PROCEDURES FOR DEALING WITH MATTERS REQUIRING ACTION IN
INTERVALS BETWEEN SESSIONS OF THE CONTRACTING PARTIES.

Note by the Executive Secretary based upon his oral statement
at the first meeting of Working Party 3

Case 1

A contracting party finds it necessary to institute or intensify restrictions under Article XII and desires to consult with the Contracting Parties before taking such action or immediately thereafter. Alternatively, a contracting party finds it necessary substantially to intensify restrictions maintained under Article XII, and the Contracting Parties are therefore required to invite the contracting party concerned to consult within 30 days.

Proposed action by Contracting Parties

The Contracting Parties should at the Sixth Session appoint a Select Committee along the lines of that established at Annecy. On being notified of a request by a contracting party to consult with the Contracting Parties, the Executive Secretary should convene the Select Committee which would be authorized to initiate the consultation and according to circumstances, either

(a) report to the next regular session or

(b) request the Executive Secretary to convene a special session in accordance with the rules of procedure.

Similarly, on being notified of an intensification, the Executive Secretary should convene the Select Committee to meet within 30 days of such notification. The Select Committee would proceed as above. The Select Committee should be authorized to instruct the Executive Secretary to initiate consultations with the International Monetary Fund as required by Article XV.

Case 2

Consultations under Article XIV:1(g)

The Select Committee should be authorized to initiate consultations with the contracting parties determined by the Contracting Parties at the Sixth Session to be required to consult under this provision and to report to the Seventh Session.
Case 3

If a contracting party refers to the Contracting Parties a case of modification or impairment the Contracting Parties are required to investigate "promptly". It is envisaged that such cases might arise in the intervals between sessions.

The Contracting Parties should establish a panel on complaints under Article XXIII. This panel should be the nucleus of an intersessional working party to meet at the call of the Executive Secretary not later than 21 days from the notification of such complaint. The Working Party in any case would consist of the members of the panel plus the parties directly concerned in the complaint, and any contracting party alleging a substantial interest in the problem. The panel should consist of the following: five contracting parties of chief economic importance; six other contracting parties chosen by lot from the various groups of the contracting parties. The contracting parties selected to constitute the panel would undertake to make available competent representatives to serve on the panel.

The Working Party should be instructed to endeavour to bring about the settlement of the disputes. Failing this they should draw up a report on their findings and

(a) report to the next session or
(b) instruct the Executive Secretary to convene a special session.

A similar procedure should be followed in dealing with any question referred to the Contracting Parties between sessions in connection with the application of the Provisions of Article XIX.

Case 4

Other urgent problems raised between sessions.

Case 5

Intersessional preparation of matters arising on the Agenda of the regular sessions.

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