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PREPARATORY COMMITTEE OF THE INTERNATIONAL CONFERENCE
ON TRADE AND EMPLOYMENT

COMMITTEE V

ADMINISTRATION AND ORGANIZATION

REPORT OF AD HOC SUB-COMMITTEE

The Sub-Committee appointed by Committee V at its last meeting met from 4 p.m. to 6 p.m. on 29 October 1946, and considered the various suggestions put forward in the course of the Committee's discussion at its second and third meetings.

The Sub-Committee agreed unanimously that the following amendments to the text of Articles 67, 68, 69, 70, 71 and 77 of the United States Draft Charter should be recommended to Committee V for its approval:

Article 67

That this Article be amended to read as follows:

1. "The Secretariat shall consist of a Director-General and such staff as may be required".
2. "The Director-General shall have authority to appoint such Deputy Directors-General as he deems necessary. Such appointments shall be made in accordance with regulations approved by the Conference".

Article 68

Paragraph 1, fourth line:

That the words "He shall be eligible for re-appointment" be deleted.

Paragraph 2:

That the first sentence be amended to read as follows:

"The Director-General or a deputy designated by him shall participate without the right to vote, in all meetings of the Conference, of the Executive Board and of Commissions and Committees of the Organization".

Article 69

Paragraph 1:

That paragraph 1 as amended be incorporated in Article 67.

Paragraph 2:

That paragraph 2 be deleted but without prejudice to subsequent reconsideration at such time as the character, composition and functions of the proposed Commissions have been more clearly determined.

Article 70

Paragraph 1, first sentence:

That the following words be added to the end of the first sentence after the word "service":

"In accordance with regulations approved by the Conference."

Paragraph 1, second sentence:

That the following words be added to the end of the second sentence after the word "integrity":

"due regard being paid to the importance of recruiting the staff on as wide a geographical basis as possible."

Article 71

Paragraph 2, first sentence:

That the words "with particular reference to the importance of food and agriculture in relation to the subjects dealt with in Chapter 6" be deleted.[†]

[†]With reference to this amendment, it was agreed that the United States Delegation should examine the possibility of incorporating elsewhere in the Draft Charter an appropriate reference to the special importance of food and agriculture in relation to commodity arrangements.

Article 72

Fourth line:

That the words "These persons may be appointed without regard to their nationality" be deleted.

Article 77

Title:

That the title of this Article be amended to read "Payment of Contributions."

Second sentence:

That the second sentence be deleted and the following substituted therefor:

"A Member of the Organization which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the Conference if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. The Conference may, nevertheless, permit such a member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the member".

The Sub-Committee further recommends that paragraphs 1, 3, and 4 of Article 71 together with Article 73 and Article 74 of the United States Draft Charter be approved without change.

In view of the somewhat temporary nature of paragraph 2 of Article 70 and paragraph 1 of Article 71, the Sub-Committee considered the possibility of these provisions being combined in a special Chapter. It was agreed, however, that this matter might best be left to the Drafting Committee which it is understood will probably be set up by the Preparatory Committee to function during the interim period.

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It was also agreed that the Report of the Preparatory Committee to the Economic and Social Council should stress the importance of the closest possible relationship being speedily developed between the International Trade Organization and the United Nations.

(signed) D. Y. DAO
Chairman, Sub-Committee.
