REVISION OF UNITED STATES RESOLUTION WITH REGARD
TO THE DISPOSAL OF SURPLUS AGRICULTURAL PRODUCTS

Submitted by the Australian Delegation as a
basis for discussion in Sub-Group III-B

RECOGNISING

1. That surpluses of agricultural products involving the accumulation of
large quantities in excess of amounts needed to satisfy domestic
requirements, normal commercial stocks and regular exports may be
expected to arise from time to time in certain contracting parties,

2. That disposal for export of such surpluses without adequate regard to
the effect on the normal commercial trade of other contracting parties
would cause serious damage to their interests by restricting markets
for their regular competitive exports and by disrupting world prices,

3. That disturbing effects of such disposals can be substantially
diminished, and that the risk of serious injury can only be removed,
if interested contracting parties consult closely with respect to the
disposal of such surpluses,

NOTING

That [the United States has] [certain contracting parties holding large
surpluses have] expressed [its] [their] intention to liquidate [its]
[their] agricultural surpluses in such a way as to avoid unduly
provoking disturbances on the world market that would adversely
influence other producers

AGREE

That when disposing of surplus agricultural products in world trade
they will undertake a procedure of consultation with interested
contracting parties, including the principal suppliers of those
products, which would contribute to the orderly liquidation of such
surpluses, including where practicable their disposal to satisfy non-
commercial demand, and the avoidance of prejudice to the interests of
other producers,

That in order that such consultations shall be as effective as possible
they shall wherever practicable be carried out before any firm
programme, involving quantities, destinations and terms of sale, has
been arranged by a contracting party for the disposal of surpluses,

Spec/41/55
That a contracting party proposing to make disposals for export of surplus agricultural products will give sympathetic consideration to the views expressed by other contracting parties in the course of such consultations,

and that where agreement cannot be reached during such consultations and within a reasonable time in respect of a programme of disposals or a proposed sale the contracting party proposing to make disposals shall be free to do so and any contracting party that considers that such disposals have caused material injury to its interests may ask the CONTRACTING PARTIES to determine whether such material injury has in fact resulted.