Chapter VII

Inter-Governmental Commodity Arrangements

Submitted by the Delegation of Cuba

Article 52

Members agree that regulatory agreements may be employed only when:

......

Delete paragraph 1 and substitute this in its place:

1. A burdensome surplus of a primary commodity has developed or is expected to develop. Such primary commodity may have the characteristics that a substantial reduction in price does not readily lead to a significant increase in consumption nor to a significant decrease in the production of that commodity, and therefore the disequilibrium between supply and demand may not be corrected by normal market forces alone in time to prevent serious hardships to producers among whom are small producers who account for a substantial portion of the total output.

Article 53

4. Such agreements shall be designed to assure the availability of supplies adequate at all times for world demand at reasonable and stable prices remunerative to efficient producers.

Paragraph 5: Delete the last two words.

6. Participating countries shall formulate and adopt a programme of economic adjustment believed to be adequate to ensure substantial progress.
progress toward solution of the problem or to have, under the circumstances, helpful effects within the time limits of the agreement.

Article 4

6. Each Commodity Council shall adopt appropriate rules of procedures and regulations regarding its activities, provided that they are not inconsistent with the principles of this Chapter. (These rules and regulations shall be subject to the approval of the Organization).

Article 5

Provision for Initial Terms, Review, (and) Renewal, Termination and Withdrawal of Regulatory Agreements.

Their renewal termination and withdrawal shall be subject to the principles stated elsewhere in this Chapter and to the procedures established in such agreements.