which a certified copy of the present Agreement has been communicated by the Secretary-General of the United Nations, may accede to it.

2. The instrument of accession shall be deposited with the Secretary-General of the United Nations, who shall notify all the Members of the United Nations and the non-Member States, referred to in the preceding paragraph, of each deposit and the date thereof.

#### ARTICLE XII

1. The present Agreement shall come into force ninety days after the Secretary-General of the United Nations has received at least ten instruments of acceptance of accession in accordance with Article X or Article XI. As soon as possible thereafter the Secretary-General shall draw up a *proces-verbal* specifying the date on which, in accordance with this paragraph, the present Agreement shall have come into force.

2. In respect of each State on behalf of which an instrument of acceptance or accession is subsequently deposited, the present Agreement shall come into force ninety days after the date of the deposit of such instrument.

3. The present Agreement shall be registered with the Secretary-General of the United Nations on the day of its entry into force in accordance with article 102 of the Charter and the Regulations made thereunder by the General Assembly.

## ARTICLE XIII

1. The present Agreement may be denounced by any contracting State after the expiration of a period of three years from the date on which it comes into force in respect of that particular State.

2. The denunciation of the Agreement by any contracting States shall be effected by a written notification addressed by that State to the Secretary-General of the United Nations who shall notify all the Members of the United Nations and all non-Member States referred to in Article XI of each notification and the date of the receipt thereof. 3. The denunciation shall take effect one year after the receipt of

the notification by the Secretary-General of the United Nations.

## ARTICLE XIV

1. Any contracting State may declare, at the time of signature, acceptance, or accession, that in accepting the present Agreement it is not assuming any obligation in respect of all or any territories, for which such contracting State has international obligations. The present Agreement shall, in that case, not be applicable to the territories named in the declaration.

2. The contracting States in accepting the present Agreement do not assume responsibility in respect of any or all non-self-governing territories for which they are responsible but may notify the acceptance of the Agreement by any or all of such territories at the time of acceptance by such contracting States or at any time thereafter. The present Agreement shall, in such cases, apply to all the territories named in the notification ninety days after the receipt thereof by the Secretary-General of the United Nations.

3. Any contracting State may at any time after the expiration of the period of three years provided for in Article XIII declare that it desires the present Agreement to cease to apply to all or any territories for which such contracting State has international obligations or to any or all non-self-governing territories for which it is responsible. The present Agreement shall, in that case, cease to apply to the territories named in the declaration six months after the receipt thereof by the Secretary-General of the United Nations.

4. The Secretary-General of the United Nations shall communicate to all the Members of the United Nations and to all non-Member States referred to in Article XI the declarations and notifications received in virtue of the present Article, together with the dates of the receipt thereof.

#### ARTICLE XV

Nothing in this Agreement shall be deemed to prohibit the contracting States from entering into agreements or arrangements with the United Nations or any of its Specialized Agencies which would provide for facilities, exemptions, privileges or immunities with respect to material emanating from or sponsored by the United Nations or by any of its Specialized Agencies.

#### ARTICLE XVI

The original of the present Agreement shall be deposited in the archives of the United Nations and shall be opened for signature at Lake Success on 15 July 1949 where it shall remain open for signature until 31 December 1949. Certified copies of the present Agreement shall be furnished by the Secretary General of the United Nations to each of the Members of the United Nations and to such other Governments as may be designated by agreement between the Economic and Social Council of the United Nations and the Executive Board of the United Nations Educational, Scientific and Cultural Organization.

In witness whereof, the undersigned, plenipotentiaries, having deposited their full powers found to be in due and proper form, sign the present Agreement in the English and French languages, each being equally authentic, on behalf of their respective Governments, on the dates appearing opposite their respective signatures.

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