ITEM 3 (Note): Following a recommendation of the Working Party, it was decided to retain the footnote to sub-paragraph 1 (a) of Article 30 as follows:

"Sub-paragraphs 1 (a) and (b) of this Article shall not be construed as applying to the trading activities of enterprises to which a Member has granted licenses or other special privileges:

(a) solely to ensure standards of quality and efficiency in the conduct of its external trade;
(b) for the exploitation of its natural resources;
provided that the Members do not thereby establish or exercise effective control or direction of the trading activities of the enterprise in question, or create a monopoly whose trading activities are subject to effective governmental control or direction."

ITEM 8 (b) (Note): The Sub-Committee adopted the recommendation of the Working Party to retain the second footnote to paragraph 1 of Article 30, its text to read:

"Different prices for sales and purchases of products in different markets are not precluded by the provisions of this Article, provided that such different prices are charged or paid for commercial reasons having regard to differing conditions, including supply and demand, in such markets."

ITEM 18 (Switzerland): In accordance with the Report of the Working Party, the Sub-Committee confirmed its previous decision to retain the present text without change.

ITEM 19 (Mexico): The Sub-Committee agreed to include in its Report a statement by the delegation of Mexico. The representative of Mexico withdrew his amendment.

NEW ITEM (Joint Sub-Committee V and VI): The Sub-Committee agreed, following the recommendation of the Working Party, to insert, after /Article 31,
Article 31, a new Article 31 A as follows:

"LIQUIDATION OF STOCKS"

1. Any Member holding stocks of any primary commodity accumulated for non-commercial purposes shall
   (a) give not less than four months public notice of its intention to liquidate such stocks; or
   (b) give four months prior notice to the Organization of such intention.

   In either case, the Member concerned shall, at the request of any Member which considers itself substantially interested, consult as to the best means of avoiding substantial injury to the economic interests of producers and consumers of the primary commodity in question.

2. The provisions of paragraph 1 shall not apply to routine disposal of supplies necessary for the rotation of stocks to avoid deterioration.

The delegate for Mexico recorded a reservation, but stated that he would withdraw it, if the words, "preventing avoidable injury" were substituted for "avoiding substantial injury".

6. It was decided to change the title of Section D to "State Trading and Related Matters", and to give the new Article 30 A the heading: "Marketing Organizations".

7. The representative of Ecuador stated that he was provisionally reserving the position of his delegation to all provisions concerning monopolies. He would consider withdrawing the reservation in Committee.
