The sub-group was asked by the Working Party to consider the proposal submitted by the Delegation of Pakistan suggesting the inclusion in the General Agreement of provisions for consultations regarding any decline in the off-take of primary commodities. The Sub-Group has considered the problem and has agreed to recommend that it should be met by the amendments to Articles XVIII and XXII set out below. Should the Working Party accept this recommendation, it will no doubt wish to refer to Working Party I the proposed amendment to Article XVIII.

A. Proposals relating to Article XXII

1. The listing of specific provisions in Article XXII should be deleted and a new second paragraph added. The Article would then read as follows:

   1. Each contracting party shall accord sympathetic consideration to, and shall afford adequate opportunity for consultation regarding, such representations as may be made by any other contracting party with respect to any matter affecting the operation of this Agreement.

   2. The CONTRACTING PARTIES may, at the request of a contracting party, consult with any contracting party or parties in respect of any matter which has been the subject of consultation under paragraph 1.

B. Proposals relating to Article XVIII

2. A new paragraph 5 (a) should be inserted in the text of Article XVIII as contained in W.9/154, page 4:

   5. (a) The CONTRACTING PARTIES recognize that the export earnings of contracting parties whose economies are of the type described in paragraphs 4(a) and (b) above, and which depend on exports of a small number of primary commodities may be seriously reduced by a decline in the sales of such commodities. Accordingly, when such a contracting party's exports of primary commodities are seriously affected by measures taken by another contracting party, it may have resort to the consultation provisions of Article XXII.