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FIFTH COMMITTEE: INTER-GOVERNMENTAL COMMODITY AGREEMENTS

SUMMARY RECORD OF FOURTEENTH MEETING

Held at the Capitol, Havana, Cuba
Tuesday, 20 January 1948 at 3.00 p.m.

Chairman: Mr. G. HAKIM (Lebanaon)

1. CONSIDERATION OF REPORT OF JOINT SUB-COMMITTEE OF THE FIFTH AND SIXTH COMMITTEES (document E/CONF.2/C.5/14)

Mr. TINOCO (Costa Rica), Chairman of the Joint Sub-Committees of the Fifth and Sixth Committees, in introducing the Report of that Sub-Committee, said it was the unanimous opinion of members that the exception for inter-governmental agreements to be made regarding the requirements of national security should appear in Article 94. The agreed wording of that exception is quoted in paragraph 5 (b) of document E/CONF.2/C.5/14. The Sub-Committee also agreed that Section D of Chapter IV should contain a provision for consultation on the liquidation of any stockpiles accumulated pursuant to the new paragraph in Article 94.

The representative of Iraq had reserved his decision regarding the wording of the exception in Article 94 pending determination of the final shape of the whole of that Article in the light of the amendment submitted by his delegation.

Mr. de GAIFFIER (Belgium), referring to the French text of the Sub-Committee's Report, suggested that in the new sub-paragraph (c) of Article 94 appearing on page 2 of that Report, the words "organisations militaires" should be substituted for the words "forces armees" and the words "securite militaire" for the words "securite nationale". He also suggested that the dashes appearing after the word "intergouvernemental" and the word "exception" should be deleted and the new sub-paragraph (c) of Article 94 divided into two sentences.

The CHAIRMAN pointed out that the term "national security" was used in the English text and considered that it would be a change of substance if the phrase was redrafted to read "military security". The other two

/changes proposed

changes proposed by the representative of Belgium would be referred to the Central Drafting Committee.

Mr. CAPLAN (United Kingdom), Mr. MUNOZ (Chile), Mr. KENNEDY (United States of America) and Mr. TINOCO (Costa Rica) supported the retention of the term "national security".

Mr. GAIFFIER (Belgium) withdrew his proposal that the words "securite Militaire" should replace the words "securite nationale."

Mr. KUNTER (Turkey) asked for an explanation of the meaning of the term "military establishment", and suggested that those words should be substituted by the words "military services".

Mr. KENNEDY (United States of America) said that, to the United States delegation, the term "military establishment" meant such establishments as the Secretary of Defense, of War, the Navy, and the Air Forces, and the Army and Navy Munitions Board.

Mr. KUNTER (Turkey) withdrew his amendment.

Mr. OTANEZ (Venezuela) accepted, in principle, the recommendations in the report, but pointed out that he was still awaiting instructions from his Government and therefore reserved the right to raise the point again should such instructions, when received, make that necessary.

Mr. CAPLAN (United Kingdom) stated that progress was being made on including a provision in the Charter covering liquidation of stocks accumulated under the exception.

The Committee approved the Report of the Joint Sub-Committee.

2. CONSIDERATION OF THE DRAFT REPORT TO THE CONFERENCE (document E/CONF.2/C/W.5)

The CHAIRMAN said that paragraph 2 of Part I of the Report should read "Mr. George Hakim (Lebanon) was elected Chairman and Mr. Mauritz Bonow (Sweden) was elected Vice-Chairman".

Paragraphs 1, 2 and 3 of Part I of the Draft Report were approved without comment.

Paragraph 4

In connection with the reservation of his delegation on Article 54 (c) Mr. ALAMILLA (Cuba) asked if the Committee would reconsider the wording of this Article and proposed that the words: ".... on a basis of prices fair to producers and consumers" in paragraph (c) of Article 54 should be amended to read: ".... on a basis of such prices as are fair to consumers and provide a reasonable return to producers." This compromise proposal had been arrived at through the goodwill of many delegations.

Mr. MUNOZ (Chile) supported the Cuban proposal and said that if it were adopted he would withdraw his reservation both as regards paragraph (c) of Article 54 and paragraph (a) of Article 60.

/The representatives

The representatives of PHILIPPINES, UNITED STATES OF AMERICA, BELGIUM, EL SALVADOR, MEXICO, TURKEY and UNITED KINGDOM supported the Cuban amendment.

The Committee agreed to reconsider its decision on the question, and the Cuban amendment to paragraph (c) of Article 54 was approved.

The delegations of CUBA and CHILE withdrew their reservations on Articles 54, paragraph (c), and 60, paragraph (a).

Mr. McCARTHY (Australia) proposed that since the word "agreed" had been deleted from paragraph (a) of Article 60, the words "in the light" seemed very unsatisfactory from a drafting standpoint and proposed that this phrase be amended to read: ".... which are in keeping with the provisions....."

Mr. CAPLAN (United Kingdom) supported the Australian proposal.

It was agreed that the Australian amendment should be accepted.

Paragraph 4 as amended was approved.

Paragraph 5

Approved without comment.

In reply to a question by the representative of CHILE, the CHAIRMAN assured him that his amendment to change the word "Chapter" to "Charter" in the sentence referring to the term "primary commodity" in Article 53 (1) had been referred to the Central Drafting Committee, as stated in PART III, under paragraph (2) of Article 54 of the Draft Report.

The representative of CUBA raised the question of making changes in paragraph (c), page 13, of the Report to include the action taken at this meeting of the Committee. At the suggestion of the CHAIRMAN it was agreed that the Secretariat should make consequential drafting changes in the Report.

The Draft Report of the Fifth Committee to the Conference as amended was approved.

The CHAIRMAN thanked the Members of the Fifth Committee for their co-operation and the Chairman and Members of the Sub-Committee and the Joint Sub-Committee of the Fifth and Sixth Committees for their excellent work. He expressed appreciation for the assistance given by the Committee Secretary and other Members of the Secretariat.

Mr. CAPLAN (United Kingdom) supported by the representatives of CHILE and EL SALVADOR paid tribute on behalf of all the Members of the Committee to the Chairman for his excellent leadership.

The meeting rose at 3.50 p.m.