REPORT OF SUB-GROUP IV-A ON ORGANIZATIONAL QUESTIONS

Drafting Changes by the Legal and Drafting Committee

1. Pages 8 and 9, replace Article 3 by the following:

**Article 3 – Functions**

(a) The Organization shall administer the General Agreement and generally facilitate the operation of that Agreement.

(b) In addition, the Organization shall have the following functions:

(i) to facilitate intergovernmental consultations on questions relating to international trade;

(ii) to sponsor international trade negotiations;

(iii) to study questions of international trade and commercial policy and, where appropriate, make recommendations thereon;

(iv) to collect, analyze and publish information and statistical data relating to international trade and commercial policy, due regard being paid to the activities in this field of other international bodies.

(c) The Organization shall, in carrying out these functions, endeavour to give full effect to the provisions of Article I of this Agreement.

(d) The Organization shall have no authority to amend the provisions of the General Agreement; no decision or other action of the Assembly or any subsidiary body of the Organization shall have the effect of imposing on a Member any new obligation which the Member has not specifically agreed to undertake.

2. Page 12, replace paragraph (b) of Article 10 by the following:

(b) The Assembly shall apportion the expenditures of the Organization among the Members, in accordance with a scale of contributions to be fixed by the Assembly, and each Member shall contribute promptly to the Organization its share of these expenditures.
(c) If a Member is in arrears in the payment of its contributions by an amount which equals or exceeds the amount of contributions due from it in respect of the preceding two completed financial years, the Member shall have no vote, and shall not be counted in the determining of the fulfillment of the relevant voting requirements, in the organs of the Organization. If the Assembly is satisfied that the failure to pay is due to circumstances beyond the control of the Member, it may, nevertheless, permit such a Member to vote, and then such Member shall be counted accordingly.

3. Page 14, replace, in the second sentence of paragraph (b) of Article 15, "Secretary-General of the United Nations" by "Director-General of the Organization".

4. Pages 14 and 15, replace Article 18 by the following:

Article 18 - Entry into Force

(a) This Agreement shall be opened at Geneva on ____________ for acceptance, by signature or otherwise, by those governments which are contracting parties to the General Agreement. It shall be deposited, subject to the provisions of Article 22, with the Director-General of the Organization.

(b) Without prejudice to the principle laid down in Article 2, this Agreement shall enter into force, as among the governments which have accepted it, on the thirtieth day following the day on which it has been accepted by governments named in the Annex to this Agreement, the territories of which account for 85 per centum of the total external trade of the territories of such governments, computed in accordance with the appropriate column of percentages set forth therein. This Agreement shall enter into force for each other government on the thirtieth day following the day on which it has been accepted thereby.

5. Page 15, replace Article 19 by the following:

Article 19 - Notification and Registration

(a) The Director-General of the Organization shall promptly furnish a certified copy of this Agreement and a notification of its entry into force, and of each acceptance thereof, to each contracting party to the General Agreement.

(b) This Agreement shall be registered in accordance with Article 102 of the Charter of the United Nations.

6. Page 15, the title for Part V should read: PART V - TRANSITORY PROVISIONS.

7. Page 15, a new article should be inserted as Article 21, to read as follows:
Article 21 - Provisional Application

Without prejudice to the principle laid down in Article 2, if by this Agreement shall not have entered into force pursuant to paragraph (b) of Article 18, those governments, being contracting parties to the General Agreement, which are prepared to do so may nevertheless decide to apply it; Provided that the territories of such governments account for the percentage of trade required for the entry into force of this Agreement under paragraph (b) of Article 18.

8. Page 15, a new article should be inserted as Article 22, to read as follows:

Article 22 - Temporary Exercise of Depository Functions

Pending the entry into force of this Agreement, the title "Director-General of the Organization" in Articles 15(b), 18(a) and 19(a) shall read "Executive Secretary to the CONTRACTING PARTIES to the General Agreement".

9. Pages 17 and 18, paragraph 3 should be replaced by the following:

Article XXXIII

Article XXXIII shall read as follows:

"A government not party to this Agreement may accede thereto on terms to be agreed between such government and the CONTRACTING PARTIES, and such accession shall without further act confer membership in the Organization for Trade Cooperation upon an acceding government. Decisions of the CONTRACTING PARTIES under this paragraph shall be taken by a majority comprising two-thirds of the contracting parties."

The following interpretative note to Article XXXIII shall be inserted:

"Ad Article XXXIII

Similarly, a government, acting on behalf of a separate customs territory possessing full autonomy in the conduct of its external commercial relations and of other matters provided for in this Agreement, may accede to this Agreement on behalf of that territory."