

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

L/388/Add.1

22 August 1955

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DRAFT AGREEMENT ON COMMODITY ARRANGEMENTS

Amendments Proposed by the United Kingdom to the  
Draft Agreement Annexed to the Report in L/320

The United Kingdom Government has proposed the following changes and indicated that further modifications to certain Articles may be proposed at a later stage.

Preamble

Delete: "AGREE that they will"; and substitute: "(f) that it is desirable to ...".

Delete: "DECIDE in consequence ... 'Agreement'"; and substitute "AGREE as follows:-".

Article I

Change "The Agreement" (first line), to "this Agreement".

Insert after "Signatories": "in accordance with this Agreement".

Article I:1(a)

Delete: "pronounced" (line 3); and substitute: "excessive".

Article I:1(c)

Delete and re-letter subsequent paragraphs.

Article I(f)

Delete: "practical" (line 1); and substitute: "practicable".

Article II:1

Delete: "non-signatory" (line 1); and substitute: "other".

Article II:2

Delete: "having world-wide competence"; and substitute: "not having exclusively a regional competence".

Article II:5

Delete and substitute: "For the purposes of this Article the Assembly may, if so requested, recognize as a study group for the purposes of this Agreement any study group established by any body or Agency of the United Nations having special knowledge of the commodity or commodities in question and provided that the study group is instructed by the body or Agency in question to conform to the provisions of paragraphs 3 and 4 of this Article".

Article II:6

Delete: "applying" (line 5); and substitute: "submitting".

Article III:1 and 1(d)

Insert after "commodity": "or commodities".

Article III:1(b) and (c)

Delete and re-letter (d) and (e).

Article III:1(d)

Insert after "its" (line 1), "own" and a comma after "initiative".

Delete comma after "Article II:6".

Article III:2(b)

Delete: "which considers that its"; and substitute: "whose".

Article III:6

Delete: "The Assembly" (line 2) and "them" (line 5); and substitute: "The Standing Committee".

Insert after "that commodity" (line 4): "to appoint representatives".

Insert at the end: "to appoint observers to the conference".

Article IV:1

Delete: "Consistent with the provisions of Article I".

Insert after "shall": "take account of the objectives set out in Article I and shall ... "

Article IV:1(c)

Delete and substitute: "In every arrangement adequate provision shall be made for the participation both of countries substantially interested in the import and of those substantially interested in the export of the commodity with which the arrangement is concerned".

Article IV:1(d)

Delete: "imports" (line 6); and substitute: "the import and consumption".

Delete: "exports" (line 9); and substitute: "the production and export".

Delete: "provided that"; and start new sub-paragraph: "(e) The Assembly may except an arrangement from the provisions of the previous paragraph ...".

Delete: "volume of" (old line 11).

Insert after "small" (old line 13): "in value and in volume both relatively and absolutely".

Delete: "require that ... consumers" (last sentence); and substitute: "lay down specific matters in decisions on which".

Article IV:2

Promote this to become Article IV:1(h). Re-letter and re-number existing 1(e), 1(f), 1(g) and 1(h) and Articles IV:3, IV:4, and IV:5 accordingly.

Article IV:3

Delete and substitute: "Any negotiating conference, in the formulation of a commodity arrangement, shall give consideration to the inclusion within the terms of the arrangement of provisions consistent with this Agreement for the renewal of the arrangement, its amendment, settlement of disputes arising from its operation and for accession and withdrawal by participants during the period of its operation".

Article V:2

Replace comma by full stop after "decide" (line 3).

Delete: "subject ... retaining"; and substitute: "Participating countries shall however retain".

Delete: "should remain ... arrangement"; and substitute: "should be withheld from the assignment and treated as confidential to the participants in that arrangement or should, if assigned, remain unpublished".

Article XI:1(d)

Delete: "the arrangement shall ... prescribe" (last 2 lines); and substitute: "either the arrangement shall become subject to such provisions of the Agreement as the Assembly may prescribe or, in the event of Signatories not being the majority of participants in the arrangement, participating Signatories shall use their best endeavours to secure a satisfactory adjustment of its terms."

Article XIII:7

Insert after "any functions": "within the terms of such an agreement".

Articles XV - XXI

Renumber these seven Articles as Articles XVI, XVII, XVIII, XIX, XXI, XXII and XXIII.

New Article XV

Insert new Article XV:

"Appeals

"In any deliberation of the Standing Committee as a result of which a Signatory may have the right of appeal to the Assembly, or in the consideration by the Assembly of an appeal by a Signatory, the Signatory raising the question and all participants in the arrangement under discussion shall be entitled to participate. They shall have the right to vote only if they are members of the Standing Committee or the Assembly as the case may be."

Article XVII (new style - Entry into force)

Insert at the end: "at the time of their deposit".

New Article XX

Insert a new Article XX:

"Suspension or Termination

"1. If under Article VI of this Agreement the Standing Committee or the Assembly has found that an arrangement does not conform to the provisions of this Agreement and has made recommendations for its adjustment in order to bring it into conformity and if no satisfactory adjustment is effected within a reasonable time, or the arrangement is not terminated, and if any signatory remains or becomes a party to the arrangement concerned, the Standing Committee shall draw the attention of the Assembly to the situation.

"2. The Assembly shall promptly investigate the matter and shall make appropriate recommendations to the Signatories concerned. If the Assembly consider that the circumstances are serious enough to justify such action, they may authorize Signatories to suspend the application to any Signatory they may name of such provisions of this Agreement as they consider appropriate in the circumstances".

