An informal session of the Executive Committee of ICITO today considered a proposal by the United Kingdom in the form of a preliminary draft of a Protocol of Provisional Application to put into force the Commodity Chapter of the Havana Charter.

Introducing the proposal Mr. R.J. Shackle, United Kingdom, stressed that if the provisions of the Commodity Chapter of the Charter were not put into effect soon there was serious risk that commodity agreements might be made contrary to the provisions of this Chapter. There was a risk, he said, of throwing back the whole commodity code into the melting pot.

The time was not yet necessarily ripe for a large number of commodity agreements, said Mr. Shackle. Each should be discussed on its merits. The object of the U.K. proposal was to ensure that if and when commodity agreements were made they should conform to the equitable and sensible rule of the Havana Charter.

Mr. Shackle said that there might be a crisis in the near future on certain commodities. Each agreement must be negotiated on the basis of individual commodities. But the time was ripe, said Mr. Shackle, for a strong central organization of government to provide guidance and coordination among these various agreements. Possible agreements now being canvassed covered sugar, cotton, tin, and rubber; but the U.K. did not necessarily regard all these as immediately desirable.

Mr. Shackle went on to emphasize the need for studies to be carried out - studies which would require greater resources than those available at present to the Interim Coordinating Committee for International Commodity Arrangements. It was important that personnel should be trained for the tasks.

Finally Mr. Shackle dealt with the form of the proposed Protocol. It would be sent, he said, for signature by governments which signed the Havana Charter. The Protocol would be outside the GATT, this being considered more practical than an attempt to extend the GATT.

"It is definitely important that something should be done about this now and that the commodity agreements situation should not be allowed to drift."

Robert Schwenger, United States, said that the Havana Charter was before the U.S. Congress. At this time he did not wish to support the U.K. proposal for action on one chapter of the Charter. He did not believe that the problems were of such great urgency as to demand drastic and rapid action, particularly in view of the fact that there was in existence U.N. machinery designed to meet such problems in...
of the monetary basis to the International Monetary Fund was not enough, M. Philip said. Raw materials problem must also be tackled. For this reason he believed that the problem must be approached through the principles of the Havana Charter. While appreciating the special difficulties of the United States M. Philip considered that the Protocol should be signed by those governments which could accept it.

The delegates of the Netherlands and Canada also favoured giving serious consideration to the proposal.

It was agreed to set up a working party to consider methods which might be used to give effect to the provisions of Chapter 6 of the Havana Charter, the working party to report to the Executive Committee on August 1st.