

Working Paper for the Drafting Group

ARTICLE II

Examination of Difficulties in  
International Trade in Primary Commodities

1. Any Signatory or any other Government or any intergovernmental organization may submit to the Standing Committee of the Signatories a statement of [special] difficulties which exist or are likely to arise in international trade in any primary commodity or commodities. Subject to the provisions of paragraph 4, the Standing Committee, unless it decides by a two-thirds majority that the case put forward in support of the submission does not warrant further action, shall forthwith make arrangements for its immediate examination. This examination shall be carried out by a study group convened by the Standing Committee except in the circumstances provided for in paragraph 4 below.
2. A study group shall promptly examine the problem raised [investigate the production, consumption and trade situation and prospects in regard to the commodity or commodities~~]~~taking into consideration any work on the same subject by other intergovernmental organizations and shall report to the Assembly and to non-Signatory governments members of the study group its findings and any recommendations it may have as to how best to deal with any [special] difficulties which may exist or may be expected to arise. A study group, after presenting its initial report, may remain in existence [for as long as its members wish] for the exchange of information and views between Governments about the commodity or commodities.
3. Any Signatory may appoint a representative to a study group. Intergovernmental organizations and organs and agencies of the United Nations may send observers to any study group, and non-Signatory Governments having an interest in the commodity or commodities in question shall be invited by the Signatories to send observers. Observers may be invited by the study group to take part in its deliberations. Each study group shall select its own Chairman.
4. Where the Standing Committee considers any subjects inappropriate to a study group, it may refer the subject either to a Committee of Signatories, or to any existing body or organization having special knowledge of the commodity or commodities in question, or to an expert or experts whom the Assembly shall select, provided that if the submitting Government is dissatisfied with the course proposed by the Standing Committee, the matter shall be remitted to the Assembly, and they shall decide by a majority vote whether and how the submissions shall be examined. The terms of reference shall fix a time for a report to the Assembly and shall cover any matters required by the submitting government or body.

5. The Assembly shall establish relations with other intergovernmental organizations having responsibilities in the field of primary commodities with a view to avoiding duplication of activities in the examination of the difficulties mentioned in paragraph 1 above.7