

EXECUTIVE COMMITTEE

Second session

Item 4 (c) of the Provisional Agenda

(ICITO/EC.2/1/Rev.1)

ARRANGEMENTS BETWEEN FAO AND ITO

Note by the Secretariat

In accordance with the recommendation in paragraph four of ICITO/EC.2/2, the Secretariat has prepared the following draft "Memorandum of Understanding" setting out the matters which might be included in a working arrangement to be signed by the Director-General of FAO and the Director-General of ITO. The details of this arrangement could be adjusted and amplified in the light of experience. On the basis of such experience a formal agreement could, if necessary, be made later. The Memorandum of Understanding would itself meet the obligation of Article 87 of the ITO Charter to "Make arrangements with other inter-governmental organizations, which have related responsibilities, to provide for effective co-operation and the avoidance of unnecessary duplication in the activities of these organizations."

DRAFT MEMORANDUM OF UNDERSTANDING BETWEEN FAO AND ITO

Article 1. Co-Operation and Consultation

1. The Food and Agriculture Organization of the United Nations and the International Trade Organization agree that, with a view to facilitating the attainment of the objectives of the two specialized agencies of the United Nations and to the avoidance of unnecessary duplication in their activities, they will act in close co-operation with each other.
2. They will consult each other regularly in regard to matters of common interest. In particular, ITO will consult with FAO on food and agricultural aspects of ITO activities, and FAO will consult with ITO on aspects of FAO activities within the field of interest of ITO. Such consultation may be undertaken through joint committees, as provided for in Article 6 of this Memorandum, or through arrangements at the secretariat level.

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NOTE: This article recognizes the specific interest of the two agencies. Difficulties will be minimized if both agencies agree to consult with each other before taking action on any matter of common interest.

Article 2. Reciprocal Representation

1. Representatives of the Food and Agriculture Organization of the United Nations shall be invited to attend the meetings of the Conference of the International Trade Organization and to participate without vote in the deliberations of the Conference and of its Committees with respect to items on their agenda in which the Food and Agriculture Organization of the United Nations has an interest.
2. Representatives of the International Trade Organization shall be invited to attend the meetings of the Conference of the Food and Agriculture Organization of the United Nations and to participate without vote in the deliberations of the Conference and of its Commissions and Committees with respect to items on their agenda in which the International Trade Organization has an interest.
3. Representatives of the International Trade Organization may be invited to attend meetings of the Council of the Food and Agriculture Organization and likewise, representatives of the Food and Agriculture Organization may be invited to the meetings of the Executive Board of the International Trade Organization, and in either case to participate without vote with respect to items of common interest.
4. Representatives of the Food and Agriculture Organization of the United Nations shall be invited to attend meetings of any Commissions established under Articles 82 and 83 of the ITO Charter, which may be considering matters of interest to FAO and shall be entitled to participate without vote in the deliberations in respect to such items. Similarly, if FAO at any time establishes commissions or committees, representatives of ITO shall be entitled to attend meetings in which it has an interest.
5. Appropriate arrangements shall be made by agreement from time to time for the reciprocal representation of the Food and Agriculture Organization of the United Nations and the International Trade Organization at other meetings convened under their respective auspices which consider matters in which the other Organization has an interest.

Article 3. International Arrangements for Agricultural Commodities

1. As FAO, in accordance with its Constitution and its Rules of Procedure, as amended by the 1947 Session of its Conference, has the
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function of undertaking in appropriate cases the promotion of action with respect to international policies on agricultural commodity arrangements:

(a) FAO agrees to consult ITO on all matters in this field of common interest.

(b) FAO will invite ITO to be represented at meetings of FAO bodies held to consider commodity problems.

2. AS ITO, in accordance with its Charter, has functions in relation to international arrangements regarding commodities, including agricultural commodities:

(a) FAO is hereby deemed by ITO to be competent within the meaning of Article 67 of the ITO Charter, and to be entitled to perform the responsibilities set out therein.

(b) ITO will invite FAO to appoint a non-voting representative to any Council set up under Article 64 of the ITO Charter and concerned with agricultural commodity arrangements.

3. As Member Governments of ITO, concluding inter-governmental commodity agreements in accordance with Chapter VI of the Charter, will be exempt from certain other obligations as Members of the Organization, ITO will be responsible for procedures in connection with such international commodity agreements, but will consult FAO on all matters of common concern.

Article 4. FAO/ITO Joint Projects

1. FAO and ITO agree to co-operate, in collaboration with the Economic and Social Council of the United Nations, in any studies that may be undertaken on the relationship between world prices of agricultural primary commodities and manufactured products, in accordance with the functions of ITO as set out in Article 72, paragraph 1 (d) of the Charter.

2. FAO and ITO agree to collaborate on such other studies and surveys as can be most advantageously undertaken on a joint basis.

Article 5. Economic Development

[FAO and ITO agree that in accordance with Article I they will co-operate in their activities directed to facilitating and promoting agricultural, industrial and general economic development.]

NOTE: This article is placed in square brackets because its content may depend upon the result of the consideration by the Interim Commission of the Havana Conference Resolution relating to economic development and reconstruction.

Article 6. FAO/ITO Joint Committees

1. The Food and Agriculture Organization of the United Nations and the International Trade Organization may refer to a joint committee any question of common interest which it may appear desirable to refer to such a committee.
2. Any such joint committee shall consist of an equal number of representatives of each Organization; the number of representatives to be designated by each Organization shall be agreed on between the two Organizations; the United Nations shall be invited to designate a representative to attend the meetings of the committee; the committee may also invite other specialized agencies to be represented at its meetings as may be found desirable.
3. The reports of any joint committees of government representatives shall be submitted to the Council of the Food and Agriculture Organization of the United Nations and to the Executive Board of the International Trade Organization; a copy of the reports of the committees shall be communicated to the Secretary-General of the United Nations for the information of the Economic and Social Council. The reports of any joint committees on the secretariat level shall be submitted in the first instance to the Directors-General of the two Organizations.
4. Any such joint committee shall regulate its own procedure.

Article 7. Exchange of Information and Documents

1. Subject to such arrangements as may be necessary for the safeguarding of confidential material, the fullest and promptest exchange of information and documents shall be made between the Food and Agriculture Organization of the United Nations and the International Trade Organization.
2. The Director-General of the Food and Agriculture Organization of the United Nations and the Director-General of the International Trade Organization, or their duly authorized representatives, shall, upon the request of either party, consult with each other regarding the provision by either Organization of such information as may be of interest to the other.

Article 8. Personnel Arrangements

The Food and Agriculture Organization of the United Nations and the International Trade Organizations agree that the measures to be taken by them, within the framework of the general arrangements for co-operation in regard to personnel arrangements to be made by the United Nations, will include:

- (a) measures to avoid competition in the recruitment of their personnel; and

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(b) measures to facilitate interchange of personnel on a temporary or permanent basis, in appropriate cases, in order to obtain the maximum benefit from their services, making due provision for the retention of seniority and pension rights.

Article 9. Statistical Services

1. The Food and Agriculture Organization of the United Nations and the International Trade Organization agree to strive, within the framework of the general arrangements for statistical co-operation made by the United Nations, for maximum co-operation with a view to the most efficient use of their technical personnel in their respective collection, analysis, publication, standardization, improvement and dissemination of statistical information. They recognize the desirability of avoiding duplication in the collection of statistical information whenever it is practicable for either of them to utilize information or materials which the other may have available or may be specially qualified and prepared to collect, and agree to combine their efforts to secure the greatest possible usefulness and utilization of statistical information and to minimize the burdens placed upon national governments and other organizations from which such information may be collected.

2. The Food and Agriculture Organization of the United Nations and the International Trade Organization agree to keep one another informed of their work in the field of statistics and to consult each other in regard to all statistical projects dealing with matters of common interest.

NOTE: In connection with agricultural commodities the FAO will be primarily concerned with the statistics of production, consumption and nutrition, while the ITO will be primarily concerned with international trade aspects. However, as statistics on any particular aspect are of little value in isolation, it is essential that collaboration between FAO and ITO should result in the exchange of statistics as early as possible after collection. Study groups within the framework of Chapter VI would continue to collect statistics relating to their own particular commodity. At the present time study groups, as experts in their own particular field, collect and publish statistics monthly. By arrangement with the United Nations Statistical Division the study groups also forward advance information each month in time for publication

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in the United Nations Monthly Bulletin of Statistics.
It is essential that the United Nations Statistical
Division be included in any arrangement.

Article 10. Financing of Special Services

If compliance with a request for assistance made by either
Organization to the other would involve substantial expenditure for the
Organization complying with the request, consultation shall take place
with a view to determining the most equitable manner of meeting such
expenditure.

Article 11. Implementation of the Agreement

The Director-General of the Food and Agriculture Organization of the
United Nations and the Director-General of the International Trade
Organization may enter into such supplementary arrangements for the
implementation of this arrangement as may be found desirable in the light
of the operating experience of the two Organizations.

Article 12. Entry into Force

This arrangement shall come into force on its approval by the Council
of the Food and Agriculture Organization of the United Nations and the
International Trade Organization.

Article 13. Notification to the United Nations

The Food and Agriculture Organization of the United Nations and the
International Trade Organization will inform the Secretary-General of the
United Nations of the terms of the present Memorandum.

Article 14. Revision and Termination

This arrangement shall be subject to revision or termination provided
that such action be approved by the Council of the Food and Agriculture
Organization of the United Nations and the Executive Board of the
International Trade Organization.
