EXECUTIVE COMMITTEE
Second session
Item 4 (a) of the provisional agenda

DRAFT AGREEMENT OF RELATIONSHIP BETWEEN THE UNITED NATIONS AND THE INTERNATIONAL TRADE ORGANIZATION

Note by the Executive Secretary.

1. The consultations with the Secretariat of the United Nations referred to in Document ICITO/EC.2/2 previously circulated have now been completed. As a result thereof the attached draft agreement of relationship between the International Trade Organization and the United Nations has been prepared as a basis for discussion in the Executive Committee. This draft does not, of course, involve any commitment on the part of the United Nations or the Executive Committee itself, the consultations which took place having been merely at the Secretariat level and in response to a request to the Secretariat of the United Nations for advice and assistance.

2. The draft agreement of relationship is based in most part upon the standard form agreement of which the agreement with the Food and Agriculture Organization is perhaps the best example. Changes which have been made to adapt the standard form to the needs of the International Trade Organization will be explained in the course of discussion.

3. Should the Executive Committee as a result of its discussion agree upon a draft agreement of relationship, it is suggested that the Executive Secretary should be asked to transmit this draft to the Secretary-General of the United Nations as the document upon which the
Executive Committee would wish to undertake the consultations with the United Nations referred to in the terms of reference of the Committee. It is also suggested that in this event the Executive Committee should appoint four of its members to represent it in such consultations.

DRAFT AGREEMENT OF RELATIONSHIP BETWEEN THE UNITED NATIONS AND THE INTERNATIONAL TRADE ORGANIZATION

Article 57 of the Charter of the United Nations (hereinafter called the Charter) provides that specialized agencies, established by inter-governmental agreement and having wide international responsibilities as defined in their basic instruments in economic, social, cultural, educational, health and related fields, shall be brought into relationship with the United Nations.

Article 86 of the Havana Charter provides that the International Trade Organization (hereinafter called the Organization) shall be brought into relationship with the United Nations as one of the specialized agencies referred to in Article 57 of the Charter.

Therefore the United Nations and the Organization agree as follows:

ARTICLE I

1. The United Nations recognizes the Organization as the specialized agency responsible for taking such action as may be appropriate under its basic instrument for the accomplishment of the purposes set forth therein.

2. The United Nations recognizes that certain of the functions now performed by the subsidiary organs of the Economic and Social Council (hereinafter called the Council) under the supervision of the Council coincide to some extent with the functions of the Organization under its Charter. Consultation shall therefore take place as soon as possible between the United Nations and the Organization in order to ensure that the allocation of functions between the Organization and the subsidiary organs of the Council shall be consistent with the provisions of paragraph 1 of this Article.

3. The Organization recognizes that it should not attempt to take action which would involve passing judgment.
in any way on essentially political matters. Accordingly, any measure taken by a Member of the Organization directly in connection with a political matter brought before the United Nations in accordance with the provisions of Chapters IV or VI of the Charter shall be deemed to fall within the scope of the United Nations.

4. The United Nations recognizes that if any Member of the Organization raises the question whether a measure is in fact taken directly in connection with a political matter brought before the United Nations in accordance with the provisions of Chapters IV or VI of the Charter of the United Nations, the responsibility for making a determination on the question shall rest with the Organization, provided that political issues beyond the competence of the Organization are not involved in the making of such determination. If political issues beyond the competence of the Organization are involved in the making of such a determination, the question shall be deemed to fall within the scope of the United Nations.

**ARTICLE II**

Reciprocal Representation

1. The United Nations shall be invited to send representatives to attend the meetings of the Conference of the Organization, the Executive Board, the Commissions and Committees, and such general, regional or other special meetings as the Organization may convene, and to participate, without the right to vote, in the deliberations of these bodies.

2. The Organization shall be invited to send representatives to attend the sessions of the Council and of its commissions and committees, and to participate, without the right to vote, in the deliberations of these bodies with respect to items on their agenda relating to matters within the scope of its activities.

3. The Organization shall be invited to send representatives to attend meetings of the General Assembly for purposes of consultation on matters within the scope of its activities.

4. The Organization shall be invited to send representatives to attend meetings of the main committees of the
General Assembly when matters within the scope of its activities are under discussion and to participate, without the right to vote, in such discussions.

5. The Organization shall be invited to attend the meetings of the Trusteeship Council and to participate, without the right to vote, in the deliberations thereof with respect to items on the agenda relating to matters within the scope of its activities.

6. Written statements of the Organization shall be distributed by the Secretary-General of the United Nations (hereinafter referred to as the Secretary-General) to the Members of the General Assembly, the members of the Council and its commissions or the members of the Trusteeship Council as appropriate. Similarly written statements presented by the United Nations shall be distributed by the Director-General of the Organization (hereinafter referred to as the Director-General) to the Members of the Organization.

**ARTICLE III**

Proposal of Agenda Items

Subject to such preliminary consultation as may be necessary, the Organization shall include on the agenda of the Conference, Executive Board and the Commissions, items proposed to it by the United Nations. Similarly the Council and its commissions and the Trusteeship Council shall include on their agenda items proposed by the Conference or Executive Board of the Organization.

**ARTICLE IV**

Recommendations of the United Nations

1. The Organization having regard to the obligation of the United Nations to promote the objectives set forth in Article 55 of the Charter and the functions and powers of the Council under Article 62 of the Charter to make or initiate studies and reports with respect to international economic, cultural, educational, health and related matters and to make recommendations concerning these matters to the specialized agencies concerned, and having regard also to the responsibility of the United Nations, under Articles 58 and 63 of the Charter, to make recommendations for the co-ordination of the policies and activities
of such specialized agencies, agrees to arrange for the submission, as soon as possible, to the Conference, the Executive Board, or other appropriate organ of the Organization, of all formal recommendations which the United Nations may make to it.

2. The Organization agrees to enter into consultation with the United Nations, upon request, with respect to such recommendations and in due course to report to the United Nations the results of its consideration of such recommendations, including any action taken by the Organization or by its Members as a consequence thereof.

ARTICLE V
General Co-ordination

The Organization affirms its intention of co-operating in whatever further measures may be necessary to make co-ordination of the activities of specialized agencies and those of the United Nations fully effective. In particular, it agrees to participate in, and to co-operate with any bodies which the Council has established or may establish for the purpose of facilitating such co-ordination and to furnish such information as may be required for the carrying out of this purpose.

ARTICLE VI
Public Information

Having regard to the fact that it is essential for the success of the Organization to enlist the support of an informed public opinion, the Organization agrees that it will collaborate to the fullest extent practicable with the machinery of the United Nations for this purpose.

ARTICLE VII
Exchange of Information and Documents

1. The fullest and promptest exchange of information and documents shall be made by the United Nations and the Organization.

2. Without prejudice to the generality of the provisions of paragraph 1:

(a) the Organization agrees to transmit to the United Nations regular reports on the activities of the Organization and insofar as practicable its programmes.
(b) the Organization agrees to comply to the fullest extent practicable with any request which the United Nations may make for the furnishing of special reports, studies or information, subject to the conditions set forth in Article XV; and

(c) the Secretary-General shall, upon request, consult with the Director-General regarding the provision to the Organization of such information as may be of special interest to the Organization.

3. The United Nations and the Organization are subject to certain necessary limitations for the safeguarding of confidential material furnished to them by their Members or others. Accordingly nothing contained in this agreement shall be construed to require either of them to make available any information, the furnishing of which would, in its judgment, constitute a violation of the confidence of any of its Members or any other source from which such information shall have been received, or which would otherwise interfere with the orderly conduct of its operations.

ARTICLE VIII
Assistance to the Security Council

The Organization agrees to co-operate with the Council in furnishing such information and rendering such assistance to the Security Council as that Council may request, including assistance in carrying out decisions of the Security Council for the maintenance or restoration of international peace and security.

ARTICLE IX
Assistance to the Trusteeship Council

The Organization agrees to co-operate with the Trusteeship Council in the carrying out of the functions of that Council, and in particular agrees that it will, to the greatest extent possible, render such assistance as the Trusteeship Council may request, in regard to matters with which the Organization is concerned.

ARTICLE X
Non-Self-Governing Territories

The Organization agrees to co-operate with the United Nations in giving effect to the principles and
obligations set forth in Chapter XI of the Charter with regard to matters affecting the well-being and development of the peoples of non-self-governing territories.

ARTICLE XI

Relations with the International Court of Justice

1. The Organization agrees to furnish any information which may be requested by the International Court of Justice in pursuance of Article 31 of the Statute of the Court.

2. The General Assembly authorizes the Organization to request advisory opinions of the International Court of Justice on legal questions arising within the scope of its activities other than questions concerning the mutual relationships of the Organization and the United Nations or other specialized agencies.

3. Such request may be addressed to the Court by the Conference, or by the Executive Board acting in pursuance of an authorization by the Conference.

4. When requesting the International Court of Justice to give an advisory opinion, the Organization shall inform the Council of the request.

ARTICLE XII

Headquarters and Regional Offices

1. The Organization agrees to consult with the United Nations before making any decision concerning the location of its permanent headquarters.

2. In order that any regional or branch offices which the Organization may establish shall, so far as practicable, be closely associated with such regional or branch offices as the United Nations and other specialized agencies have or may establish, the Organization agrees to consult with the Co-ordination Committee.

ARTICLE XIII

Personnel Arrangements

1. The United Nations and the Organization recognize that the eventual development of a single unified international civil service is desirable from the standpoint of effective administrative co-ordination, and, with this end in view, agree to develop common personnel standards, methods and arrangements designed to avoid
serious discrepancies in terms and conditions of employment, to avoid competition in recruitment of personnel, and to facilitate interchange of personnel in order to obtain the maximum benefit from their services.

2. The United Nations and the Organization agree to co-operate to the fullest extent possible in achieving these ends and in particular they agree to:

(a) participate in the International Civil Service Advisory Board established for the purpose of contributing to the improvement of recruitment and related phases of personnel administration in all of the participating international organizations;

(b) consult together concerning other matters relating to the employment of their officers and staff, including conditions of service, duration of appointments, classification, salary scales and allowances, retirement and pension rights and staff regulations and rules with a view to securing as much uniformity in these matters as shall be found practicable;

(c) co-operate in the interchange of personnel, when desirable, on a temporary or permanent basis, making due provision for the retention of seniority and pension rights.

(d) co-operate in the establishment and operation of suitable machinery for the settlement of disputes arising in connection with the employment of personnel and related matters.

ARTICLE XIV
Statistical Services

1. The United Nations and the Organization agree to strive for maximum co-operation, the elimination of all undesirable duplication between them, and the most effective use of their technical personnel in their respective collection, analysis, publication and dissemination of statistical information. They agree to combine their efforts to secure the greatest possible usefulness and utilization of statistical information and to minimize the burdens placed upon national governments and other organizations from which such information may be collected.
2. The Organization recognizes the United Nations as the central agency for the collection, analysis, publication, standardization and improvement of statistics serving the general purposes of international organizations.

3. The United Nations recognizes the Organization as the appropriate agency for the collection, analysis, publication, standardization and improvement of statistics within its special sphere, without prejudice to the right of the United Nations to concern itself with such statistics so far as they may be essential for its own purposes or for the improvement of statistics throughout the world.

4. The United Nations shall, in consultation with the specialized agencies, develop administrative instruments and procedures through which effective statistical cooperation may be secured between the United Nations and the agencies brought into relationship with it.

5. It is recognized as desirable that the collection of statistical information should not be duplicated by the United Nations or any of the specialized agencies whenever it is practicable for any of them to utilize information or materials which another may have available.

6. In order to build up a central collection of statistical information for general use, it is agreed that data supplied to the Organization for incorporation in its basic statistical series or special reports should, so far as applicable, be made available to the United Nations.

**ARTICLE XV**

**Administrative and Technical Services**

1. The United Nations and the Organization recognize the desirability, in the interest of administrative and technical uniformity, and of the most efficient use of personnel and resources, of avoiding, whenever possible, the establishment and operation of competitive or overlapping facilities and services among the United Nations and the specialized agencies.

2. Accordingly, the United Nations and the Organization agree to consult together concerning the establishment and use of common administrative and technical services and facilities in addition to those referred to in Articles
XIII, XIV and XVI, insofar as the establishment and use of such services may from time to time be found practicable and appropriate.

3. Arrangements shall be made between the United Nations and the Organization in regard to the registration and deposit of official documents.

4. The officials of the Organization shall have the right to use the laissez-passer of the United Nations in accordance with special arrangements to be negotiated between the Secretary-General and the Director-General.

ARTICLE XVI

Budgetary and Financial Arrangements

1. The Organization recognizes the desirability of establishing close budgetary and financial relationships with the United Nations in order that the administrative operations of the United Nations and of the specialized agencies shall be carried out in the most efficient and economical manner possible, and that the maximum measure of co-ordination and uniformity with respect to these operations shall be secured.

2. The United Nations and the Organization agree to co-operate to the fullest extent possible in achieving the purposes of paragraph 1 of this Article. Accordingly the following arrangements shall govern budgetary and financial relationships between the United Nations and the Organization:

   (a) in the preparation of budgetary estimates of the Organization the Director-General shall consult with the Secretary-General with a view to achieving, insofar as practicable, uniformity in the presentation of the budgets of the United Nations and of the specialized agencies for the purpose of providing a basis for comparison of the several budgets;

   (b) the Organization agrees to transmit its budget or proposed budgetary estimates to the United Nations by 1 July or such other date as may be agreed upon by the United Nations and the Organization. The General Assembly shall examine the budget or proposed budget of the Organization and may make recommendations to it concerning any item or items contained therein;
(c) representatives of the Organization shall be entitled to participate, without the right to vote, in the deliberations of the General Assembly or any committee thereof or established by it at all times when the budget of the Organization or general administrative or financial questions affecting the Organization are under consideration;

(d) the United Nations may undertake the collection of contributions from those members of the Organization which are also Members of the United Nations in accordance with such arrangements as may be defined by a later agreement between the United Nations and the Organization;

(e) the United Nations shall, upon its own initiative or upon the request of the Organization, arrange for studies to be undertaken concerning other financial and fiscal questions of interest to the Organization and to other specialized agencies with a view to the provision of common services and the securing of uniformity in such matters.

3. The Organization agrees to consult upon request with the United Nations regarding the desirability and feasibility of including the budget of the Organization within a general budget of the United Nations.

ARTICLE XVII
Financing of Special Services

1. In the event of the Organization being faced with the necessity of incurring substantial extra expense as a result of any request which the United Nations may make for special reports, studies or assistance in accordance with Articles V, VI or VII or with other provisions of this agreement, consultation shall take place with a view to determining the most equitable manner in which such expense shall be borne,

2. Consultation between the United Nations and the Organization shall similarly take place with a view to making such arrangements as may be found equitable for covering the costs of central administrative, technical or fiscal services or facilities or other special assistance provided by the United Nations.
ARTICLE XVIII
Inter-agency Agreements
The Organization agrees to inform the Council of the nature and scope of any formal agreement contemplated and to notify the Council of the conclusion of any formal agreement between the Organization and any other specialized agency or inter-governmental organization.

ARTICLE XIX
Liaison
1. The United Nations and the Organization agree to the foregoing provisions in the belief that they will contribute to the maintenance of effective liaison between the two organizations. They affirm their intention of taking whatever further measures may be necessary to make this liaison fully effective.
2. The liaison arrangements provided for in the foregoing articles of this agreement apply as far as appropriate to the relations between such branch or regional offices as may be established by the two organizations as well as between their central offices.

ARTICLE XX
Implementation of the Agreement
The Secretary-General and the Director-General may enter into such arrangements for the implementation of this Agreement as may be found desirable.

ARTICLE XXI
Revision
This Agreement shall be subject to revision by agreement between the United Nations and the Organization

ARTICLE XXII
Entry into Force
This agreement shall come into force on its approval by the General Assembly of the United Nations and the Conference of the Organization.