1. At the seventeenth session (SR.17/6), a number of suggestions were made concerning the procedure which should be followed by the CONTRACTING PARTIES in future years for dealing with the item "Disposal of commodity surpluses". Among these was a suggestion by the United States that contracting parties which dispose of commodity surpluses in world markets should submit annual written reports and that these should be examined by the Council, which would decide whether the item should be included in the agenda for the CONTRACTING PARTIES. It was agreed at the seventeenth session that this question should be considered further by the Council.

2. The Council discussed the question during its meetings from 22 February - 2 March (C/M/4) and it was agreed to try, for an experimental period, a new procedure for dealing with this item.

3. In accordance with the Council's decision, contracting parties which have disposed of commodity surpluses since the seventeenth session are hereby invited to submit reports thereon to the Executive Secretary by 1 September 1961. The reports should cover not only the disposal of commodity surpluses, to which this item has previously been limited, but also the liquidation of strategic stocks and disposals from stocks otherwise held by government agencies, and they should either give details of such disposals or make precise reference to the documentation of other international organizations where these activities are described.

4. The secretariat suggests that contracting parties, in drawing up their reports, might include the following information:

   (a) the general programme for disposal;

   (b) policies and procedures followed on consultations with third countries (ref: the two Resolutions of 4 March 1955 - 35/50-51);

   (c) details regarding disposal transactions (products, quantities and values, applicable dates, terms of disposal, for example donations, commercial or concessional sales).
5. From the information contained in the reports, the secretariat will prepare a document for consideration by the Council at its meeting in September. Following this consideration, the Council will be able to recommend to the CONTRACTING PARTIES whether, and if so which aspects of, this question should be discussed by the CONTRACTING PARTIES at the nineteenth session. (As noted by the Council (C/M/4, page 24), the item will in any case appear on the agenda at the request of any contracting party.)