Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment.

Chapter VII

INTERGOVERNMENTAL COMMODITY ARRANGEMENTS

Proposals submitted by the French Delegation.

The French Delegation considers it desirable to mention in the Preparatory Committee's Report, that the Economic and Social Council should study the question whether a division of competence should not be made as between the Food and Agriculture Organization on the one hand, and the International Trade Organization on the other hand, in connection with the formulation and application of inter-governmental commodity arrangements.

Amendment to Article 53(c)

For the Drafting Committee's wording substitute the following:

(c) Under such agreements, participating countries which are substantially interested in the production or consumption of, or trade in, the commodities involved shall, in determinations relating to substantive matters, have together a number of votes equitably proportional to their combined interests. Distribution of these votes shall be made in accordance with the procedure established by each Commodity Conference. If a Conference is unable to reach agreement on this matter, the Commodity Commission provided for in Article 72 of this Charter shall arbitrate.

Amendment to Article 53(d)

For the Drafting Committee's wording, substitute the following:

(d) "Such agreements shall, with due regard to the need for preventing serious economic and social dislocation, and to the position of producing areas which may be..."
suffering grave disabilities, make appropriate provision to afford increasing opportunities for satisfying world requirements from sources from which such requirements can be supplied in the most effective and economic manner, the essential interests of efficient producers and the need to ensure full employment being taken into account."

Amendment to Article 60

It is proposed that this article should be amended as follows:

1. For the purposes of this Chapter, the term "primary commodity" means any product of farm, forest or fishery, or any mineral, which enters world trade in substantial volume in a form customarily called primary, and may include such a product on which minor processing has been performed in preparation for export. The term may also cover a group of commodities, of which one is a primary commodity as defined above and the others are commodities which are so closely related to the other commodities in the group that they can conveniently be considered in a single arrangement, regarding being had to the conditions of production of each."