FIFTH COMMITTEE: INTER-GOVERNMENTAL COMMODITY AGREEMENTS

SUB-COMMITTEE A

EXPLANATORY NOTE BY THE DELEGATION OF URUGUAY FOR DISTRIBUTION TO THE MEMBERS OF SUB-COMMITTEE A OF THE FIFTH COMMITTEE

Having considered the compromise amendment submitted to Sub-Committee A by the United Kingdom, the delegation of Uruguay is unable to accept it as a substitute, because it does not deal with the problem that the Uruguayan amendment is intended to solve. The reference to Article 59 contained in the third paragraph is in fact limited to control agreements and to cases in which a surplus develops without effective increase in demand.

But the Uruguayan amendment is more concerned with other types of agreements provided for in Article 58 than with control agreements, and with the achievement of objective (e) of Article 54 in case of disequilibrium caused by under production. Consequently, the delegation of Uruguay cannot agree to withdraw its amendment, but it considers that it would be useful to include the proposed amendment to paragraph 3, submitted to Sub-Committee A by the United Kingdom, in the Charter.

With regard to its own amendment, the delegation of Uruguay thinks it advisable to define the meaning exactly, by the following modification of the text: "(b) the standard mechanical equipment required for producing the products referred to in paragraph (a) of this Article."