

Interim Commission
International Trade Organization

ICITO/1/W.2
27 July 1949

Working Party on Chapter VI

Provisional Application of Chapter VI of the Havana Charter

Report of the Drafting Group

The Drafting Group which was appointed by the Working Party on 26 July has prepared an alternative procedure to that proposed in document ICITO/1/W.1 in the form of a draft decision to be taken by the Contracting Parties during their Third Session.

The draft decision is attached hereto for consideration by the Working Party on 28 July together with any changes in the draft which members of the Drafting Group may then propose orally.

D R A F T

DECISION TAKEN BY THE CONTRACTING PARTIES
AT THE THIRD SESSION, ANNECY, 1949

DECISION OF AUGUST 1949 CONCERNING JOINT ACTION BY THE
CONTRACTING PARTIES ON INTERNATIONAL TRADE IN
PRIMARY COMMODITIES

WHEREAS special difficulties jeopardizing the general policy of economic expansion are occurring or impending in the international trade in primary commodities, which difficulties are giving rise to international discussion of inter-governmental commodity agreements relating to these commodities, and

WHEREAS the solution of these difficulties on appropriate lines is essential to the objectives of the General Agreement on Tariffs and Trade as set out in the preamble thereto, and

WHEREAS the General Agreement provides in paragraph I (h) of Article XX that nothing in the Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures undertaken in pursuance of obligations under inter-governmental commodity agreements conforming to the principles approved by the Economic and Social Council of the United Nations in its Resolution of March 28, 1947, establishing an Interim Co-ordinating Committee for International Commodity Arrangements, and now incorporated in Chapter VI of the Havana Charter, and

WHEREAS paragraph 1 of Article XXIX of the General Agreement provides that the Contracting Parties undertake to observe to the fullest extent of their executive authority, inter alia, the aforesaid principles pending their acceptance of the Havana Charter in accordance with their constitutional procedures, and

WHEREAS Article XXV of the General Agreement provides that representatives of the Contracting Parties shall meet from time to time for the purpose of giving effect to those provisions of the Agreement which involve joint action and, generally,

with a view to facilitating the operation and furthering the objectives of the Agreement;

The CONTRACTING PARTIES decide

- a) to consider from time to time as may be necessary the matters referred to in this Decision;
- b) to invite other governments which are members of the United Nations or which participated in the United Nations' Conference on Trade and Employment to participate fully in such considerations;
- c) that in the course of such considerations action may be taken to review, having regard to paragraph I (h) of Article XX, existing or contemplated commodity agreements to ascertain whether or not they conform to the principles referred to in Article XXIX of the General Agreement, to initiate studies, and to recommend such other action as may be appropriate including the convening of commodity study groups and/or conferences in conformity with the aforesaid principles; and
- d) to request the Interim Commission of the International Trade Organization to furnish such additional secretariat services as may be necessary for the carrying out of these functions.

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