NEW ARTICLE 57 A PROPOSED BY NETHERLANDS DELEGATION

1. The general procedure of this Chapter shall be followed, where appropriate in view of the multilateral aspects of the special difficulties which are considered to have arisen or are likely to arise, when in the case of any primary commodity Members enter into consultation or negotiations about:
   a. subsidizations as referred to in article 30(4);
   b. the maximum price margin on the importation or exportation as referred to in article 32;
   c. import restrictions as referred to in article 25(2,e);
   d. the use or level of antidumping or countervailing duties as referred to in article 17; or
   e. any other proposed, maintained or authorised exemption from the general rules of commercial policy, as allowed in Chapter V.

2. These consultations or negotiations may include non-Members, after invitation by the Organization upon the request of a Member or a group of Members.

3. Any arrangement or agreement, resulting from this Article may be deemed by the Organization to be of a non-regulatory character, if the circumstances are such that no Commodity Council is necessary to provide for frequent consultation among participants.

Comment
It became clear from the discussions in commission B and in the subcommission that there is need for a clear and definite statement that:

a. the exemptions from Chapter V, allowed in article 37(1), as proposed by the U.K. delegation must be based upon the special...
difficulties in the trade in primary commodities and especially
the multilateral character of these difficulties.
b. though in article (30) an explicit statement is made that these
consultations should follow the procedure of chapter VII, such
is not the case in article 32 (however not proposed by the
Netherlands delegation), nor in article 25 (e), nor in article
17 (the rather negative way, it is stated in article 17 par. 6
seems not to be sufficient). Moreover, even tariffs, preferences,
special prices, marks of origin, mixing requirements and other
consultation and recommendation under chapter V could in many
cases, in respect to a primary commodity, follow the procedure
of a study, or a conference, resulting in an arrangement or an
agreement.
c. It is not the intention of the delegation to widen the scope
of the exemptions under chapter V, but to restrict the necessity
of overburden chapter V with cross references to chapter VII. If
this proposed new article is adopted, the Netherlands delegation
would be glad to have it considered to have as few as possible
specific exemptions and show the way to appropriate multilateral
consultation and negotiations in the case of primary commodities
under chapter VII.
d. it seems to be necessary to provide for the possible inclusion
of non Members in such negotiation, but in this case the invita-
tion ought to be more qualified than was the case in chapter VII
as a whole.
e. it seems unnecessary to follow in all cases the strict rule of
article 54 that conventions, which for instance regulate the
use and level of subsidizations, countervailing duties, seasonal
export- or import restrictions, maximum margin in a state trading
agency and other determinations for a given period of one or two
years, should provide for a governing body.

The delegation believes that if it is generally known that
the provisions of chapter V in connection with chapter VII allow
a continuous multilateral consultation and co-operation of Members
in order to iron out the special difficulties of international
trade in primary, primarily agricultural products, this might
well allow a broader drafting of the whole of chapter V.