

13 September 1955

Working Party on Commodity Problems
Drafting Group

REDRAFT OF ARTICLE III

[Negotiation] of Commodity Arrangements

1. [At the request of any Signatory] the Standing Committee shall, unless they consider by a two-thirds majority that such a conference would not have a reasonable prospect of success, summon a negotiating conference for any commodity on behalf of the Assembly:
 - (a) on the recommendation of a study group [conforming to the provisions of Article II], or
 - (b) [when there are serious difficulties in international trade in a single commodity,] at the request of a Signatory or Signatories which are responsible for a substantial part of world production or consumption of or trade in that commodity or whose economies are dependent to a large extent on that commodity and which have [specific] measures to propose for intergovernmental action to deal with [such] difficulties, provided that the Signatory or Signatories making such a request shall first consult with the Standing Committee and take into consideration its views as to the likelihood of such negotiations reaching a successful conclusion, or
 - (c) on its own initiative, as a result of a report issued after an examination in accordance with Article II:4, or on the basis of information agreed to be adequate by the Signatories substantially interested in the production or consumption of or trade in that commodity; or
 - (d) at the request of an intergovernmental organization having world-wide competence.
- [2.] If it considers by a two-thirds majority that such a conference would not have a reasonable prospect of success the Standing Committee [shall] recommend that any preparatory work which appears necessary for such a conference to be convened and lead to adequate results should be initiated.
3. Where a number of Signatories with a special interest in any commodity desire to negotiate a [commodity] arrangement, they may convene a conference [on their own initiative] provided that they shall notify the Standing Committee of their intentions. The Standing Committee shall inform all Signatories [and any non-signatory whom they consider to be specially interested]. Any Signatory [, or any non-signatory upon invitation by the Standing Committee,] may send an observer to such a conference and may

participate in it if the Standing Committee decides that the conclusion of the proposed arrangement would substantially affect its interests. /No arrangement concluded under this paragraph shall operate unless it is approved by the Assembly./

4. A negotiating conference may draw up a commodity arrangement or recommend to governments any other form of specific action to deal with particular difficulties which exist or are expected to arise concerning a commodity or /a group of commodities/.

5. Decisions /or recommendations approved/ /made/ in respect of paragraphs 1, 3 and 4 of this Article shall take into consideration any action that has been or is being taken by other intergovernmental organizations in the same field.

6. /Subject to/ Any Signatory may appoint a representative to a negotiating conference /convened under paragraphs 1 or 3 of this Article/. The Standing Committee may invite any non-signatory government to appoint a representative /and shall do so if such government claims a substantial interest in the commodity/. The Standing Committee may also invite any interested /intergovernmental organization or/ body or agency of the United Nations to appoint an observer to such a conference.

/7. The Assembly may approve an arrangement resulting from a negotiating conference convened by another intergovernmental organization which has world-wide competence and special knowledge in the commodity in question and with which agreement has been reached that in convening negotiating conferences it will act consistently with the relevant provisions of this Agreement. The provisions of this article shall be deemed to have been complied with if such an arrangement is so approved by the Assembly./