

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/C/W/7
21 April 1966

Limited Distribution

Committee on Trade and Development

Original: English

Working Group on International
Commodity Problems

ACTIVITIES OF THE INTERNATIONAL COTTON ADVISORY COMMITTEE

Note by the Secretariat

At its meeting on 24-26 November 1965, the Working Group on International Commodity Problems discussed inter alia the need or possibility of an international cotton agreement and agreed that the points made in the Group should be brought to the attention of the International Cotton Advisory Committee (COM.TD/C/2, paragraph 15). This was agreed to by the Committee on Trade and Development at its meeting on 16 December 1965 (COM.TD/12, paragraph 15). Accordingly, the secretariat communicated with the Executive Secretary of the ICAC and transmitted to him the relevant documents pertaining to the Group.

The Working Group also requested that information be obtained on the activities of the ICAC. In response to a request made by the GATT secretariat, the Executive Secretary of the ICAC has sent a communication, together with the text of the Articles of Agreement of the International Cotton Institute. These are circulated herewith for the information of contracting parties. Any further information received from the ICAC, e.g. relating to the decision taken at its twenty-fifth Plenary Meeting in Peru, will similarly be circulated.

Communication Dated 30 March 1966 from the Executive Secretary
of the International Cotton Advisory Committee

Thank you for your letter of 18 February 1966, and for the attachments bringing to my attention the points made during the December 1965 meeting of the Group on International Commodity Problems of the Committee on Trade and Development. I think that the views expressed would also reflect the sentiments of many of our member delegates. However, our Committee decided at the last Plenary Meeting to draw up a prospectus on how the study of an international cotton agreement could be carried out and to refer this to the twenty-fifth Plenary Meeting in Peru for consideration. I am sure you will understand that this in no way involves any commitment at this time that the Committee will engage itself in such a study. The decision on any further action will be made at the next Plenary Meeting.

The Committee recognizes the need to foster an expansion of international trade in raw cotton and to this end certain facets of the Committee's work have a bearing on this subject. First and foremost the regular work programme of the Committee is to supply detailed statistical and economic information on the cotton situation including, among other things, up-to-date estimates of production, consumption, export availabilities etc. More tangible action has been taken recently, however, under the auspices of the ICAC to implement an international programme of cotton research and promotion in the main consuming centres of the world. Initially, the programme will be effective in Western Europe and Japan on the grounds that these are areas where competition from man-made fibres is the most intense and where any improvement in the level of cotton consumption would ultimately be reflected in an improvement of international trade.

The International Cotton Institute, as it is called, is an autonomous body set up for the above purposes, but a link with the ICAC will be preserved by permitting the Executive Secretary of the ICAC to participate in all meetings of the General Assembly and the Executive Board. Initially, also the ICAC may be called upon to supply certain statistical and economic information on the cotton situation for the new organization. There are six founding countries: India, Mexico, Spain, Sudan, United Arab Republic and the United States. I am enclosing, for your information, a copy of the Articles of Agreement of the new organization.

At a recent plenary meeting of the ICAC, a decision was made to recommend greater emphasis on the subject of inter-fibre competition. In addition to the collection of detailed statistics on textile fibres, the Committee has now

augmented its professional staff to include one senior economist whose primary functions will be to keep the inter-fibre competition situation up to date. We have already prepared a report on this subject for the United Nations Committee on Trade and Development. Part of this report indicates in a general way, the anticipated development of our economic and statistical programme on inter-fibre competition over the next few years. When this publication is ready for distribution we will forward you a copy for your information.

Finally, through the intermediary of the monthly meetings of the Standing Committee, the members of the ICAC are kept up to date on economic and policy developments that have any direct bearing on the cotton situation - particularly with reference to trade and prices.

ARTICLES OF AGREEMENT OF THE
INTERNATIONAL COTTON INSTITUTE

The governments parties to this Agreement hereby establish the International Cotton Institute, hereinafter called the Institute, as an association of governments, which shall operate in accordance with the following provisions:

Article I. PURPOSES

The purposes for which the Institute is organized are:

- (a) To increase throughout the world the consumption of raw cotton, including extra long staple types, and the products manufactured therefrom.
- (b) To investigate the problems and possibilities of cotton market development and disseminate information on such problems and possibilities.
- (c) To develop and carry out cotton market development programmes through utilization research, market research, sales promotion, education, and public relations in light of the requirements of the market and the existing facilities for these types of work.
- (d) To do all acts and things either alone or in conjunction with others as the Institute may consider necessary, incidental, or conducive to the attainment of the above purposes.

The Institute shall carry out its purposes and exercise its powers only in furtherance of the common interests of its members in promoting the general welfare of the cotton and cotton textile industries of the world. It shall take no steps that will serve to facilitate the transaction of specific business of its members or promote the private interests of any member, or engage in any activity that would constitute regular business of a kind ordinarily carried on for profit.

Article II. LIABILITIES

No member shall be liable, by reason of its membership, for obligations of the Institute.

Article III. ORGANIZATION AND MANAGEMENT

Section 1. Office

The principal office of the Institute shall be in Washington, unless a determination is made by the General Assembly of the Institute, hereinafter referred to as the General Assembly, for a permanent site at a different location. The Institute may also establish offices at such other places as the General Assembly may from time to time determine.

Section 2. Fiscal year

The fiscal year of the Institute shall end on the thirty-first day of December of each year.

Section 3. General Assembly

(a) The affairs and business of the Institute shall be conducted, managed and controlled by a General Assembly. Each member of the Institute shall designate one person as its delegate to the General Assembly. In addition, each member may designate one or more alternates and one or more advisors to its delegate. Delegates, alternates, and advisors shall be considered representatives of the member that designates them. The representatives of any member may be government officials or other persons as such member decides. An alternate may vote only in the absence of the delegate for whom he is an alternate.

(b) There shall be a total of 1,000 votes in the General Assembly, of which 300 or the next smaller number evenly divisible by the number of members shall be divided equally among the members thereof. In addition, each member shall be entitled to that proportion of the remaining votes which the financial contribution to the Institute made by that member bears to the total of such contributions made by all member countries, with any fractional votes rounded off in such manner as determined by the General Assembly. The voting strength of the members shall be reviewed and re-apportioned by the General Assembly at each annual meeting thereof, by applying this formula to the most recent export period. The voting strength of the members shall also be re-apportioned following any change in the membership.

(c) The Executive Secretary of the ICAC shall be an ex officio member of the General Assembly with a voice but no vote.

(d) Representatives from cotton exporting countries that are not members of the Institute, and representatives of cotton consuming countries and of appropriate cotton organizations, may be invited by the General Assembly to attend its plenary meetings in the capacity of observers.

(e) The General Assembly shall meet at least once a year at the principal office of the Institute or at such other location as may be designated by the General Assembly.

(f) Special meetings of the General Assembly may, and on written application of a majority of the delegates, or of delegates holding a majority of votes in the General Assembly shall, be called by the President.

(g) Written or printed notice stating the place, day, hour, and in the case of special meetings, the purpose of the meeting, shall be given to each member not less than twenty nor more than fifty days before the date of the meeting. The non-receipt of notice by any representative or other person to whom it should be given shall not invalidate the proceedings at the meeting.

(h) Representatives entitled to cast an aggregate of two-thirds of the total number of votes in the General Assembly shall constitute a quorum at a meeting. Except as otherwise specifically provided in these articles, the affirmative vote of two-thirds of the votes entitled to be cast by the representatives present at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon in the General Assembly.

(i) The General Assembly shall adopt such rules and regulations, including rules of procedure, as are necessary to carry out the provisions of the Agreement and are consistent therewith.

(j) The General Assembly may decide specific questions without holding a meeting, under conditions to be specified in the rules of procedure.

Section 4. Officers

(a) The General Assembly shall elect from the delegates a President, a First Vice-President, a Second Vice-President, and a Third Vice-President. The President shall be elected for a term of two years and may, if re-elected by the General Assembly, succeed himself for two additional terms of two years each. Each of the Vice-Presidents shall be elected for a term of two years and may, if re-elected by the General Assembly, succeed himself for one additional term of two years. All of the officers so elected shall remain in office until their successors have been elected.

(b) The President shall preside at all meetings of the General Assembly and of the Executive Committee. He shall perform all acts and duties required of him by this agreement, imposed upon him by resolution of the General Assembly, and as requested by the Executive Committee. In the absence of the President, his duties shall be performed by the First Vice-President.

Section 5. Executive Committee

(a) The Institute shall have an Executive Committee composed of the President and the three Vice-Presidents. In the absence of an officer in a meeting of the Executive Committee, an alternate appointed by the country which such officer

represents shall serve as a member of the Executive Committee. Except as otherwise specifically prohibited by a decision approved by members holding a majority of the votes in the General Assembly, the Executive Committee shall at all times, when the General Assembly is not in session, exercise the powers conferred upon the General Assembly by Article III, Section 3, but not the powers conferred on the General Assembly by other provisions of these articles. The Executive Committee shall keep a written record of all its acts and proceedings and report the same to the General Assembly.

(b) The Executive Director of the Institute shall be an ex officio member of the Executive Committee, with a voice but no vote.

(c) The Executive Secretary of the ICAC shall be invited to attend meetings of the Executive Committee, with a voice but no vote.

(d) The affirmative vote of three of the full number of voting members of the Executive Committee shall be required to take any action other than to recess or adjourn a meeting. Each voting member of the Executive Committee shall have equal voting rights.

Section 6. Other committees

(a) The Executive Committee may appoint an Advisory Panel composed of representatives from trade and industry in cotton importing or exporting countries. It shall be the duty of the Advisory Panel to advise and make recommendations to the General Assembly and to the Executive Committee with respect to all matters that the Panel believes to be pertinent to effectuate the purposes of the Institute.

(b) The General Assembly or the Executive Committee may by resolution appoint other advisory, investigatory, or research committees.

Section 7. Executive Director

(a) The General Assembly shall appoint an Executive Director and shall fix his compensation and the terms of his appointment.

(b) The Executive Director shall be the chief administrative officer of the Institute. He shall prepare and submit to the Executive Committee for approval a detailed plan and budget for the expenditure of funds. Upon such approval, the Executive Committee shall submit the detailed plan and budget to the General Assembly for approval. The Executive Director shall also be responsible for developing projects and activities for consideration of the Executive Committee and General Assembly and the disbursements of funds to execute programmes and budgets approved by the General Assembly. The Executive Director shall be responsible for maintaining records of all actions and transactions and shall present them on request to the Executive Committee and to the General Assembly. He shall also prepare and submit an annual report covering all programme activities and expenditures.

(c) The Executive Director shall develop an Operations Procedure Manual which shall be approved by the General Assembly. The approved manual shall establish provisions relating to the negotiation and execution of contracts. It shall also govern such items as per diem rates; travel policy, gratuities, entertainment expenses, reporting procedures, employment policy, salaries and allowances, procurement of goods and services, project initiation, programme evaluation procedures, and other operational details.

(d) The Executive Director shall appoint, remove, prescribe the compensation, and assign the duties of all employees in accordance with the Operations Procedure Manual.

Section 8. Secretary and Treasurer

(a) The Executive Director shall appoint a Secretary subject to the approval of the Executive Committee. The Secretary shall give notice of all meetings of the General Assembly, shall attend such meetings, as well as meetings of the Executive Committee, and shall keep minutes thereof. He shall have charge of the books, records, and other papers of the Institute, and shall perform such other duties as are incident to his office and are imposed upon him by the General Assembly or by the Executive Committee.

(b) The Executive Director shall appoint a Treasurer subject to the approval of the Executive Committee. The Treasurer shall have custody of all money belonging to the Institute, shall keep a full and complete record of all receipts and disbursements, and shall perform such other duties as are incident to his office and are imposed upon him by the General Assembly or by the Executive Committee. He shall be required to execute a bond, to be paid for by the Institute, to protect the Institute from losses occasioned by default or breach of duty.

Section 9. Records

A list of the members of the Institute and of the names and addresses of their representatives shall be kept at its principal office. All books and records of the Institute shall be made available at any time to a person or persons designated by members of the Institute. Such records shall be maintained until their destruction is authorized by a unanimous vote of the General Assembly.

Article IV. ASSESSMENTS AND FINANCE

Section 1. Basis of assessments

(a) The basis of annual assessments of members of the Institute shall be the equivalent of one United States dollar per bale (500 lbs. gross) of spinnable cotton exports by each member to Western Europe and Japan. For purposes of this Agreement,

Western Europe shall include the following countries: Austria, Belgium, Denmark, the Federal Republic of Germany, Finland, France, Ireland, Italy, Luxemburg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. The volume of exports upon which the assessments are based shall be determined from the statistics provided by the ICAC. Assessments will be based on exports to such countries during the previous cotton season or during the average of the previous three cotton seasons, whichever the member Government may select. The period initially selected by a member Government may not subsequently be changed without the approval of the General Assembly. Except as provided in paragraph (b) below and in Section 6 of this article, at least one-half of the annual assessment of any member Government due for any year shall be paid on or before 31 January of the year in which it is due, and any remaining amounts due shall be paid not later than 31 July of that year.

(b) For the year 1966, assessments shall be only one-half of the annual assessments calculated pursuant to paragraph (a) of this section, and shall be due on 28 February 1966; provided, however, that if for budgetary or other reasons a member Government is unable to pay its assessment by 28 February 1966, its assessment shall be paid on or before 31 August 1966.

Section 2. Reduction in assessments

If, at the end of any fiscal year, unobligated funds on hand amount to more than one-half of the total annual assessments, the one United States dollar per bale in section 1 of this Article will be reduced to an amount per bale which will result in total assessments in the following fiscal year equal to the difference between the full amount assessable under section 1 and the amount on hand in excess of one-half of the full amount assessable under section 1 unless members of the General Assembly representing two-thirds of the total votes in the General Assembly decide to assess the full amount provided in section 1.

Section 3. Currencies in which payable

(a) The assessments shall be expressed in terms of United States dollars.

(b) Payment may be made in United States dollars or in the currency of any of the countries where a promotion programme is in effect or is contemplated, provided such currency is freely convertible into the currencies of all other countries in which the Institute operates.

(c) Payment of assessments in currencies other than United States dollars shall be computed on the basis of the par value established by the International Monetary Fund.

(d) To the extent possible, the member Governments shall attempt to make payment in currencies that will match the total required currencies projected by the Executive Director. However, the Executive Director is empowered to convert one currency into another to meet the programme requirements approved by the General Assembly.

Section 4. Financial obligations

The Institute shall not undertake programmes or assume financial obligations greater than the total amount of the unobligated funds on hand.

Section 5. Payment of expenses

The expenses of representatives of members attending meetings of the General Assembly shall not be paid from funds of the Institute. However, the General Assembly may authorize payment of transportation and other expenses incurred in connexion with (a) meetings of the Executive Committee, (b) any special committees constituted by the General Assembly or the Executive Committee, and (c) attendance by the Executive Secretary of the ICAC at meetings of the General Assembly.

Section 6. Assessments for new members

(a) Each new member admitted to the Institute during any given fiscal year shall pay the full assessment for that year within sixty days from the date of admission; except that (b) each new member admitted in 1966 shall pay its full assessment within the period provided in section 1 of this Article or within sixty days from the date of admission, whichever is later.

Section 7. Audits

As soon as possible after the close of each fiscal year, an independently audited statement of the Institute's receipts and expenditures during the fiscal year just closed, as well as the status and activities of other accounts, shall be presented to the General Assembly for approval.

Article V. WITHDRAWAL, SUSPENSION OF MEMBERSHIP, SUSPENSION OF OPERATIONS

Section 1. Withdrawal by members

Any member may withdraw from membership in the Institute by transmitting a notice in writing to the depository of the Agreement, the Government of the United States of America. Withdrawal by a member that states in its notice that it cannot comply with an amendment adopted under Article VII shall be effective on the date

of the entry into force of the amendment, provided the depository has received the notice not more than ninety days after the entry into force of the amendment. Withdrawal under any other circumstances shall become effective at the end of the fiscal year in which such notice is received.

Section 2. Suspension of members

(a) Failure of a member to pay its assessment for 1966 by 31 August 1966, or to pay its full assessment for any subsequent year by 31 July of that year, shall automatically result in the loss of the right of the member to vote.

(b) Failure of a member to pay the full assessment by the end of the year in which it is due shall automatically result in the suspension of all rights and privileges of participation in the Institute, unless otherwise decided by the General Assembly.

(c) A member so suspended shall automatically cease to be a member one year from its suspension or at such other time as may be determined by the General Assembly unless it makes payment for all assessments for which it is in arrears.

Section 3. Governments ceasing to be members

When a government ceases to be a member, it shall lose all rights to the assets of the Institute and to benefits that may arise from participation in the Institute, unless otherwise provided by the General Assembly, but it shall have no further liability for any unpaid assessments.

Section 4. Termination of operations and settlement of obligations

The period of duration of the Institute shall be perpetual, except that the Institute may terminate its operations by a vote of two thirds of the total number of votes in the General Assembly. Thereupon, the Institute shall forthwith cease all activities except those incident to the orderly distribution and preservation of its assets and settlement of its obligations. Until final settlement of such obligations and distribution of such assets, the Institute shall remain in existence, and all mutual rights and obligations of the Institute and its members under this agreement shall continue unimpaired except that no member shall be suspended or withdraw, and no distribution shall be made to members, except as provided in this section. The Institute shall distribute its assets to the members on such basis, at such times, and in such currencies as may be determined by a two thirds vote of the total number of votes in the General Assembly. Any member country in arrears on its assessments shall have deducted from its distributive share the amount by which it is in arrears.

Article VI. STATUS, IMMUNITIES,
AND PRIVILEGES

Section 1. Purposes of Article

To enable the Institute to fulfil the functions with which it is entrusted, the status, immunities, and privileges set forth in this Article shall be accorded to the Institute in the territories of each member in which it operates or has assets.

Section 2. Status of the Institute

The Institute shall possess full juridical personality, including but not limited to the capacity:

- (i) to contract;
- (ii) to acquire and dispose of real and personal property; and
- (iii) to institute legal proceedings.

Section 3. Position of the Institute with regard to judicial process

The Institute and its property and assets, wherever located and by whomsoever held, shall enjoy the same immunity from suit and every form of judicial process as is enjoyed by foreign governments except that actions may be brought by persons, other than members or persons acting for or deriving claims from members, against the Institute in a court of competent jurisdiction in the territories of a member in which the Institute has an office or in a country in which the Institute has appointed an agent for the purpose of accepting service or notice of process or as may otherwise be authorized by the General Assembly or by the terms of any contract to which the Institute is a party. In any such action, the Institute's property and assets shall be immune from all forms of seizure, attachment, or execution before delivery of final judgment against the Institute unless such immunity is expressly waived.

Section 4. Immunity of assets from seizure

Property and assets of the Institute, wherever located and by whomsoever held, shall be immune from search, and from confiscation.

Section 5. Immunity of archives

The archives of the Institute shall be inviolable.

Section 6. Privilege of communications

With respect to official communications between the Institute and its members or between the Institute and other governments, the Institute shall be accorded by each member the same privileges, exemptions, and immunities that such member accords under similar circumstances to official communications of foreign governments.

Section 7. Immunities and privileges of member representatives and officers and employees

(a) Persons designated by members to serve as their representatives in the General Assembly and officers and employees of the Institute shall be immune from legal process relating to acts performed by them in their official capacity and falling within their functions as such representatives, officers, or employees.

(b) Persons who are not local nationals and who are designated by members to serve as their representatives in the General Assembly or are officers or employees of the Institute, or are members of their immediate families residing with such representatives, officers, or employees, shall be accorded by each member the same immunities from immigration restrictions, and alien registration requirements, and the same facilities as regards exchange restrictions, as are accorded under similar circumstances by that member to the officers and employees and members of their families, respectively, of other members.

(c) Persons who are not citizens or permanent residents and who are designated by members to serve as their representatives in the General Assembly or are full time officers or employees of the Institute, or are members of their immediate families residing with such representatives, full time officers, or employees, shall be exempted from national service obligations.

(d) Notwithstanding the other provisions of this Agreement, if a member determines that the entry or continued presence in its territory of any person entitled to the benefits of this Agreement is not desirable, that member shall so inform the Institute. After such notification to the Institute, entry for that person may be denied, or in the case of a person who has already entered the territory of the member concerned, that member's obligations under this Agreement with respect to such person shall cease after such person shall have had a reasonable length of time, to be determined by that member, to depart from its territory.

Section 8. Immunities from taxation

The Institute shall be accorded by each member the privileges, exemptions, and immunities concerning customs duties and taxes imposed upon or by reason of importation and the procedures in connexion therewith as that member accords to

foreign governments under similar circumstances. The Institute, its assets, property, and income, and its communications and transportation incident to its operations authorized by this Agreement, shall also be immune from all taxation by the central governments of participating members.

Section 9. Waiver

The General Assembly may waive any of the privileges and immunities conferred under this Article to such extent and upon such conditions as it may determine.

Article VII. AMENDMENTS

Section 1

The text of any proposed amendment to this Agreement shall be communicated by the Executive Director to parties to the Agreement at least sixty days in advance of its consideration by the General Assembly.

Section 2

Amendments to this Agreement shall be adopted by a vote of two thirds of the total number of votes in the General Assembly. Immediately after the adoption of an amendment, the Executive Director shall transmit a certified copy of it to each party to the Agreement.

Section 3

An amendment shall enter into force ninety days after its adoption, or at such other time as determined by the General Assembly, with respect to all parties to the Agreement.

Section 4

On the entry into force of each amendment, the Executive Director shall transmit to the depository of this Agreement the text of the amendment, attested by him to be true and correct.

Section 5

Any country which becomes a party to this Agreement after it has been amended shall be considered a party to the Agreement as amended.

Article VIII. INTERPRETATION AND DISPUTES

Section 1

Any question of interpretation of the provisions of this Agreement arising between any member and the Institute or between any members of the Institute shall be submitted to the Executive Committee for its decision. If the question particularly affects any member of the Institute that does not have a representative on the Executive Committee, that member shall be entitled to appoint a representative to participate in the determination of the question. In any case, where the Executive Committee has given a decision, any member may require that the question be referred to the General Assembly, whose decision shall be final. Pending the result of the reference to the General Assembly, the Institute may, so far as it deems necessary, act on the basis of the decision of the Executive Committee.

Section 2

Whenever a dispute arises between the Institute and any suspended member, the dispute shall be submitted to arbitration by a tribunal of three arbitrators, one appointed by the Executive Committee, another by the government involved, and a third by the two arbitrators so appointed. If the two arbitrators cannot agree on the third arbitrator, he shall be appointed on such basis as may be mutually agreeable to the parties to the dispute. The third arbitrator shall have full power to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.

Article IX. FINAL PROVISIONS

Section 1. Signature

The Agreement shall be open for signature in Washington until and including 28 January 1966 by any government of a country that produces and exports raw cotton and that is a member of the ICAC.

Section 2. Ratification, acceptance, or approval

The Agreement shall be subject to ratification, acceptance, or approval by the signatory governments in accordance with their respective constitutional requirements. Instruments of ratification, acceptance, or approval shall be deposited with the Government of the United States of America, hereinafter referred to as the depository.

Section 3. Accession

Any government of a country that produces and exports raw cotton and that is a member of the United Nations or the United Nations Food and Agriculture Organization may accede to this Agreement by depositing an instrument of accession with the depositary after the accession has been approved by members representing at least two thirds of the total votes of the General Assembly.

Section 4. Declaration of intent

If a signatory government is unable, because of its constitutional requirements, to deposit an instrument of ratification, acceptance, or approval by 14 February 1966 that Government may deposit with the depositary a declaration of intent to seek ratification, acceptance, or approval in accordance with its constitutional requirements and to deposit such an instrument as soon as possible and not later than 1 January 1967. Any government whose accession to this Agreement has been approved under section 3 of this Article and is unable because of its constitutional requirements to deposit an instrument of accession may deposit with the depositary a declaration of intent to seek ratification, acceptance, or approval in accordance with its constitutional requirements and to deposit an instrument of accession as soon as possible and not later than six months after the date of the declaration. Before the expiration of the time period specified in the declaration of intent or such later time as may be decided by the General Assembly and as long as the declaration has not been withdrawn, a government that has deposited such a declaration shall have all the rights and obligations of a member of the Institute.

Section 5. Reservations

Reservations may not be made with respect to any of the provisions of the Agreement.

Section 6. Entry into force

(a) Subject to paragraph (b) of this section, this Agreement shall enter into force, among those governments that have deposited the instruments referred to in section 2 of this Article, on 14 February 1966, or on the earliest date within the following six months that the requirements of paragraph (b) of this section are satisfied. Thereafter, the Agreement shall enter into force for each country depositing an instrument referred to in section 2 or 3 of this Article on the date of such deposit.

(b) Except as provided in paragraph (c) of this section, this Agreement shall enter into force only after the governments of countries eligible to sign this Agreement and whose combined exports of spinnable cotton to Western Europe and

Japan from 1 August 1964 to 31 July 1965, totalled not less than four million bales (500 lbs. gross) have deposited either the instruments referred to in section 2 of this Article or the declarations of intent referred to in section 4.

(c) On 14 February 1966, or on any date prior to 1 January 1967, if the Agreement has not already entered into force under paragraphs (a) and (b) of this section, the governments of any of those countries which have deposited the instruments referred to in section 2 of this Article may decide to put the Agreement into force among themselves in whole or in part and shall notify the depository accordingly.

Section 7. Inauguration of the Institute

As soon as this Agreement enters into force under section 6 of this Article, the Executive Secretary of the ICAC shall call a meeting of the General Assembly. The Institute shall begin operations on the date when such meeting is held.

IN WITNESS WHEREOF the undersigned, duly authorized thereto by their respective governments, have signed this Agreement on the dates appearing opposite their signatures.

DONE at Washington in a single original which shall be deposited in the archives of the Government of the United States of America and a certified copy of which shall be sent by the Government of the United States of America to each signatory or acceding government.