

REDRAFT OF SACA

Article IV (Continued)

- 2 [3] Any negotiating conference, in the formulation of a commodity arrangement, shall give consideration to the inclusion within the terms of the arrangement of provisions [consistent with this Agreement] for the renewal of the arrangement, its amendment, settlement of disputes arising from its operation and for accession and withdrawal by participants during the period of its operation.
- 3 [4] Commodity arrangements negotiated under the provisions of this Agreement shall be concluded or renewed for periods of not more than five years. [The provisions of renewed arrangements shall conform to the provisions of this Agreement.] (The Drafting Group was asked to consider whether the final sentence above is necessary.)
- 4 [5] (Being considered by the Ad Hoc Group on Producer and Consumer Arrangements

Article V

Administration of Commodity Arrangements

1. Any commodity arrangement [falling within the provisions of paragraphs 1(d) and (e) of Article IV] shall, in addition to any other provisions [of] required by [that Article] this Agreement, provide for
- (a) the establishment of a governing body, herein referred to as a council, on which each [participating country] participant shall have one representative. [The voting power of the representative shall be in accordance with the provisions of Article IV:1(d) and (e)] The distribution of votes in the council as between countries which are mainly interested in the import /or consumption/ of the commodity and and countries which are primarily interested in its export /or production/ shall be in accordance with the provisions of Article IV:1(d);
- (b) the appointment by the assembly [and by the CONTRACTING PARTIES] of a non-voting representative to the council [and the attendance of non-voting representatives of such intergovernmental organizations as the council may desire];

(Does this last phrase serve any purpose?)

- (c) the appointment of a non-voting Chairman /who, if the council so requests, may be nominated by the Assembly or by the Standing Committee on their behalf/. (The Working Party decided that this final phrase was unnecessary and should be deleted, with the deletion to be explained in the report.)

2. When a Commodity arrangement is terminated without renewal, the council may assign the archives and statistical material relating to the arrangement to the Assembly or to any other body which the council may decide /, subject to the participating countries retaining / Participants shall however retain the right to decide what material /should remain unpublished or treated as confidential to the participants in that arrangement/should be withheld from the assignment and treated as confidential to the participants in that arrangement or should, if assigned, remain unpublished.

(Above amendments by the United Kingdom were referred to the Drafting Committee.)

Article VI

Consideration of Questions concerning the Conformity of an Arrangement with the Provisions of this Agreement

1. (a) In any case in which Signatories do not represent a majority of the participants in a negotiating conference leading to a commodity arrangement, /the text of the arrangement shall be submitted to the Standing Committee before it is open for signature. The Standing Committee shall examine the text promptly ... shall not be open for signature/ the Signatories participating in the negotiating conference shall submit the text of the arrangement to the Standing Committee. The Standing Committee shall deliver an opinion within thirty days either that it sees no objection to the arrangement or that it does not conform with the provisions of the Agreement. No Signatory shall participate in such an arrangement before receiving the opinion of the Standing Committee nor, subject to sub-paragraph (b) below, after the Standing Committee renders an adverse opinion.
- (b) any Signatory may appeal to the Assembly against a decision of the Standing Committee and the Assembly shall have the final decision in the matter.

2. (Under consideration by the Ad Hoc Sub-Group.)

3. Whether or not an arrangement has been submitted to the Standing Committee under the provisions of paragraph 1 /or 2/ and Signatory whose interests represent a considerable part of world production or consumption of or trade in a commodity which is the subject of an arrangement or whose economy is dependent

to an important extent on that commodity may before the arrangement comes into effect, ask the Standing Committee ... shall amend the arrangement /or, if the arrangement is in operation, the council shall take steps to amend it as soon as practicable./

(The Drafting Group was asked to consider whether there is over-lapping between paragraphs 1 and 2 and paragraph 3.)

4. No change.