Chapter VII - The International Trade Organization

Section A - Structure, Functions and Seat

Article 68 - Membership

Paragraph 1

Unchanged.

Paragraph 2

Delete the words "as amended up to the date of such acceptance".

Paragraph 3

Delete.

Paragraph 4

Delete.

Paragraph 5

Delete.

Article 69 - Functions

Sub-Paragraph (c) (i)

Delete, as its provisions are covered by Article 12.

Article 70-A - Structure

"The Organization shall have a Conference, an Executive Board, a Committee for Economic Development, a Tariff Committee, Commissions as established under Article 79 and such other organs as may be required. There shall also be a Director-General and Staff."

Article 70-B - Seat

"The seat of the Organization shall be established in .............

Section B - The Conference

Article 73

Amend paragraph 1 as follows:

"1. The Conference shall meet at the seat of the Organization unless the Executive Board in exceptional circumstances decide otherwise in
regular annual sessions and, in such special sessions as may be convened by
the Director-General at the request of the Executive Board or of a
majority of the Members.

Article 74 - Powers and Duties

Paragraph 1
Delete the words "subject to the provisions of Article 81".

Paragraph 2
Amend as follows:
"2. The Conference may assign to the Executive Board the exercise of
any power or the performance of any duty of the Organization, except
such specific powers and duties as are expressly conferred or imposed
upon the Conference, the Committee for Economic Development or the
Tariff Committee by this Charter."

Paragraph 3
Delete sub-paragraphs (a) and (b), so that the paragraph reads:
"3. In exceptional circumstances not elsewhere provided for in this
Charter, the Conference may waive an obligation imposed upon a Member
by this Charter; provided that any such decision shall be approved by a
two-thirds majority of the votes cast, and that such majority shall
comprise more than half of the Members of the Organization."

Paragraph 6
Amend as follows:
"6. The Conference shall approve the budget of the Organization and
shall apportion the expenditures of the Organization among the Members
in accordance with a scale of contributions to be fixed from time to
time by the Conference following such principles as may be applied by the
United Nations; the contributions shall, however, be on a sliding scale
corresponding to the national income of the Members."

Paragraph 7
Delete, as the seat of the Organization is established in Article 70-B
added in this proposal.

Section C - The Executive Board

Article 75

Composition of the Executive Board

Paragraph 2
Amend as follows:
"2. The Conference shall make regulations relating to paragraphs 1 (b),
(c) and (d) of this Article which shall provide for the mode of election,
the conditions under which groups under paragraph 1 (d) of this Article
may be
may be formed, the method of re-allocating seats when the number of such seats is increased under paragraph 7 of this Article, and other related matters. In making such regulations the Conference shall establish that each of the groups referred to in this paragraph shall appoint its own representatives, by agreement among the countries in the group so as to secure proper rotation and geographical distribution."

Paragraph 3
Amend as follows;
"The Members elected to the Executive Board shall be elected for terms not exceeding three years."

Paragraph 7
Amend to read:
"The number of Members on the Executive Board may, upon a recommendation of the Board, be increased by the Conference by a two-thirds majority of the Members present and voting."

Paragraph 8
Amend the last words to read as follows:
"...shall become effective upon its approval by the Conference by a two-thirds majority of the Members present and voting."

Paragraph 9
Amend this paragraph to read as follows:
"The provisions of this Article shall be subject to review by the Conference every three years; but for the purpose of effecting amendments there shall be required a two-thirds majority of the votes cast by the Members present and voting."

Section D (b) - The Committee for Economic Development

Article 80 (b)
The Committee for Economic Development
(This section and Article are to be inserted under a separate proposal submitted by the delegation of Mexico.)

Section E - The Tariff Committee

Article 81
The Tariff Committee
Insert a new Article reading as follows:
"Article 81
THE TARIFF COMMITTEE
1. There shall be a Tariff Committee which shall act on behalf of the Organization in initiating the negotiations provided for under paragraph 1 of Article 17 and in the making of recommendations and determinations /pursuant
pursuant to paragraph 2 of Article 17. The decisions or determinations of the Tariff Committee may be appealed against before the Executive Board and before the Conference.

"2. The Tariff Committee shall consist of those contracting parties to the General Agreement on Tariffs and Trade referred to in paragraph 1 (d) of Article 17 which are Members of the Organization.

"3. Each Member of the Tariff Committee shall have one vote.

"4. For any Tariff Committee decision or determination a two-thirds majority of the votes cast by the Members present and voting shall be required.

"5. The Tariff Committee shall adopt its own rules of procedure, including provision for the election of its officers."