1. The Committee recommends that the next stage of its work should be an analysis on a global basis of the effects of individual agricultural policies and systems on international trade in each of the groups of commodities listed in paragraph 3. The work would also be directed towards an analysis of the principal factors influencing the volume, value and direction of this trade.

2. The analysis would be based on information supplied to the Committee during the country consultations, on the Committee's country reports, on national statistics, and on other pertinent material.

3. To assist the Committee in this task, the Committee has requested the secretariat to prepare papers for each of the groups of commodities on which the country consultations have been and are being concentrated, i.e. dairy products, meat, cereals, sugar, fish and vegetable oils. An outline of the type of document which will be produced by the secretariat is shown in Annex A to this report.

4. The secretariat will endeavour to have the commodity papers ready for circulation by 31 August 1960.

5. The Committee is desirous of completing the remaining country consultations as soon as possible. The secretariat is making arrangements accordingly.

6. The Committee recommends, however, that it should begin the analysis envisaged in paragraph 1 at its next meeting and that this work and the country consultations might be handled concurrently.

7. In the work programme drawn up at the fifteenth session, a period of two weeks was set aside tentatively for Committee II in September next. The Committee considers that two weeks will not be sufficient time to enable them to make progress before the seventeenth session and would therefore recommend that their next meeting should be extended to three weeks and that, in view of the time that will be required to prepare and study the necessary documentation, this next meeting should take place in October next.

8. As indicated in paragraph 6 of the Second Report of the Committee (L/1192), the Committee proposes to appoint a small group to study the possibilities of measuring agricultural protection and seeks the co-operation of the contracting parties from whom the members of this group will be drawn.
ANNEX A

DOCUMENTATION FOR FUTURE WORK
OF COMMITTEE II

The documentation already provided by countries, the reports of the consultations and the descriptive summary schedules and statistical summaries prepared by the secretariat will be consolidated in the following form for each group of commodities (i.e. dairy products, meat, cereals, sugar, fish and vegetable oils):

1. Statistics

(a) The statistical summaries already prepared by the secretariat would be used as detailed reference material. In addition to this, the information contained in that material would be presented in a more compressed and manageable form to show the production, consumption, imports and exports of the contracting parties as a whole (and other principal exporters, importers, producers or consumers) for the last five years, the averages for two post-war periods of five years and the averages for the two pre-war periods 1925/26-29/30 and 1934/35-36/39.

(b) The movement of international prices as measured by representative quotations for the last ten years would be presented in graph form.

2. Size and pattern of the international market

This section would contain a description of:

(i) the size of the international market related to production and consumption

(ii) major trade flows showing the five countries in the categories of the highest consumption, highest production, highest exports and highest imports together with per capita consumption

(iii) any noteworthy structural characteristics in the trade of the commodity

(iv) any special factors that affected trade or prices in the last five years

(v) any special reasons for major fluctuations shown in prices in the graphs mentioned in Section 1(b).
3. **Area of international trade covered by non-tariff measures**

   (i) **Imports** - the amount and proportion of international trade now taking place over each of the main kinds of non-tariff measures together with the amounts and proportions of protected or supported production and of other production in countries as a whole employing each such device, and of consumption in those countries.

   (ii) **Exports** - the amounts and proportions of international trade now taking place that are covered by non-tariff measures of support, protection and stabilization respectively.

The above assumes that each government agrees to the description of its system as drawn up by the secretariat, to which reference is made in the preamble. Immediate arrangements will therefore be made by the secretariat for countries to comment on these descriptions. The secretariat will provide a schedule listing countries under the measures by which they have been classified for each commodity group in preparing the tables provided for under 3(i) and 3(ii).