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Doc. 226
12 March 1954

Report of the Ad Hoc Committee of the United Nations on restrictive Busines Practices

Request for an opinion
Committee of Ministers

In September, 1949, the Consultative Assembly requested the Committee of Ministers to draw up and present to the Assembly a draft European convention for the control of international cartels. (Recommendation 20 (1949) - - Doc. 71 71, Section I, para. 6).

In April, 1950, the Committee of Ministers instructed the Secretariat to study this problem in its European context, in consultation with the Interim Commission of the International Trade Organisation. The Report of the Secretariat, to which was appended a draft convention, was submitted to the Committee of Ministers in March, 1951; it was, subsequently, transmitted, to the Consultative Assembly.

In August, 1951, the Economic and Social Council of the United Nations set up an Ad Hoc Committee on Restrictive Business Practices to study and make recommendations on this same problem (Resolution 375 (XIII)). In the light of this development the Committee of Ministers, in March, 1952, decided to instruct the Secretary-General to keep in close touch with the work of ECOSOC and report to the Committee of Ministers in due course.

The Economic and Social Council, in July, 1953, discussed the report of the Ad Hoc Committee on Restrictive Business Practices, and the Secretary-General, in the following November, submitted a report on these developments to all member Governments and to the Committee on Economic Questions of the Assembly.

In November, 1953, the Secretary-General received a communication from the United Nations Secretariat requesting the comments of the Council of Europe on the report of the Ad Hoc Committee on Restrictive Business Practices and various related documents. A copy of this letter is attached hereto as an appendix.

In view of the interest displayed in this matter by the Assembly, the Committee of Ministers has decided to refer this matter to the Assembly in the form of a request for an Opinion, it being understood that the Committee of Ministers reserves the right to express its own opinion on this report at a later date, if it so desires.

Appendix 1 APPENDIX UNITED NATIONS NEW YORK
ECA 148/8/03 (3) ' 30 October, 1953.

Dear Sir,

I have been directed by the Secretary-General to draw your attention to the Economic and Social Council Resolution 487 (XVI) of 31 July, 1953, a copy of which is enclosed.

Under paragraph 2 (a) of the Resolution, the comments of your Organisation have been requested on the following reports[1] relating to restrictive business practices:

1. Repor t of the Ad Hoc Committee on Restrictive Business Practices, Economic and Social Council Official Records : Sixteenth Session, Supplement No. 11 (E/2380; E/AC. 37/3).
2. Analysis of Governmental Measures relating to Restrictive Business Practices, Economic and Social Council Official Records; Sixteenth Session, Supplement No. 11A (E/2379 and E/2379/Add. 1 ; E/AC. 37/2 and E/AC. 37/2 Add. 1).
3. Annex C — Texts of National Legislation and Other Governmental Measures Relating to Restrictive Business Practices, Economic and Social Council Official Records; Sixteenth Session, Supplement No. 11B (E/2379/Add. 2; E/AC./37/2/Add. 2).

Copies of these documents have already been circulated to you in the usual manner.

Yours truly,

Signed : ROY BLOUGH,

Principal Director Department of Economic Affairs

The Secretary-General, Council of Europe Strasbourg

UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL

RESTRICTIVE BUSINESS PRACTICES Resolution of 31 July, 1953

The Economic and Social Council,

Noting the report of the Ad IIoc Committee on Restrictive Business Practices and the Secretariat's analysis of Governmental measures relating to restrictive business practices prepared in accordance with Council Resolution 375 (XIII);

Bearing in mind that restrictive business practices in international trade may have harmful effects on the attainment of the higher standards of living, full employment and conditions of economic and social progress and development envisaged in Article 55 of the Charter of the United Nations;

Recognising the necessity of according (Sufficient time to Governments to give thorough study to the proposals of the Ad Hoc Committee, and to the Secretary-General to formulate the report and recommendation called for in paragraph 6 of Resolution 375 (XIII),

1. Commends the Ad Hoc Committee and the Secretariat for the thoroughness and dispatch with which the tasks assigned to them have been executed;
2. Requests the Secretary-General:
   a. to transmit the ' Committee's report and the Secretariat's analysis to member Governments of the United Nations and of specialised agencies in, the economic field, to the specialised agencies concerned, and to interested intergovernmental organisations and non-governmental organisations, for examination and for any comment they may wish to make;
   b. to circulate to the foregoing such comments as he may receive, together with such analysis as he deems appropriate;

1. Different distribution arrangements have been made for documents under (2) and (3).

3. Further requests the Secretary-General to proceed to carry out paragraph 6 of Resolution 375 (XIII) when a sufficient number of Governments have commented on the Committee's report to provide some indication of attitudes towards the report, and to continue to follow, on the basis of information obtained from Governments, the principal legislative, judicial, executive and administrative developments in this field, to summarise relevant information regarding restrictive business practices in international trade which may be contained in official Government documents, and to report thereon to the Council before the Council resumes its consideration of this problem;

4. Decides to resume consideration of this matter not later than the nineteenth session of the Council.

UNITED NATIONS - Restrictive Business Practices -Report of the Ad Hoc Committee on Restrictive Business Practices - Economic and Social Council - Official Records - Sixteenth Session - Supplement N° 11

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Introduction

Terms of Reference

1. This report of the Ad Hoc Committee on Restrictive Business Practices is made pursuant to paragraph 4 of Resolution 375 (XIII) of the Economic and Social Council (see Annex I) in which the Council determined that the Committee should prepare and submit to the Council proposals on methods to be adopted by international agreement for implementing the recommendation contained in paragraph 1 of the resolution. In paragraph 1 of the resolution, the Council recommended to States Members of the United Nations that they take "appropriate measures and co-operate with one another to prevent, on the part of private or public commercial enterprises, business practices affecting international trade which restrain competition, limit access to markets or foster monopolistic control, whenever such practices have harmful effects on the expansion of production or trade, on the economic development of under-developed areas or on standards of living".

2. The methods referred to in paragraph 1 wer e to be based on the principles set forth in Chapter V of the Havana Charter for an International Trade Organization, and the proposals of the Committee were also to include provision for continuing consideration of problems of restrictive business practices.

3. The Committee was also instructed to obtain information on restrictive business practices which affect international trade and international economic co-operation generally, and on legislation adopted " and measures taken by individual Member States in connexion with restrictive business practices and with the object of restoring the freedom of competition; and to present to the Council analyses of this information. This phase of the Committee's work is the subject of a separate document[2].

4. In paragraph 6 of Economic and Social Council resolution 375 (XIII), the Council instructed the Secretary-General to make a report and recommendation as to the organization which could most appropriately implement the proposals of the Committee. Accordingly, in carrying out its obligation to make recommendations as to procedure, the Committee has dealt with certain related matters of internal organization, but has not sought to make recommendations on the problem referred by the Council to the Secretary-General.

Composition and procedure of Committee

5. As established by the Council, the Committee consists of the following Member States : Belgium, Canada, France, India, Mexico, Pakistan, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America and Uruguay. The Committee elected as its Chairman Mr. Ingvar Svennilson (Sweden) and as its Vice-Chairman Mr. Juan Felipe Yriarte (Uruguay). "When neither the Chairman nor the Vice-Chairman was able to attend, Mr. Emile Thiltges (Belgium) seized as Acting-Chairman.

6. The Committee held seventy-seven plenary meetings, spread over four different sessions, the first session taking place at Headquarters from 29 January to 6 February, 1952, the second at Headquarters from 28 April to 9 Ma3r, 1952, the third in Geneva from 8 to 26 September, 1952, and the fourth at Headquarters from 12 January to 21 February, 1953. During those sessions the Committee also made considerable progress in informal working parties.

7. The resolution establishing the Committee authorized it, in preparing its proposals, to consult with interested Governments, specialized agencies, inter-governmental organizations and non-governmental organizations. The Committee had only limited time in which to consider many technical and complicated issues and draft appropriate articles of agreement. Also, it had to deal with points of an interdependent nature and, in consequence, often found it necessary to revise tentative solutions in the light of its later action on related matters. It was, therefore, thought that to disclose tentative or piecemeal approaches to particular points without reference to related questions would lead to confusion and misinterpretation. Hence most of the

2. Economic and Social Council Official Records, Sixteenth Session, Supplements 11A and 11B.

Committee's meetings were closed to the public. However, the meetings were open to observers from Governments, intèr-governmental organizations, and specialized. agencies, and provision was made for public meetings at which interested non-governmental organizations were given an opportunity to state their views on the questions being considered by the Committee. The Committee has also made use of written communications received from such organizations.

8. At the conclusion of its first session, the Committee sent letters to Governments and specialized agencies, asking for such documents as would enable it to secure the information relating to restrictive business practices and the legislation thereon which it was directed to obtain under paragraph 5 of the Economic and Social Council resolution. At the same time, nongovernmental organizations were invited to provide similar information. Also, before the third session, the Committee addressed to nongovernmental organizations, for' their comment, a comprehensive list of questions relating to the internal organization and procedures of an implementing agency. The summary records of all the Committee's meetings were regularly distributed to Member States of the United Nations and inter-governmental bodies and agencies. At the conclusion of its third session, the Committee sent a letter to Member States and inter-governmental bodies and agencies specifically drawing their attention to the summary records, and, in particular, to certain documents which embodied the results of its work up to that point and outlined the problems still' before the Committee. It invited comments on its tentative proposals, and on any other matter relating to its work, for consideration at its fourth session.

9. At its first session the Committee discussed in detail the text of Chapter V of the Havana Charter and its rmdeiiying principles. This preliminary examination developed substantive points in respect of which the amendment or clarification of Chapter V appeared to require consideration. At its second session the Committee dealt with these points. At its third session the Committee completed a preliminary revision of Chapter V as a basis for a draft agreement, and, in addition, began the work of drafting articles relating to the internal structure and procedures of the agency which would implement such an agreement. These drafts, as well as documents suggesting solutions to other unresolved problems of internal structure and procedure, were included in the letters referred to in paragraph 8 above. At its fourth session the Committee developed its proposals further and prepared this report, including therein the final revision of the draft articles of agreement (Annex II) which embody these proposals.

10. Thi s report does not purport to interpret or explain all the provisions—not even all the most important ones—set out in the draft articles of agreement. Many of these provisions were taken without substantial change from the text of the Havana Charter. Since their meaning appears to the Committee to be sufficiently clear and since it is always possible to refer to the preparatory documents leading up to the original text of the Havana Charter, the Committee has not thought it necessary to comment on them. The report is essentially confined to setting out and explaining the amendments and additions which the Conimittee has made to the text of the Havana Charter. It is hoped that the explanatory and interpretative material in the report will lead to a better understanding of the reasons for the Committee's proposals.

11. In accordance with the usual practice, members of the Committee have taken part in its work on an ad referendum basis. Members of the Committee have considered themselves as a working group whose function has been to evolve proposals based on Chapter V of the Havana Charter by way of reconciling or seeldng compromises between different views, so far as these could be formulated at the present stage. No Government is committed by participation in the work of the Connnittee to participate in an agency working on the lines proposed, and it is the general xuiderstanding among members that any matter contained in the draft articles of agreement (Annex II)—from the preamble at the beginning to the interpretative note on Article 8 at the end—may be re-opened at any later stage.

amendments and interpretations of the text of Chapter V of the Havana Charter

The work of the Committee in relation to Chapter V

1. Since Chapter V of the Havana Charter formed the basis for the work of the Committee, it will be helpful to review the broad outlines of that chapter before discussing the specific revisions and expansions of the text of Chapter V which are proposed by the Committee. [3]

3. Except as otherwise indicated, article and paragraph numbers refer to the draft articles of agreement set forth in Annex II. For purposes of convenience, however, there will be inserted in brackets, after such article and paragraph numbers, the numbers of the corresponding articles in Chapter V of the Havana Charter, e.g. Article 3 [48].

2. The following broad observations may be made concerning Chapter V of the Havana Charter :

a. Chapter V was not intended to stand alone. Its provisions were intended to function as part of a larger international agreement, which would have established an International Trade Organization with comprehensive responsibilities in the fields of employment and economic activity, economic development and reconstruction, commercial policy, inter-governmental commodity agreements and restrictive business practices.

b. Restrictive business practices were defined as those which "restrain competition, limit access to markets or foster monopolistic control" ; a list of the practices coming within the scope of the chapter was given ; and provision was made for the possibility of extending the list.

c. The conditions in whieh restrictive business practices might be subject to investigation were defined : briefly, they must be practices affecting international trade and carried on by one or more private or public commercial enterprises possessing effective control of trade among a number of countries, and they must have been the subject of a complaint to the organization.

d. Th e general undertaking of Members was defined as being to take appropriate measures and co-operate in preventing the restrictive business practices referred to above, whenever such practices were found to have harmful effects on the expansion of production or trade and to interfere with certain other objectives.

e. Provision was made for a consultation procedure and an investigation procedure, and separate procedures applicable to services (such as transport and telecommunications) were set forth.

f. Provision was made for general studies of restrictive business practices.

g. The specific obligations of Members under the Chapter were defined.

3. The Committee's work has led it to propose the expansions, modifications and clarifications of Chapter V which are embodied in the draft articles of agreement set forth in Annex II. The major changes that were made in the draft agreement came about, with one exception, because in the new context reference could no longer be made to the remaining articles of the Havana Charter ; hence certain portions of the rest of the charter have either had to be incorporated in the draft agreement or a different wording substituted. The one exception is the definition of the restrictive business practice relating to the prevention of the development or application of technology (subparagraph 3 (e) of Article 46 of the Charter), the scope of which has been somewhat enlarged.

4. Tho Committee recognized that its assignment was limited to restrictive practices in the field of trade and did not extend to employment policy. The draft agreement, however, would not prevent the organization from evaluating the effects of restrictive business practices upon labour. The impact of such practices on employment might, for example, be invoked in support of or against any complaint being investigated in accordance with the draft agreement.

Objectives and standards of the Organisation The preamble

5. The investigation and consultation procedure s of Chapter V applied only to restrictive business practices alleged to have harmful effects on the expansion of production or trade and to interfere with the achievement of other aims and objectives set forth in Article 1 of the Havana Charter. Article 1 indicated it to be the purpose of the charter to realize the aims set forth in the Charter of the United Nations, particularly the attainment of the higher standards of living, full employment and conditions of economic and social progress and development envisaged in Article 55 of the United Nations Charter. There was also contained in Article 1 of the Havana Charter a pledge to promote national and international action designed to , attain more specific objectives. The aims and objectives thus set forth in the Havana Charter were intended to serve as a frame of reference for all the activities of the proposed International Trade Organization. As such, and by virtue of the reference to Article 1 of the charter in paragraph 1 of Article 46, they would, so far as they were relevant, have served as standards for judging the harmfulness of restrictive business practices. Together with paragraph 2 of Article 46, they would also have formed the basis for determining whether a particular restrictive business practice came within the scope of the investigation and consultation procedures of Chapter V. Accordingly, the Committee felt that the draft agreement should incorporate a preamble inspired by the objectives of the Havana Charter. Although the objectives stated in the preamble are necessarily broad, their inclusion in the draft agreement does not imply that Governments, by adhering to the agreement, would be assuming obligations going beyond those specified in the text of the draft articles which follow the preamble.

6. In order that there should be a reference in paragraph 1 of Article 1 [46] to the preamble of the draft agreement, replacing the original reference to article 1 of the Havana Charter, the Committee amended the last line of this paragraph to read "...whenever such practices have harmful effects on the expansion of production or trade, in the light of the objectives set forth in the Preamble to this Agreement". The function of the objectives stated in the preamble would thus be to provide guidance for the organization in considering whether or not a restrictive business practice had harmful effects. Whenever more than one objective was relevant, each relevant objective would be given appropriate attention. Interested Governments, either when supporting a complaint or when seeking to justify a practice complained of, would be free to determine for themselves in each instance which objectives they believed to be relevant ; and the organization would be bound to take account of the views expressed by each Government. However, in any instance in which no Government considered a particular objective to be relevant to a complaint, there would be no need for the organization to consider that objective. The purpose of the listing of a series of objectives is to assure full examination of pertinent issues, not to enforce analysis of every point in the list, regardless of its relevance.

7. It would also be for each Government to determine what considerations it would put forward as pertinent in the light of any particular objective. For example, if it were alleged that a restrictive practice was harmful because it ran counter to the stated objective of encouraging economic development, industrial and agricultural, an interested Government could decide whether or not it would put forward considerations arising from the economic soundness or otherwise of a projected development.

8. The practices enumerated in paragraph 3 of article 1 [46] of the draft agreement would become subject to investigation when a complaint as to a specific case was presented in accord with certain specified requirements. The question whether these practices had harmful effects upon the expansion of production or trade in the light of the stated objectives would be determined in each instance in accord with the procedures set forth in the draft agreement. There is thus no presumption in the draft agreement that the practices listed in paragraph 3 have harmful effects. Only where harmful effects were established would the draft agreement provide for any remedial action to be taken.

Governmental measures tearing on the organization's work

9. Paragraph 1 of Article 54 of the Havana Charter indicated that the provisions of Chapter V should not be so interpreted as to prevent the -adoption and enforcement by Go- " vernments of any measures in so far as such measures were specifically permitted under other chapters of the Charter. These other chapters were largely concerned with governmental and inter-governmental policies which either (i) were directly permitted by the terms of the Charter itself, or (ii) were permitted under detailed procedures and standards to be applied by the proposed International Trade Organization. It was clear that such policies, and the measures implementing them, might bear on the work of any international agency engaged in the consideration and handling of restrictive, business practices. However, in a draft agreement dealing only with restrictive business practices, it would be inappropriate to retain provisions predicated on a more comprehensive agreement.

10. It was felt that procedures of the draft agreement should not apply to the acts of Governments or inter-governmental organizations or to the statutes and regulations issued by governments. However, the organization should be able to approach member Governments and inter-governmental organizations at any time with respect to such acts, statutes and regulations as might relate to the subject-matter of this agreement, and should be able to bring to their attention, with such observation as it might desire to make, the effect of those acts, statutes and regulations on its work. With one basic qualification, noted in paragraph 22 below, this is the general approach taken in paragraph 1 of Article 9 and paragraph 4 of Article 3.

11. Special difficulties arose, however, in connexion with restrictive business practices which were sanctioned by governmental statutes or regulations. The main problem faced by the Committee in this connexion was the diversity of governmental attitudes with respect to the same restrictive business practice. Thus, for example, one or two Governments might make mandatory a practice which other Governments might variously prohibit, ignore, approve, or subject to different degrees of regulation or sponsorship. Also, Governments have different principles and procedures governing the way in which they require or approve restrictive business practices. To take account of these factors, the Committee made the following changes :

a. It added to Article 48 of the Havana Charter (the article dealing with the investigation procedure) a provision expressly exempting from further investigation by the organization restrictive business practices which are specifically required by governmental measures (paragraph 4 of Article 3 [48]). If, however, any practice found to exist in more than one country were not specifically required by governmental measures in all countries in which it occurs, such practice might, in the discretion of the

Organization, be further investigated. It was agreed that, where an investigation was discontinued, the organization might avail itself of the procedure for bringing the matter to the attention of the government or inter-governmental body or agency concerned.

b. The Committee agreed that, in order to assure adherence to the basic principles of the agreement, a rigorous test should be applied as to the type of governmental intervention that would serve as a basis for the exemption. It therefore concluded that only restrictive business practices "specifically required" by Governments should be exempted from the investigation procedure. By this, it was understood that the text of the governmental measure must be an express requirement of a Member State that commercial enterprises must engage in a specified restrictive practice or practices. The measure itself might take the form either of a law enacted by the legislature of that State or of an order or decree of an executive, administrative or judicial organ of that State. Paragraph 4 of Article 3 is not intended to deal with any measures other than those specifically requiring restrictive business practices, and does not ' apply to any measure taken after a complaint has been filed with the organization under paragraph 1 of Article 3.

Co-operation with other inter-governmental hodies

12. Under paragraph 2 of Article 9 [53] of the Committee's draft, the organization is directed to provide for effective co-operation with other inter-governmental bodies and agencies with respect to restrictive business practices. -The antecedent Havana Charter provision had referred to paragraph 1 of Article 87 of the Charter, pursuant to which the organization, in making co-operative arrangements with other intergovernmental organizations, was to avoid unnecessary duplication of activities, arrange for joint committees and reciprocal representation at meetings, and establish such other working relationship as might be necessary. The substance of paragraph 1 of Article 87 of the Charter was incorporated in paragraph 2 of Article 9. Likewise paragraph 4 of Article 9 contains a provision for consultation and co-operation with non-governmental organizations which is substantially similar to that contained in paragraph 2 of Article 87 of the Havana Charter.

13. A new paragraph 3 was added by the Committee to Article 9 to make it clear that among the inter-governmental bodies or agencies which have responsibility in the • field of restrictive business practices and which possess sovereign powers through a delegation of sovereignty by two or more States, e.g. the European Coal and Steel Community, the relationship of which to the draft agreement is discussed in paragraphs 65 to 67 below. It may be noted at this point that the phrase "inter-governmental organization" has been replaced throughout the draft agreement by "inter-governmental body or agency", because it was felt that the former phrase had acquired too specialized a connotation.

14. One other clarification was effected by Article 9. Paragraph 4 of Article 53 of the Havana Charter, the predecessor of paragraph 2 of Article 9, despite its position in an article dealing with services, was intended to have general application. By regrouping it in Article 9 with the procedure applicable to governmental measures and restrictive business practices pursuant thereto, the Committee has clarified this intention, and Article 20 [54] is limited to matters of interpretation and definition.

Incorporation of other Havana Charter provisions applicable to Clvapter V

15. There were several other places in which pai'ts of the Havana Charter outside of Chapter V seemed to the Committee to be directly applicable, and those provisions were accordingly incorporated in tho revised articles of agreement. Thus, there was incorporated in subparagraph (a) of paragraph 1 of Article 4 [49] a provision corresponding to paragraph 1 of Article 72 of the Havana Charter, authorizing the organization to publish the results of its studies. It was felt that it would be pointless to authorize the organization to conduct studies without arranging for their publication.

16. Sub-paragraph 1 (a) of Article 99 of the charter had stipulated that nothing in the charter should be construed to require a member to furnish any information the disclosure of which it considered contrary to its essential security interests. Furthermore, Chapter V had made no specific provision, under the consultation procedure, for the Organization to obtain information which would enable it to ascertain the results of consultations and conferences undertaken pursuant to that procedure. By adding paragraphs 7 and 8 to Article 5 [50] dealing with the obligations of members, these features were.incorporated in the draft articles of agreement.

Clarifying amendments

17. In its detailed examination of Chapter V of the Havana Charter, and in the course of framing proposals based on Chapter V, the Committee found some language which it felt ought to be clarified by minor verbal changes. These clarifications will be discussed in the order of the articles to which they relate.

18. At the beginning of paragraph 1 of Article 1 [46], provision was made for members to co-operate "with each other" as well as with the organization. Article 46 of the Havana Charter had referred only to co-operation with the organization. The change is consistent with the principle of direct consultation and co-operation 'among Members which is already provided for in Articles 2 [47] and 6 [51], and also with the recommendation of the Economic and Social Council in paragraph 1 of Eesolution 375 (XIII).

19. The French and Spanish language versions of Article 2 [47] and the French version of paragraph 1 of Article 3 [48] were slightly altered in order to establish identity of meaning among the three versions.

20. Paragraph 2 of Article 3 [48] was felt to be an unduly laconic statement of the standard of minimum information required on complaints : in particular, it did not refer the phrase "harmful effects" back to the definition in Article 1 [46]. The Committee therefore amplified this paragraph slightly to make the intention clear.

21. Paragraph 5 of Article 3 [48] in its original Havana Charter formulation had provided that the organization was to "conduct or arrange for hearings on the complaint". This was subject to two objections. First, under paragraph 2 of Article 5 [50], it was for Member States themselves to conduct any necessary investigations to supply the information needed by the organization. The term "hearings" could be interpreted to include investigatory hearings, and it was considered preferable to use language which would avoid this possibility. Secondly, it was felt that the word "hearings" might suggest the use of judicial procedures. Accordingly, the provision was modified to read that members and commercial enterprises involved in a complaint be afforded a "reasonable opportunity to .be heard". A minor clarifying amendment was also made in paragraph 6 of Article 3 [48].

22. The provisions of Chapter V relating to services were subjected to careful scrutiny by the Committee, which reviewed the current status of the specialized international organizations in the field and their competence to handle the subject of restrictive business practices. The changes adopted by the Committee are mainly of a clarifying nature.

a. A change was introduced in paragraph 3 of Article 8 [53] in order to enable the organization to obtain needed information, in accoi*-dance, however, with safeguards to members similar to those which appear elsewhere in the Havana Charter. This was done because no satisfactory way could be found to import into this article the broad provisions of paragraph 1 of Article 72 of the Havana Charter.

b. In paragraph 1 of Article 8 [53], there was made explicit what was already implied in the Havana Charter provision, namely, that restrictive business practices in the field of services should be subject to the provisions of the article only when they fulfilled the same conditions as those set forth in sub-paragraphs 2 (b) and 2 (c) of Article 1 [46] in relation to such practices in the field of goods, i.e., that they be engaged in by one or more public or private commercial enterprises which possess effective control of trade among a number of countries.

c. It was provided in paragraph 2 of Article 8 that members might resort to the special procedure provided for in the article if their interests were "adversely affected" by the harmfui effects of restrictive business practices. The text of the antecedent Havana Charter provision had required that the interests of members be "seriously prejudiced". It was considered anomalous that a requirement of "serious prejudice" be part of a procedure the consequences of which were more limited than those of the procedure pertaining to products. It was also recognized that the question whether a member's interests were either affected or prejudiced would be in any event a matter for individual determination by that member.

d. It was specified in paragraph 3 that, in the event of a failure to effect a satisfactory adjustment by consultation when a restrictive business practice in the service field was considered by a member to have harmful effects, and upon a reference of the matter to the organization, the matter should be transferred to the inter-governmental body or agency, if any, "empowered to deal" with that type of problem. The prior Havana Charter provision had merely provided for transfer to the "appropriate" intergovernmental organization, if any. Finally, an interpretative note in the Havana Charter relating to Article 8 [53] was taken over as a note to the draft agreement.

Substantive amendments

23. The Committee examined a number of other suggestions for the amendment of Chapter V; one of the more important of these is discussed in paragraphs 35 and 36. However, only one substantive amendment, of Chapter V was adopted. This, amendment is with respect to sub-paragraph (e) of paragraph 3 of Article 1 [46]. That sub-paragraph had listed as a restrictive business practice "preventing- by agreement the development or application of technology or invention whether patented or unpatented". It was felt that this was too restrictive a formulation, since the practice in question could have harmful effects if engaged in by a single large enterprise. The text adopted by the Committee now defines as a restrictive business practice "preventing by agreement, or coercion the development or application of technology or invention whether patented or unpatented, or withholding the application of such technology with the result of monopolising an industrial or commercial field" (italicized matter represents, new language added by the Committee). It will be noted that this provision does not bring within the definition of restrictive business practices the withholding of technology as such. In the Committee's opinion, a decision by a single commercial entreprise to refrain from the development and commercial application of some technological method does not, in itself, call for investigation and could not be readily investigated. There are, however, unusual cases in which one entreprise imposes its will on another, or in which the control over technology (patented or unpatented) is so far-reaching that a restrictive exercise thereof may create or extend a monopoly of a whole branch of trade. It is only in these cases that the Committee believes that the technological policy of a single entreprise may give rise to complaints which can usefully be investigated in the manner contemplated in the draft agreement.

24. During its fourth session the Committee received a proposal from the Netherlands Government to amend Article 7 [52], which provides that the operation of the draft agreement would not preclude the application by member States of any domestic legislation against restrictive business practices. The amendment proposed by the Netherlands Government would provide that Governments should take no measures under such legislation against enterprises established in another country, in respect of practices coming within the scope of the draft agreement and having no direct bearing on the domestic market of the enforcing country, until either tho practice had been declared harmful by the proposed international agency or agreement had been reached directly between the Governments concerned.

25. The Committee recognized that problems are created for all countries by overlapping jurisdictions and conflicts of laws, and was sympathetic with the desire of the Netherlands Government to find ways of reducing implications which raise serious difficulties of substance; moreover, the question arose whether the matter came properly within the Committee's competence. For these reasons, and having regard to the limited time available to the Committee, most members felt it would not be profitable to pursue the matter.

Interpretations

26. In view of its lengthy discussion of some other points in Chapter V of the Havana Charter, the Committee has thought it desirable to record its interpretation of these points.

27. Article 2 [47] and part of paragraph 1 of Article 3 [48] have to do with the consultative procedure. In the Committee's' view, a member could not, as a matter of right, have recourse to the procedure of consultation unless the member itself, as distinguished from commercial enterprises under its jurisdiction, was affected by a restrictive business practice. "While it would be for the member requesting consultation to decide whether the word "affected" applied in its case, the member receiving the request would • be equally entitled to refuse consultation on - the 'ground that the word "affected" did not apply. In eases where the organization was requested to arrange for consultation, however, it would be for the organization itself to judge whether or not consultation was justified in the sense that the word "affected" applied to a member.

28. Sub-paragraph (a) of paragraph 1 of Article 4 [49] authorizes the organization to conduct studies relating to "general aspects of restrictive business practices affecting international trade". In the Committee's view, the phrase "general aspects of" should be construed as not ruling out the type of study which would help the organization to decide whether to declare as restrictive, under sub-paragraph (g) of paragraph 3 of Article 1 [46], business practices other than those already listed in paragraph 3, or the types of study which would consist in the examination of particular practices in different industries and areas. The organization might also conduct studies relating to particular industries so long as they did not amount to investigations of particular complaints or to a substitution of the study procedure for the investigation procedure of Article 3 [48]. The organization,, at the request of a .Member, might, however, undertake a general study arising out of a complaint which had been filed pursuant to, and was already being investigated under, Article 3 [48].

29. Some question arose, in the course of the Committee's deliberations on the listing of restrictive business practices in paragraph 3 of Article 1 [46], as to the activity of exchange of information among enterprises. The Committee recognized that there was a difference between "restrictive business practices" as enumerated in paragraph 3 {e.g. price-fixing) and the many forms of business behaviour {e.g. exchange of

information) which may or may not, according to circumstances, be part of a "restrictive business practice". A number of activities, such as the exchange of information among enterprises, do not in themselves constitute restrictive business practices. The Committee felt, however, that it was not feasible to prepare a list of such activities. Had such a negative approach been adopted, each Government would have asked for particular activities to be inserted in the list and the Committee would have been faced with the necessity of drawing up a long, cumbersome yet inevitably incomplete list. This the Committee did not attempt to do.

International structure and procedures of an implementing agency

Basic problems

1. We now come to an area in which, because the Havana Charter did not contemplate an agency with a competence limited to the field of restrictive business practices, and because of problems peculiar to this field, the Committee developed entirely new provisions. The Committee had been specifically instructed to base its proposals on Chapter V of the Havana Charter, which set forth the principles which should govern international co-operation in the field of restrictive business practices. But neither the Economic and Social Council's resolution nor Chapter V, taken in isolation, contained any indications as to the nature of the agency which would implement these principles or as to the specific internal procedures that should be adopted for considering complaints or carrying out the other functions set out in Chapter V.

2. Paragraph 6 of the Council's resolution instructs the Secretary-General to make a report and recommendation as to the organization which would most appropriately implement the Committee's proposals, and, accordingly, the Committee has not broached this question[4]. Any organization which might ultimately be chosen, however, would necessarily be breaking new ground, and the Committee felt that it might be of help to the Council and the Secretary-General if it set forth proposals, in the form of articles of a draft agreement, for internal arrangements and procedures appropriate to the problems which woitld be encountered by any international agency having to deal with restrictive business practices.

3. A large part of the Committee's work' was devoted to these proposals. The Committee feels that it would unduly lengthen this report and serve no good purpose to set out at length the many possibilities which the Committee has considered and rejected, or the many arguments that were advanced for and against particular arrangements. The following paragraphs, therefore, simply summarize the proposals to which its discussions have led. The Committee feels that whatever is of value in these proposals lies in the fact that they have emerged from full discussions by representatives of ten countries of varied1 problems and interests. It is not to be expected that any country would regard these proposals as entirely satisfactory, but they indicate lines on which it may be possible to resolve different national conceptions.

4. The basic considerations which the Committee sought to bring together in these proposals and which by their nature are difficult to reconcile completely are the following :

a. The factual materials needed as a basis for a sound conclusion on the question whether a restrictive business practice has harmful effects (within the meaning of the draft agreement) should be compiled and set out in a spirit of independence and impartiality by persons with experience and knowledge of the issues ; and advice by such persons might be useful at a later stage.

b. The arrangements should reflect the fact that vital trading and economic interests of Governments might be involved in the decision of the agency and should therefore include provision for adequate control by the representatives of Governments.

Representative Body

5. The Committee agreed that paramount authority and the final power of decision within the agency should be vested in an organ consisting of the representatives of all Governments adhering to the agreement, i.e., a Representative Body. The Committee has indicated, in Article 10, some of the provisions appropriate to such a Body. While paragraph 3 of the proposed article provides that decisions of the Representative Body would normally be taken by majority vote, the Committee left open the possibility that certain decisions, such as the selection of members of an Executive Board, might be subject to special voting requirements.

Executive Board

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4. I t is for this reason that the Committee has used the •word " agency " rather than " organization " in this section of the report, and in the draft articles of agreement dealing with internal structure and procedures.

6. It also seemed clear that the number of tasks which would have to bo undertaken by the Representative Body would be too great if it tried to do everything itself. The Committee, after examining various views and suggestions, contemplated that important powers would be delegated to an Executive Board,[5] also consisting of governmental representatives but smaller than the Representative Body and able to meet more frequently.

7. The Committee has provided that the size and composition of the Executive Board, including the selection of its members, should be determined by the Representative Body, which should have regard to criteria laid down in the draft agreement (see Article 11). Members of the Board would be drawn from countries of different types of economy and different degrees of economic development, from countries in different geographical areas and from countries of chief economic importance haying regard particularly to shares in international trade. The Committee envisages that in considering different types of economy the Representative Body will have regard not only to distinctions between industrial, agricultural and other types of economy but also to distinctions arising from different degrees of dependence on international trade. As regards the last criterion — "chief economic importance" •—• it was felt that, because of the nature of the subject-matter of the draft agreement, some member Governments would inevitably be subject to heavier requirements, than others, e.g. by way of conducting investigations in. their own countries in order to provide the information needed by the agency and carrying out appropriate action in response to recommendations of the agency. It seemed, therefore, that the composition of the Board should reflect the need to encourage the maximum co-operation from these members. Finally, the composition of the Board should give due weight to each of the criteria so as not to have it unbalanced in any particular direction.

8. The Committee has also provided that the Representative Body should formulate rules and policies governing the decision-making process in the Board and entitling members of the agency who were not members of the Board but who had; a direct concern with a particular case to participate on a suitable basis in the work of the Board on that case.

Staff functions

9. The Committee envisaged two groups of staff functions, to be performed by officials in an executive secretariat and an advisory staff respectively : (a) detailed administrative duties in carrying out the policies of the Representative Body such as are necessarily delegated to a secretariat, and (b) the compilation and analysis of factual material. Provision for delegation of the latter class of activities not only relieves the Representative Body of cumbersome work for which a deliberative group is not suited, but also enables the agency to afford to representatives of Governments, chosen for their broad knowledge of policy, the services of a staff with specialized knowledge of business practices.

Preliminary luorh on complaints

10. The first main function of the agency under the investigation procedure would be to decide whether a complaint presented by a member justified investigation. The Committee agreed that, subject to policies and rules laid down by the Representative Body, various functions in this connexion should be performed by an executive secretary and his staff, e.g. examining complaints, checking the information supplied and requesting Members,1 where appropriate, to furnish supplementary information. Having carried out these preliminary steps, the executive secretary would prepare and transmit to the Representative Body a report advising whether the complaints satisfied prima facie the conditions laid down in the draft agreement, and, if not, the respects in which they failed to do so. He would also advise in his report whether any particular sequence would be appropriate for handling the complaints (see Article 14).

11. It would be for the Representative Body to decide in relation to complaints whether the conditions of the agreement had been satisfied and whether investigations should proceed. The Committee felt that in assigning to particular complaints i^laces in a programme of investigation, the agency should be careful to avoid appearing to lay down an order of importance of restrictive business practices or discriminating between particular complaints. The Committee further provided in the draft agreement that if no member, within... days

5. For convenience tho term Representative Body is used throughout tho following paragraphs of this report when reference is made to functions to be porformed by representatives of Governments. Tho Committee envisages, however, that many such fimctions might in practice bo performed by the Executive Board.

after the executive secretary had transmitted his advice, had submitted any observation thereon to the Representative Body, the proposals contained in such advice would be regarded as adopted by the Representative Body.

Conduct of investigations

12. After a decision that an investigation was justified, the executive secretary would inform all members of the complaint and request them to supply any necessary additional information. Thereafter there would be three main stages in dealing with a complaint :

a. Examining, analysing and setting out the information received ;

b. Deciding whether the practice in question has had, has, or is about to have, harmful effects within the meaning of the draft agreement ; and

c. Making recommendations in appropriate cases to member Governments as to remedial measures.

13. The Committee agreed that the Representative Body could not itself undertake the burden of detailed examination and analysis of the information and that the work should therefore be delegated. It appeared to the Committee, however, that this work differed in character from that allocated to the executive secretary. In order to ensure careful, objective and impartial investigations and reports, the Committee felt that there would be a need to secure the services of a body of persons of standing, each with wide knowledge of industrial and commercial problems and high competence in evaluating economic factors, and that this body of persons should collectively provide an appropriate balance of experience and familiarity with the economic background of different industries and countries. The Committee considered it important that this body should have a status appropriate to its particular tasks in that it should be given direct contact with the Representative Body. The Committee also believed that its members should be differentiated from the rest of the agency's personnel by special procedures for staffing, to be devised by the Representative Body.

14. Accordingly, the Committee has provided (Article 13) that there be established within the agency an advisory staff under the supcrvision of a director appointed by and responsible to the Representative Body. The director would select the other members of the staff in accordance with standards set forth in the draft agreement and any rules laid down by the Representative Body. He could also recruit consultants, subject to similar standards and rules. One of the standards laid down is that due regard should be had to the desirability of drawing staff from different geographical areas.

15. In carrying out its functions, the advisory staff would act in accordance with any policies and rules prescribed by the Representative Body (Article 15). The main function of the advisory staff would be to examine the available information on a complaint and set out in a report the facts revealed by this information together with such analysis of their effects and significance, in relation to the objectives stated in the preamble to the draft agreement, as would assist the Representative Body to carry out its responsibilities. The director of the advisory staff would organize this work and would arrange for interested parties, if they wished, to be heard by the staff, but without precluding them from being heard by the Representative Body if it and they so desired. The draft articles, like Chapter V of the charter, give the agency no powers to call witnesses, or to seek information directly from business enterprises, and the advisory staff would have no such powers.

16. The responsibility for arriving at conclusions as to the harmfulness of restrictive business practices and for any appropriate recommendations as to remedial action would lie with the Representative Body. The Committee felt, however, that in this connexion, and possibly in others, there would be a place for advice to be given to the Representative Body by the advisory staff, which would presumably have aquired a very detailed knowledge of matters under consideration. The draft agreement accordingly provides that, in addition to its other functions, the advisory staff should be charged with the general task of advising the Representative Body, subject to any limitations which that Body might see fit to lay down.

17. Under the Committee's proposals, as has been seen, decisions as to the harmful effects of a restrictive business practice, and as to remedial measures to be recommended to member Governments, rest with the Representative Body. The report of the advisory staff is intended to supply the facts and interpretative material upon which the Representative Body can base these decisions. It is therefore appropriate to provide (Article 16) that, when such a report has been submitted, the Representative Body may refer it back to the advisory staff, with its observations and, if necessary, a request for it to be clarified, amplified or re-examined. Nothing in the articles of the draft agreement would preclude the Representative Body from employing, if it so desired, a procedure by which a report of the advisory staff would be deemed to have been adopted by the Representative Body if, within a specified time after receipt of the report, no request for rejection or

modification thereof has been made by any member of the Representative Body. In the published report of the Representative Body, there would be included, in its entirety, the final report of the advisory staff. (See Article 17).

Other staff functions

18. If the Representative Body decided upon a study pursuant to the provisions of Article 4 [49], the director would arrange for the conduct of the study by the advisory staff within terms of reference prescribed by the Representative Body. Reports of such studies would be prepared for consideration by the Representative Body.

19. In addition to his functions described in paragraphs 49 and 50 above, the executive secretary would also have the following tasks assigned to him :

a. The routine work involved in arrangements for consultation and co-operation with other inter-governmental bodies and agencies and with non-governmental organizations ;

b. The administrative handling of the "good offices" functions involved in the consultation procedure ;

c. Obtaining of information from Governments in connexion with studies relating to restrictive business practices.

Other procedural provisions

1. The Committee has incorporated in its proposals other procedural provisions relating to the entry into force of the draft agreement and to amendment, withdrawal and termination. It has also engaged in discussions as to the scope of its proposals and the inter-action between private and governmental restrictions on trade.

Entry into force

2. The proposed conditions for entry into force of the draft agreement are contained in Article 18. In the last resort, countries, however few, which believed that the agreement would be useful, could bring it into effect by negotiations among themselves. This possibility is recognized in paragraph 3 of the article.

3. The Committee has sought, however, in conformity with the usual practice, to define conditions in which entry into force would automatically take place. This is the purpose of paragraph 2 of Article 18, and in drafting its provision the Committee was governed by the opinion of its members as to the minimum adherence that would produce a widely acceptable and generally effective arrangement. There are alternatives in this paragraph because two principal views were evident in the Committee. One view was to the effect that the agreement would be widely acceptable and generally effective if subscribed to by at least twenty countries, accounting for at least 65 per cent of world trade without any additional qualification. This view is reflected in sub-paragraph (a). The other view was to the effect that the agreement would not be widely acceptable or generally effective unless those twenty or more countries included six countries each accounting for at least 3 per cent of world trade. This view was reflected in sub-paragraph (6). (It may be mentioned that, on the basis of figures published by the Statistical Office of the United Nations, the only countries for which published data of imports and exports were available for 1951 and which accounted individually for 3 per cent or more of world trade were the United Kingdom, the United States, Prance, Canada, Germany, the Netherlands and Belgium, in that order.)

4. Since the conditions of sub-paragraph (a) are necessarily met if the conditions of subparagraph (b) are met, but since the converse is not true, the final sentence of paragraph 2 points out, for the purposes of this article, the right already inherent in any country to stipulate that its instrument of acceptance shall have effect only if the terms of sub-paragraph (b) are satisfied.

Amendment, withdrawal and termination

5. The provisions of the draft article of agreement relating to amendment, withdrawal and termination (Article 19) have been largely patterned on similar provisions in Articles 100 and 102 of the Havana Charter. Only such provisions have been proposed as are considered to be directly relevant to the problem at hand.

European Goal and Steel Community

6. The Committee discussed the problems which might arise by reason of the existence of the European Coal and Steel Community (see paragraph 24 above). It was pointed out that, under the treaty creating the Community, Belgium, France, Germany, Italy, Luxembourg and the Netherlands had relinquished, and the Community had assumed, certain responsibilities concerning the coal and steel industries located in the six States, for the purpose of creating a common market. It was agreed, therefore, that trade within the Community in products subject to the terms of the treaty must, for the purposes of the draft agreement, be regarded as trade within a single national area, and that only trade between the Community and countries outside the Community could be considered as coming within the meaning of the term "international trade" in paragraph 1 of Article 1 [46].

7. Without having had the opportunity to consult the Community, and appreciating the fact that such consultation would eventually be necessary, the Committee envisaged the possibility of dealing with this situation along the following lines. The European Coal und Steel Community would be afforded the opportunity of providing an undertaking that, in the exercise of the powers which the treaty confers upon it and to the extent that such powers permit, it would act in accordance with the obligations which would apply if the Community were a single contracting State to this draft agreement. Thereupon, in accordance with appropriate rules of procedure to be adopted for the purpose, the organization would grant the Community a status under the draft agreement appropriate to the discharge of the obligations which the Community had assumed. The Committee was also of the view that, if the Community agreed to assume such an obligation, some provision would have to state, for purposes of this draft agreement, the division of responsibility between the six member States and the Community, in order that the organization and other signatory States would be clear as to the appropriate authority to which they should turn in dealing with a particular matter.

8. The Committee agreed that it would be desirable to have the participation of the European Coal and Steel Community before more definite proposals on the problem were developed, and recommends therefore that the Economic and Social Council should invite a representative of the Community to participate in any subsequent deliberations on the subject.

Scope of the Committee's proposals

9. Finally, the Committee desires to .draw attention to a basic limitation of its work.

10. As was stated in paragraph 13 above, the Havana Charter provided for an International Trade Organization which would have dealt comprehensively with many problems affecting international trade. The charter did not come into force, and the Committee has been compelled to examine in isolation Chapter V of the charter, which deals with only one of those problems—that of restrictive business practices. This does not mean that the Committee's proposals are intended to bring into being a separate international agency to implement Chapter V. The question as to which organization could most appropriately implement proposals worked out by the Committee was remitted to the Secretary- General in paragraph 6 of the Council's resolution.

11. As indicated in paragraph 11 above of this report, the Committee's proposals are all ad referendum and, because the jurisdictional question described above must remain unresolved for the time being, an added reason exists why some of the Committee's proposals should be provisional. The Committee thinks it may be useful to illustrate this point.

12. (a) Preamble. •— The Committee considered it important to incorporate a preamble in the draft agreement. However, the organization which might be. charged with implementing the agreement might already have some similar statement of objectives. If so, it might be appropriate to revise the Committee's draft Preamble in the light of that statement, keeping in mind the considerations set forth in paragraphs 16 and 17 above.

13. (b) Article 3, paragraph 4; Article 9, etc. — Several of the Committee's proposed amendments and additions to the text of chapter V arise from the fact that references to other parts of the charter would have no meaning in a new draft agreement. Among the Committee's proposals are procedures which may be needed when governmental measures, which are outside the scope of the draft agreement, have a bearing on the work of the proposed agency. There are also procedures for consulting other intergovernmental bodies. The organization under whose jurisdiction the proposed agency might be placed, might, however, have its own procedures with regard to certain governmental measures and its own pre-existing arrangements for consultation with other bodies. This, too, might entail revisions.

14. (c) Internal structure and procedures. — The Committee has made proposals as to the internal working of a restrictive business practices agency. These proposals would need to be reviewed in the light of whatever arrangements might be adopted for establishing such an agency within some wider organization, but without losing sight of the special characteristics of the work to be performed. For example, the Committee has envisaged two officers serving the' agency in different ways—an executive secretary and a director of an advisory staff. The question would arise as to the relationship of these officials to the chief administrative officer of the parent organization and of their staffs to the structure of its general secretariat; The relations between the Representative Body and Executive Board of the agency and representative organs or sub-groups of the parent organization would also have to be worked out.

15. (d) The solution of the jurisdictional issue may also determine the way in which the problem of interaction between restrictive business practices and governmental measures is to be handled (paragraphs 71 et seq).

16. These examples are not necessarily exhaustive.

The inter-relation betiveen restrictive business practices and other barriers to trade

17. While the Committee has not attempted to cover the ground which the Secretary-General will be covering in making his recommendation to the Economic and Social Council on the jurisdictional issue, in the course of its discussions the Committee has touched on this problem, which has a direct bearing on the Committee's work. Some observations arising from the Committee's discussions may usefully throw light on the nature of the problem involved.

18. The expansion of international trade may, in some circumstances, be hindered by restrictive business practices, but it may also be hindered by governmental measures. At times governmental measures and restrictive business practices operate independently and at other times they inter-act in various ways. For example, restrictive agreements may arise as a direct reaction to governmental measures, and sometimes the objective sought through restrictive arrangements could be achieved by analogous governmental measures.

19. The frequency with which these interactions occur may be great or small—this is a matter of conjecture —but whore they do occur an agency dealing solely with restrictive business practices on the lines of Chapter V of the Havana Charter may encounter difficulties. A sound conclusion as to the harmfulness of a restrictive business practice should take account of all the surrounding circumstances, including any governmental action which might have caused the practice. It is possible that, if these interactions were ignored, the agency could not find acceptable and effective solutions. For example there might be no remedy appropriate to a practice unless action were taken at the same time about a related governmental measure. Yet a thorough exploration of such inter-actions would take the- agency outside the scope of Chapter V and into the field of general commercial policy.

20. Some members of the Committee draw the conclusion that the proposed agency would obtain the necessary degree of support only if— as was intended in the original proposal for an International Trade Organization in the Havana Charter—it formed part of a wider body with comprehensive responsibilities in the field of international trade as a whole. In their view, this would allow restrictive business practices to be properly considered side by side with any governmental measures with which they interacted.

21. Some members of the Committee make the further point that only in this way could a reasonable equivalence of obligations be assured as between different Governments. Their argument runs on the following lines. Unduly restrictive policies of Governments often do serious-damage to the industries of other countries. The Governments of those countries might well be unwilling to expose their industries to international investigation of allegedly harmful restrictive business practices — especially if the complaint arose at the instance of a Government whose policy was causing hardship to their industries — unless1 the governmental restrictions which were causing hardship could be investigated under the auspices of a comprehensive international agency. In the absence of some reasonable equivalence of obligations, it would scarcely be possible for the procedures suggested in the draft agreement to command public acceptance in the countries whose industries might be investigated, and this difficulty could not be resolved by loose consultative arrangements between a body dealing with restrictive business practices and other bodies, differently constituted, dealing with governmental restrictions.

22. Other members of the Committee were of the view that the agency would serve a useful purpose, whether or not it was directly associated with an organization dealing with commercial policy. They think that governmental barriers can provide as formidable an obstacle to world trade as restrictive business practices, and they believe that there may be situations in which a close inter-action exists beween the two types of

barriers. They believe that the importance of this relationship depends largely on its frequency and they see no basis in past experience for assuming that the problem of inter-action would arise more than infrequently. On the contrary, they feel that the body of cases of restrictive business practices, uncomplicated by issues of governmental action, is sufficiently large and sufficiently important that it readily merits apparatus devoted exclusively to the problem.

23. In any case, these other members point out that Governments have long since come realistically to accept the concept that different types of trade barriers must be dealt with at a different pace and through different organizational arrangements. For example, the International Monetary Fund, which is charged with the problem of dealing with exchange restrictions, was established several years before any organization had been set up to deal with the problem of import restrictions, the close companion of exchange restrictions; and the General Agreement on Trade and Tariffs was established without any parallel organization with respect to restrictive business practices. Both the International Monetary Fund and the General Agreement, in turn, Avere created at a time when no formal arrangements had been developed for continuous consideration of commodity agreements and commodity allocations, problems which are intimately related to trade barrier problems. In each of these fields, notwithstanding their inter-relationships, machinery for international action was developed at its own pace and in its own form. The problems of liaison and consistency of pace have proved far less difficult in actuality than in the abstract. A common core of membership in these groups, supplemented by the enterprise of tho secretariats, by arrangements similar to those provided in Article 9 of the draft agreement, and by a few formal ties, have created a reasonably workable system.

24. No full reconciliation of the views expressed in paragraphs 74 to 77 has emerged from the Committee. In general, however, the Committee is convinced that the arrangements to be adopted, in order to be workable and effective, should take account of the need to secure the willing co-operation of all the countries concerned.

Appendix 2 ANNEX I - Economic and Social Council Resolution 375 (XIII) 13 September, 1951

The Economic and Social Council,

Recognizing that restrictive business practices on the part of private or public commercial enterprises which, in international trade, restrain competition, limit access to markets and to the means of production necessary for economic development or foster monopolistic control, may have harmful effects on the expansion of production or trade, on the economic development of under-developed areas, on standards of living and on the other aims and objectives set out in Chapter I of the Havana Charter ;

Recognizing that national and co-operative international action is needed in order to deal effectively with such practices ; and

Noting that various Governments and international bodies have taken or are considering individual or collective action in this field, but that the Council has not dealt directly with the problem of restrictive business practices,

1. Recommends to States Members of the United Nations that they take appropriate measures and co-operate with one another to prevent, on the part of private or public commercial enterprises, business practices affecting international trade which restrain competition, limit access to markets or foster monopolistic control, whenever such practices have harmful effects on the expansion of production or trade, on the economic development of underdeveloped areas or on standards of living ;

2. Recommends that the measures adopted in the cases and for the purposes stated in the preceding paragraph shall be based on the principles set forth in Chapter V of the Havana Charter, concerning restrictive business practices ;

3. Establishes an ad hoc Committee of Restrictive Business Practices consisting of the following Member States : Belgium, Canada, France, India, Mexico, Pakistan, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay ;

4. Determines that the Committee shall prepare and submit to the Council as soon as possible, and in any case no later than March 1953, proposals on methods to be adopted by international agreement for implementing the recommendation in paragraph 1 above, including, inter alia, provision for continuing consideration of problems of restrictive business practices. In preparing its proposals, the Committee may consult with interested Governments, specialized agencies, inter-governmental organizations and nongovernmental organizations ;

5. Determine s further that the Committee shall

   a. Obtain information from Governments, specialized agencies and other sources, on restrictive business practices, whether based on cartel agreements or not, that affect international trade and international economic co-operation generally, and on legislation adopted and measures taken by individual Member States in connexion with restrictive business practices and with the object of restoring the freedom of competition ; and

   b. Present to tho Council analyses of this information together with tho proposals mentioned in paragraph 4 ; and

6. Instructs tho Secretary-General to seek from any appropriate inter-governmental bodies or agencies their views as to the organization which could most appropriately implement these proposals and, in the light of those views, to mako a report and recommendation at a later session of tho Council.

Appendix 3 ANNEX II - Draft Articles of Agreement

PREAMBLE

For the purpose of realizing the aims set forth in the Charter of the United Nations, particularly the attainment of the higher standards of living, full employment and conditions of economic and social progress and development, envisaged in Article 55 of that Charter ;

Recognizing the need for co-ordinated national and international action to attain the following objectives :

1. To promote the reduction of barriers to trade, governmental and private, and to promote on equitable terms access to markets, products, and productive facilities ;

2. To encourage economic development, industrial and agricultural, particularly in underdeveloped areas ;

3. To contribute to a balanced and expanding world economy through greater and more efficient production, increased income and greater consumption, and the elimination of discriminatory treatment in international trade ;

4. To promote mutual understanding and cooperation in the solution of problems arising in the field of international trade in all its aspects ;

Recognizing further that national and international action in the field of restrictive business practices can contribute substantially to the attainment of such overall objectives ;

Accordingly the parties to this Agreement agree as follows :

ARTICLE 1

General policy towards restrictive business practices

1. Each Member shall take appropriate measures and shall co-operate with other Members and the Organization to prevent, on the part of private or public commercial enterprises, business practices affecting international trade which restrain competition, limit access to markets, or foster monopolistic control, whenever such practices have harmful effects on the expansion of production or trade, in the light of the objectives set forth in the Preamble to this Agreement.

2. In order that the Organization may decide in a particular instance whether a practice has or is about to have the effect indicated in paragraph 1, the Members agree, without limiting paragraph 1, that complaints regarding any of the practices listed in paragraph 3 shall be subject to investigation in accordance with the procedure regarding • complaints provided 'for in Articles 3 and 5, whenever

a. Such a complaint is presented to the Organization; and

b. The practice is engaged in, or made effective, by one or more private or public commercial enterprises or by any combination, agreement or other arrangement between any such enterprises; and

c. Such commercial enterprises, individually or collectively, possess effective control of trade among a number of countries in one or more products.

3. The practices referred to in paragraph 2 are the following :

a. Fixing prices, terms or conditions to be observed in dealing with others in the purchase, sale or lease of any product ;

b. Excluding enterprises from, or allocating or dividing, any territorial market or field of business activity, or allocating customers, or fixing sales quotas or purchase quotas ;

c. Discriminating against particular enterprises ;

d. Limiting production or fixing production quotas ;

e. Preventing by agreement or coercion the development or application of technology or invention whether patented or unpatented, or withholding tho application of such technology with the result of monopolizing an industrial or commercial field ;

f. Extending the use of rights under patents, trade maries or copyrights granted by any Member to matters which, according to its laws and regulations, aro not within the scope of such grants, or to products or conditions of production, use or sale which aro likewise not the subjects of such grants ;

g. Any similar practices which the Organization may declare, by a majority of two-thirds of the Members present and voting, to be restrictive business practices.

ARTICLE 2

Consultation procedure

Any affected Member which considers that in any particular instance a practice exists (whether engaged in by private or public commercial enterprises) which has or is about to have the effect indicated in paragraph 1 of Article 1 may consult other Members directly or request the Organization to arrange for consultation with particular Members with a view to reaching mutually satisfactory conclusions. If requested by the Member and if it considers such action to be justified, the Organization shall arrange for and assist in such consultation. Action under this article shall be without prejudice to the procedure provided for in article 3.

ARTICLE 3

Investigation procedure

4. In accordance with paragraphs 2 and 3 of Article 1, any affected Member on its own behalf or any Member on behalf of any affected person, enterprise or organization within that Member's jurisdiction, may present a written complaint to the Organization that in any particular instance a practice exists (whether engaged in by private or publie commercial enterprises) which has or is about to have the effect indicated in paragraph 1 of Article 1 ; provided that in the case of complaints against a public commercial enterprise acting independently of any other enterprise, such complaints may be presented only by a Member on its own behalf and only after the Member has resorted to the procedure of Article 2.

5. The Organization shall prescribe the minimum information to be included in complaints under this article. This information shall give substantial indication of the nature of the practices and the reasons for alleging the effects indicated in paragraph 1 of Article 1.

6. The Organization shall consider each complaint presented in accordance with paragraph 1. If the Organization deems, it appropriate, it shall request Members concerned to furnish supplementary information, for example, information from commercial enterprises within their jurisdiction. After reviewing the relevant information, the Organization shall decide whether an investigation is justified.

7. It the Organization is satisfied that the practice in question has been specifically required by governmental measures existing prior to the complaint, no further investigation under the provisions of this Article shall be undertaken ; provided, however, that any practice found to exist in more than one country may be further investigated in the discretion of the Organization if such practice is not so specifically required in all countries in which it is found to exist. Tho Organization may, however, bring-to the attention of Members or of any appropriate inter-governmental body or agency, with such observations as it may desire to make, aspects of governmental measures that specifically require restrictive business practices, or aspects of practices thus required, which may have the effect indicated in paragraph 1 of Article 1.

8. If tho Organization decides that an investigation is justified, it shall inform all Members of the complaint, request any Member to furnish such additional information relevant to tho complaint as the Organization may deem necessary, and shall subsequently afford any Member, and any person, enterprise or organization on whose behalf the complaint has been made, as well as tho commercial enterprises alleged to have engaged in the practice complained of, reasonable opportunity to bo hoard.

9. The Organization shall review all information available and decide whether tho conditions specified in paragraphs 2 and 3 of Article 1 are present and, if so, whether tho practice in question has had, has or is about to have tho effect indicated in paragraph 1 of that article.

10. The Organization shall inform all Members of its decision and tho reasons therefor.

11. If tho Organization decides that in any particular case the conditions specified in paragraphs 2 and 3 of Article 1 are present and that the practice in question has had, has or is about to have the effect indicated in paragraph 1 of that article, it shall request each Member concerned to take every possible remedial action, and may also recommend to the Members concerned remedial measures to be carried out in accordance with their respective laws and procedures.

12. Tho Organisation may request any Member concerned to report fully on the remedial action it has taken in any particular case.

13. As soon as possible after its proceedings in respect of any complaint under this article have been provisionally or finally closed, the Organization shall prepare and publish a report showing fully the decisions reached, tho reasons therefor and any measures recommended to the Members concerned. The Organization shall not, if a Member so requests, disclose confidential information furnished by that Member, which if disclosed would substantially damage th e legitimate business interests of a commercial enterprise.

14. The Organization shall report to all Members and make public the remedial action which has been taken by the Members concerned in any particular case.

ARTICLE 4

Studies relating to restrictive business practices

15. The Organization is authorized

a. to conduct and publish the results of studies, either on its own initiative or at the request of any Member or of any organ of the United Nations or of any other inter-governmental body or agency, relating to

1. general aspects of restrictive business practices affecting international trade ;

2. conventions, laws and procedures concerning, for example, incorporation company registration, investments, securities, prices, markets, fair trade practices, trade marks, copyrights, patents and the exchange and development of technology in so far as they are relevant to restrictive business practices affecting international trade ; and

3. the registration of restrictive business agreements and other arrangements affecting international trade ; and

b. to request information from Members in connexion with such studies.

16. The Organization is authorized :

a. to make recommendations to Members concerning such conventions, laws and procedures as are relevant to their obligations under this Agreement ; and

b. to arrange for conferences of Members to discuss any matters relating to restrictive business practices affecting international trade.

ARTICLE 5

Obligations of Members

17. Each Member shall take all possible measures by legislation or otherwise, in accordance with its constitution or system of law and economic organization, to ensure, within its jurisdiction, that private and public commercial enterprises do not engage in practices which are as specified in paragraphs 2 and 3 of Article 1 and have the effect indicated in paragraph 1 of that article, and it shall assist the Organization in preventing these practices.

18. Each Member shall make adequate arrangements for presenting complaints, conducting investigations and preparing information and reports requested by the Organization.

19. Each Member shall furnish to the Organization, as promptly and as fully as possible, such information as is requested by the Organization for its consideration and investigation of complaints and for its conduct of studies under this Agreement; provided that any Member, on notification to the Organization, may withhold information which the Member considers is not essential to tho Organization in conducting an adequate investigation and which, if disclosed, would substantially damage the legitimate business interests of a commercial enterprise. In notifying the Organization that it is withholding information pursuant to this clause, the Member shall indicate the general character of the information withheld and the reason why it considers it not essential.

20. Each Member shall take full account of each request, decision and recommendation of tho Organization under Article 3 and, in accordance with its constitution or system of law and economic organization, take in the particular case tho action it considers appropriate having regard to its obligations under this Agreement.

21. Each Member shall report fully any action taken, independently or in concert with other Members, to comply with the requests and carry out the recommendations of tho Organization and, when no action lias been taken, inform tho Organization of tho reasons therefor and discuss the matter further with tho Organization if it so requests.

22. Each Member shall, at tho request of tho Organization, take part in consultations and conferences provided for in this Agreement with a view to reaching mutually satisfactory conclusions.

23. Each Member shall inform the Organization of the results of consultations and conferences provided for in this Agreement in which such Member has participated.

24. Nothing in this Agreement shall be construed to require a Member to furnish any information the disclosure of which it considers contrary to its essential security interests.

ARTICLE 6

Co-operative remedial arrangements

25. Members may co-operate with eacb other for the purpose of making more effective within their respective jurisdictions any remedial measures taken in furtherance of the objectives of this Agreement and consistent with their obligations under other provisions of this Agreement.

26. Members shall keep the Organization informed of any decision to participate in any such cooperative action and of any measures taken.

ARTICLE 7

Domestic measwres against restrictive business practices

No act or omission to act on the ' part of the Organization shall preclude any Member from enforcing any national statute or decree directed towards preventing monopoly or restraint of trade.

ARTICLE 8

Special procedures in respect of services

27. The Members recognize that certain services, such as transportation, telecommunications, insurance and the commercial services of banks, are substantial elements of international trade and that any restrictive business practices by enterprises engaged in these activities in international trade may have harmful effects similar to those indicated in paragraph 1 of Article 1. Such practices, when (a) they are engaged in or made effective by one or more private or public commercial enterprises or by any combination, agreement or other arrangement between any such enterprises and (&) such commercial enterprises, individually or collectively, possess effective control of trade in one or more services among a number of countries, shall be dealt with in accordance with the following paragraphs of this article.

28. If any Member considers that there exist restrictive business practices in relation to a service referred to in paragraph 1 which have or are about to have harmful effects similar to those indicated in paragraph 1, and that its interests are thereby adversely affected, the Member may submit a written statement explaining the situation to the Member or Members whose private or public enterprises are fen-gaged in the services in question. The Member or Members concerned shall give sympathetic consideration to the statement and to such proposals as may be made and shall afford adequate opportunities for consultation, with a view to effecting a satisfactory adjustment.

29. If no adjustment can be effected in accordance with tho provisions of paragraph 2, and if the matter is referred to the Organization, it shall he transferred to the inter-governmental body or agency, if one exists, empowered to deal with that type of problem, with such observations as the Organization ma3' wish to make. If no such inter-governmental body or agency exists, and if Members so request, the Organization may make recommendations for, and promote international agreement on, measures designed to remedy the particular situation so far as it comes within tho scope of this Agreement. For the purpose of framing such recommendations, the Organization may mnke such arrangements as it deems appropriate to obtain information from Members and, subject to the proviso of paragraph 3 of Article 5 and to paragraph 8 of Article 5, Members shall co-operate with tho Organization accordingly, provided that duo regard is had to their legal and constitutional systems.

ARTICLE 9

Oilier procedures

30. Whore measures taken by a Member or an inter-governmental body or agency, or business practices required or approved by any such measure, relate to the work of the Organization, the Organization may bring tho effect of these measures or practices on its work to the attention of tho Member or intergovernmental body or agency, resiDcctively, with such observations as it may desire to make.

31. Tho Organization shall make arrangements with other inter-govermnental bodies or agencies to provide for effective co-operation with respect to restrictive business practices and the avoidance of unnecessary duplication of activities in connexion therewith. The Organization may for this purpose consult with such bodies or agencies, arrange for joint committees and reciprocal representation at meetings, and establish such other working relationships ns may be appropriate.

32. For the purpose of this article, the words "intergovernmental bodies or agencies" shall be deemed to include entities which have responsibility in the field of restrictive business practices and which possess sovereign powers through a delegation of sovereignty by two or more States.

33. The Organization may make suitable arrangements for consultation and co-operation with nongovernmental organizations concerned with matters within the scope of this- Agreement.

ARTICLE 10

The Representative Body

34. The Representative Body shall consist of all Members of the agency. Each Member shall have one representative in the Representative Body and may appoint alternates and advisers to its representative.

35. Each Member shall have one vote in the Representative Body.

36. Except as otherwise provided in this Agreement, decisions of the Representative Body shall be taken by a majority of the Members present and voting.

37. The Representative Body shall meet in regular sessions at intervals determined by it and in such special sessions as shall be convoked by the executive secretary upon request by the Executive Board or by one-third of the Members of the Reprer-sentative Body.

38. The Representative Body shall establish its rules of procedure, and shall elect its chairman and other officers.

39. The powers and duties attributed to the agency by this Agreement and the final authority to determine the policies of the agency shall be vested in the Representative Body.

ARTICL E 11

Executive Board

40. There shall be an Executive Board.

41. Except in so far as the Representative Body may decide to reserve to itself specific functions or duties and the powers appropriate thereto, the Executive Board shall carry out the functions and duties of the Representative Body and exercise its powers ; provided that the Executive Board may refer any question relating to the carrying out of such functions or duties to the Representative Body or may request the Representative Body to assume any such function or duty.

42. The size, composition and voting procedures of the Executive Board shall be determined by the Representative Body.

43. The members of the Executive Board shall be selected by the Representative Body.

44. In selecting the members of the Executive Board, the Representative Body shall have regard to the objectives of including Members from the different types of economies and degrees of economic development to bo found among Members of the agency, from the broad geographical areas to which the Members belong, and from countries of chief economic importance, for which last criterion particular regard shall be paid to Members' shares in international trade.

45. In accord with policies and procedures established by the Representative Body, Members of the agency which are not members of the Executive Board may take part in the work of the Board when matters of direct concern to them are under consideration.

ARTICLE 12

Executive secretary

The chief administrative officer of the agency shall be the executive secretary.

ARTICLE 13

Advisory staff

46. The chief advisory officer of the agency shall bo the director of the advisory staff. He shall bo appointed by tho Representative Body and be subject to its general supervision.

47. In accordance with any rules laid down by tho Representative Body, the director shall select the advisory staff and any necessary consultants to it.

48. Members of the advisory staff shall be selected in the light of the following considerations :

a. Knowledge and experience of the working and problems of different types of economy shall be available so as to secure, so far as possible, a proper balance of advice ;

b. Due regard shall bo had to tho desirability of drawing staff from different geographical areas ;

c. The paramount considerations in the selection of candidates shall be their competence, integrity, openmindedness and impartiality as individuals.

49. The advisory staff shall exercise its functions in complete independence, in the general interest of all Members, and shall neither solicit nor accept instructions from any Government.

ARTICLE 14

Functions of the Executive .Secretary

Pursuant to policies and rules prescribed by the Representative Body, the executive secretary shall perform the following functions :

a. arranging for and assisting in consultations pursuant to the provisions of Article 2 ;

b. examining complaints, checking that the minimum information prescribed in accordance with paragraph 2 of Article. 3 has been supplied, and, where appropriate, requesting Members to furnish supplementary information pursuant to the provisions of paragraph 3 of Article 3 ;

c. preparing and transmitting to the Representative Body advice in the form of proposals as to (i) whether investigations are justified pursuant to the last sentence of paragraph 3 of Article 3, and (ii) whether any designated sequence is appropriate for them in the. programme of investigatory work ; provided that, if no Member has within... days submitted observations on any such proposals to the Representative Body, the proposals shall be regarded as adopted, as the decision of the Representative Body ;

d. informing .Members and requesting information pursuant to paragraph 5 of Article 3, Article 4 and paragraph 3 of Article 8. In requesting infor-.mation pursuant to this sub-section the executive secretary shall consult the director of the advisory staff with reference to the types of information required ;

e. making administrative arrangements for the advisoiy staff ; provided, however, that the selection of members of the advisoiy staff shall be carried out in accordance with paragraphs 2 and 3 of Article 13. It shall at,all times be the duty of the executive secretary to facilitate the work of the advisoiy staff.

ARTICLE 15

Functions of the advisory staff

50. Pursuant to policies and rules prescribed by the Representative Body, the advisoiy staff shall (a) perform the functions set out in the following paragraphs of this article and (6) advise the Representative Body, subject to any limitations established by that Body.

51. Afte r the executive secretary has collected information relating to a complaint in pursuance of the relevant provisions of Article 3, and has transmitted it to the director of the advisoiy staff, the director shall arrange for the analysis of the information and for the preparation of a report by the advisory staff.

52. The director of the advisory staff shall arrange for opportunities to be given in accordance with paragraph 5 of Article 3, for any Member or any person, enterprise or organization on whose behalf tho complaint has been made, or any commercial enterprise alleged to have engaged in the practice complained of, to bo heard by the advisory staff ; provided, however, that the Representative Body in its discretion may afford opportunities for such persons to be heard by it after it has received tho report of the advisory staff.

53. Tho report of the advisory staff shall set out the facts established by the information aforesaid, together with such analysis of their effects and significance in relation to tho objectives of the Agreement as may assist the Representative Body in carrying out tho duties laid on it by the Agreement.

54. When, in accordance with paragraph 3 of Article 8, the Representative Body shall have arranged for the collection of information from Members, all such information collected by the executive secretary shall bo transmitted to the director of the advisory staff who shall arrange for its analysis and for the preparation of a report in accordance with paragraph 4 of this article.

55. Reports by tho advisory staff shall be submitted to tho Representative Body.

56. In rcsponso to any request transmitted by tho executive secretary, the director of the advisory staff shall arrange for tho conduct by the advisory staff of such studies as the Representative Body may decide upon pursuant to the provisions of Article 4 and within terms of reference prescribed by it, and for the preparation of reports of such studies for consideration by the Representative Body.

57. It shall be tho duty of the director of the advisory staff to give such advice and assistance as may be requested by the executive secretary in carrying out his functions and duties under Article 14.

ARTICLE 16

Action of the Representative Body on complaints

58. Tho Representative Body, in carrying out the duties laid on it by this Agreement, shall take full account of reports of the advisory staff.

59. At its discretion the Representative Body may refer reports back to the advisory staff with a request for' any material in such report to be clarified or amplified or to be re-examined in the light of any observations transmitted by the Representative Body to the advisory staff.

ARTICLE 17

Content of reports

The Representative Body shall include in any report, prepared in accordance with paragraph 10 of Article 3, the report of the advisory staff as submitted to it after any reference back in accordance with paragraph 2 of Article 16.

ARTICLE 18

Entry into force

60. The Government of each State accepting the Agreement shall deposit an instrument of acceptance with..., who will inform all Governments that have deposited such instruments of the date of deposit of such instrument of acceptance and of the day on which the Agreement enters into force. After the entry into force of the Agreement, each instrument of acceptance so deposited shall take effect on the sixtieth day following the day on which it is deposited..

61. The Agreement shall enter into force on the sixtieth day following the day on which either of the following conditions is fulfilled :

a. The number of Governments which have deposited instruments of acceptance shall reach twenty or more and shall cover 65 per cent or more of the total value of world imports and exports, as set forth in Appendix A ;

b. The number of Governments which have deposited instruments of acceptance shall have reached twenty or more and shall cover 65 per cent or more of the total value of world imports and exports as set forth in Appendix A, and shall include six countries which individually have 3 per cent or .more of such total value.

62. Governments which wish to deposit instruments of acceptance applicable only to sub-paragraph (&) of this paragraph may so elect.

63. If this Agreement shall not have entered into force by..., the... shall invite those Governments which ^ have deposited instruments of acceptance, to enter into consultation to determine whether and on what conditions they desire to bring this Agreement into force.

ARTICLE 19

Amendment, withdrawal and termination

64. Airy amendment to this Agreement which does not alter tho obligations of Members shall become effective upon approval by the Representative Body by a two-thirds majority of its Members.

65. Any amendment which alters the obligation of Members shall, after receiving the approval of the Representative Body by a two-thirds majority of its Members, become effective for the Members accepting the amendment upon the... day after two-thirds of the Members have given notification of their acceptance, and thereafter for each remaining Member upon acceptance by it.

66. In determining whether a proposed amendment shall bo considered under paragraph 1 or paragraph 2 above, it shall require a two-thirds majority of the Members present and voting of the Representative Body to establish that a proposed amendment does not alter tho obligations of Members and therefore should be considered under paragraph 1. Amendments which are not so established shall be regarded as altering the obligations of Members and shall be dealt with in accordance with paragraph 2.

67. Any Member may withdraw from tho agency at amy time after... from the day of the entry into force of this Agreement. A withdrawal shall become effective upon the expiration of six months from the day on which written notice of such withdrawal is received by tho executive secretary.

68. This Agreement may be terminated at any time by agreement of three-dfourtlis of the Members.

ARTICLE 20

Interpretation and definition

For the purpose of this Agreement :

(a) The term "business practice" shall not be so construed as to include an individual contract between two parties as seller and buyer, lessor and lessee, or principal and agent, provided that such contract is not used to restrain competition, limit access to markets or foster monopolistic control ;

(b) The term "public commercial enterprises" means

1. agencies of Governments in so far as they are engaged in trade and
2. trading enterprises mainly or wholly owned by public authority, provided the Member concerned declares that for the purposes of this Agreement it has effective control over or assumes responsibility for the enterprises ;

The term "private commercial enterprise" means all commercial enterprises other than public commercial enterprises ;

The terms "decide"' and "decision" as used in Articles 1, 3 (except in paragraphs-3 and 5) and 5 do not determine the obligations of Members, but mean only that the Organization reaches a conclusion.

Interpretative note to Article S

Tho provisions of this article shall not apply to matters relating to shipping services which are subject to the Convention of the Inter-Governmental Maritime Consultative Organization.

Appendix 4 APPENDIX A - The share in world trade of individual countries

INTRODUCTORY NOTE

The national share in world trade is computed on the basis of import and export figures supplied by the Statistical Office of the United Nations.

Wherever possible, tho figures represent special trade ' in merchandise only, which may be roughly defined ' as imports of goods for domestic consumption and exports of domestic produce and of goods which have acquired national status. For some countries, figures for general trade (total imports ; exports of domestic produce plus re-exports) had to be used. The majority of countries record their trade at frontier values, c.i.f. in the ease of imports and f.o.b. in the case of exports. In tho ease, of the countries indicated in footnotes where the official trade statistics record imports at their value at the foreign port of shipment (f.o.b.) the recorded imports have been adjusted to an arbitrary c.i.f. value by adding 10 per cent.

The totals include all countries participa-ing in world trade, with the exception of Bulgaria, Mainland China, Czechoslovakia, Hungary, Poland, Roumania, the Union of Soviet Socialist Republics and Eastern Germany, for which figures are not available.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
A. — COUNTRIES WITH TRADE OVER 3 % OF WORLD TOTAL						
United Kingdom11	10,575.2	13.17	7,223.9	9.57	17,799.1	11.42
Aden"	140.6	0.18	74.2	0.10	214.S	0.14
Anglo-Egyptian Sudan 0	120.6	0.15	1S3.5	0.24	304.1	0.20

* Partially estimated.

1 General trade adjusted to approximate special trade by subtracting re-exports from total imports and total exports.

h General trade.

c This country is included twice in the table, but only once in World Totals.

1 1mports reported f.o.b. adjusted to an arbitrary c.i.f. value by adding 10 per cent.

0 Under military government.

£ Federation of Malaya and Colony of Singapore,

s Trust Territory.

h Imports: general trade. Exports: special trade.

Imports: special trade. Exports: of domestic produce.

Including Alaska, Hawaii and Puerto Rico.

•= Including Svalbard.

1 Figures estimated by International Monetary Fund from trade returns of country's principal trading partners.

m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Bahamas1	22.71	0.03	2.0	0.00	24.7	0.02
Barbados"	28.9	0.04	19.2	0.03	48.1	0.03
Bermudas0-	2S.71	0.04	0.1	0.00	28.S	0.02
British Guiana 1	3S.6	0.05	33.7	0.04	72.3	0.05
British Honduras1	7.61	0.01	2.6	0.00	10.2	0.01
British North Borneo 1	20.0	0.02	34.2	0.05	54.2	0.03

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
Value in million U.S. dollars	J.s percentage of world imports					
Value in milium U.S. dollars	As percentage of world exports					
Value in million U. S. dollars						
As percentage of world trade						
British Solomon Islands	1.5	0.00	2.0	0.00	3.5	0.00
British Somaliland1	4.6	0.01	2.5	0.00	7.1	0.00
Brunei 11	12.0	o.or	86.0	0.11	9S.0	0.06
Channel Islands	56.0	0.07	60.0	0.0S	116.0	0.07
Cyprus	51.4	0.06	40.3	0.05	91.7	0.06
Eritrea 0	8.0	0.02	6.0	0.01	14.0	0.01

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Falkland Islands 1'	9.3	0.01	10.4	0.01	19.7	0.01
Fiji Islands 1	21.4	0.03	12.9	0.02	34.3	0.02
Gambia1	10.2	0.01	S.5	0.01	1S.7	0.01
Gibraltar1'	17.2	0.02	2.3	0.00	19.5	0.01
Gilbert and Ellice Islands	0.5	0.00	0.5	0.00	1.0	0.00
Gold Coast1	17l.S	0.21	226.0	0.30	397.S	0.26

* Partially estimated.

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	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Hong Kong1'	S56.1	1.07	7S0.5	1.03	1,636.6	1.05
Jamaica1	82.4	0.10	46.8	0.06	129.2	0.0S
Kenya, Uganda1	202.7	0.25	19S.7	0.26	401.4	0.26
Leeward Islands	S.O	0.01	7.0	0.01	15.0	0.01
Libya0 (excluding Fezzan)	24.0	0.03	8.0	0.01	32.0	0.02
Malaya1' (	1,553.8	1.93	1,984.5	2.63	3.53S.3	2.27

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	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Maldive Islands	4.0	0.00	2.0	0.00	6.0	0.00
Malta and Gozo1	51.9	0.06	2.9	0.00	54.S	0.04
Mauritius	41.6	0.05	49.0	0.06	90.6	0.06
New Hebrides1!	2.2	0.00	6.4	0.01	S.6	0.01
Nigeria (including British Cameroonss) 1	22/!4	0.2S	355.3	0.47	5S2.7	0.37

* Partially estimated.

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Northern Rhodesia1	106.81	0.13	185.9	0.25	292.7	0.19
Nyasaland1	20.0	0.02	16.2	0.02	36.2	0.02
St. Helena 1'	0.41	0.00	0.6	0.00	1.0	0.00
Sarawak1	122.S	0.15	163.5	0.22	2S6.3	0.18
Seychelles11	1.21	0.00	2.3	0.00	3.5	0.00
Sierra Leone1	22!4	0.03	27.5	0.04	49.9	0.03

* Partially estimated.

1 General trade adjusted to approximate special trade by subtracting re-exports from total imports and total exports.

h General trade.

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m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Southern Rhodesia10	233.61	0.29	100.5	0.13	334.1	0.21
Tanganyika1 s	75.9	0.09	107.9	0.14	1S3.8	0.12
Tonga	2.0	0.00	1.0	0.00	3.0	0.00
Trinidad and Tobago	12S.5	0.16	125.1	0.17	253.6	0.16
Windward Islands 1'	12.5	0.02	8.3	0.01	20.S	0.01
Zanzibar and Pemba 1	12.2	0.02	14.8	0.02	27.0	0.02

* Partially estimated. 1 General trade adjusted to approximate special trade by subtracting re-exports from total imports and total exports. h General trade. c This country is included twice in the table, but only once in World Totals. 1 1mports reported f.o.b. adjusted to an arbitrary c.i.f. value by adding 10 per cent. 0 Under military government. £ Federation of Malaya and Colony of Singapore, s Trust Territory. h Imports: general trade. Exports: special trade. Imports: special trade. Exports: of domestic produce. Including Alaska, Hawaii and Puerto Rico. •= Including Svalbard. 1 Figures estimated by International Monetary Fund from trade returns of country's principal trading partners. m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Total : UK and Dependencies	15,139.2	18.S5	12,225.5	16.20	27,364.7	17.57
United States13	11,899.31	14.81	14,879.3	19.72	26,778.6	17.19
American Samoas	1.0	0.00	0.3	0.00	1.3	0.00
GuamB	15.0	0.02	4.0	0.01	19.0	0.01
Ryukyu Islandse	14.0	0.02	3.4	0.00	17.4	0.01

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m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
US Virgin Islands	12.01	0.01	2.7	0.00	14.7	0.01
Total : US Dependencies	11,941.3	14.87	14,889.7	19.73	26,831.0	17.22
Prance	4,550.5	5.67	4,175.2	5.53	8,725.7	5.60
Algeria	581.6	0.72	385.5	0.51	967.1	0.62
Cameroonss	94.3	0.12	65.0	0.09	159.3	0.10
French Aquatorial Africa..	104.2	0.13	62.8	0.0S	167.0	0.11
French Guiana	6.0	0.01	0.2	0.00	6.2	0.00

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
French India	13.0	0.02	15.5	0.02	28.5	0.02
French Oceania	11.1	0.01	10.1	0.01	21.2	0.01
French Somaliland	15.1	0.02	11.8	0.02	26.9	0.02
French West Africa	350.5	0.44	221.1	0.29	571.6	0.37
Guadeloupe	26.1	0.03	23.1	0.03	49.2	0.03
Indochina	304.7	0.38	135.0	0.1S	439.7	0.28

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Madagascar (including Comores)	131.4	0.16	77.1	0.10	208.5	0.13
Martinique	31.2	0.04	21.4	0.03	52.6	0.03
Morocco (French)	456.2	0.57	251.9	0.33	70S.1	0.45
New Caledonia	11.9	0.01	10.8	0.01	22.7	0.01
New Hebrides0	2.2	0.00	6.4	0.01	8.6	0.01

* Partially estimated.

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m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Réunion	33.2	0.04	25.6	0.03	58.8	0.04
St. Pierre and Miquelon	2.3	0.00	1.3	0.00	3.6	0.00
Togolands	13.3	0.02	15.4	0:02	28.7	0.02
Tunisia	170.0	0.21	100.6	0.13	270.6	0.17
Total : France and Dependencies	6,908.8	8.60	5,615.8	7.44	12,524.6	8.04
Canada	4,264.21	5.31	3,766.0	4.99	8,030.2	5.15

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m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Germany (Federal Republic)	3,492.7	4.35	3,464.6	4.59	6,957.3	4.47
Netherlands	2,549.5	3.17	1,948.4	2.58	4,497.9	2.89
Netherlands Antilles 11	837.01	1.04	696.0	0.92	1,533.0	0.98
New Guinea	11.0	0.01	1.0	0.00	12.0	0.01
Surinam	24.3	0.03	21.0	0.03	45.3	0.03

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m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Total : Netherlands and Dependencies	3,421.8	4.26	2,666.4	3.53	6,088.2	3.91
Belgium-Luxembourg	2,528.4	3.15	2,647.4	3.51	5,175.8	3.32
Belgian Congo (including Ruanda-Urundis)	308.4	0.38	387.0	0.51	695.4	0.45

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Total : Belgium-Luxembourg and Dependencies	2,836.8	3.53	3,034.4	4.02	5,871.2	3.77
B. — COUNTRIES-WITH TRADE UNDER 3 % OF WORLD TOTAL						

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Australia1	2300.3d	2.86	2,024.8	2.6S	4,325.1	2.78
NauruB	3.0	0.00	4.0	0.01	7.0	0.00
Now Guineas	14.0	0.02	11.0	0.01	25.0	0.02
Norfolk Islands	1.0	0.00	0.0	0.00	1.0	0.00
Papua	10.0	0.01	4.0	0.01	14.0	0.01
Total: Australia and Dependencies...	232S.3	2.90	2,043.8	2.71	4,372.1	2.81
Brazil"	2010.6	2.50	1,757.4	2.33	3,76S.O	2.42
Italy	2118.7	2.64	1,629.3	2.16	3,748.0	2.41

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Italian Somalilands	13.4	0.02	4.2	0.01	17.6	0.01
Total	2132.1	2.65	1,633.5	2.16	3,765.6	2.42
Sweden	1777.0	2.21	1,77S.6	2.36	3,555.6	2.2S
Japan	2044.3	2.55	1,354.5	1.79	3,39S.S	2.1S
India1	1730.7	2.15	1,600.5	2.12	3,331.2	2.14
Argentina1	1360.0	1.69	1,190.0	1.5S	2,550.0	1.04
Switzerland	1364.7	1.70	1,081.7	1.43	2,446.4	1.57
Union of South Africa1	1344.11	1.67	S61.3	1.15	2,211.4	1.42

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
South West Africa1 >«	54.81	0.07	S0.4	0.11	135.2	0.09
Total : Union of S.A. and Dependencies	1.39S.9	1.74	947.7	1.26	2,346.6	1.51
Venezuela'"	706.01	0.8S	1,44S.4	1.92	2,154.4	1.3S
Indonesia	S05.3	1.00	1,25S.6	1.67	2,063.9	1.32
Denmark	1012.4	1.26	S3S.7	1.11	1.S51.1	1.19

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
The Faeroes	9.7	0.01	11.0	0.01	20.7	0.01
Greenland	5.0	0.01	4.0	0.01	9.0	0.01
Total : Denmark and Dependencies	1027.1	1.2S	S53.7	1.13	1.SS0.S	1.21
Egypt	666.4	0.S3	583.2	0.77	1,249.6	0.S0
Anglo-Egyptian Sudan"	120.6	0.15	1S3.5	0.24	304.1	0.20
Total	7S7.0	0.9S	766.7	1.02	1,553.7	1.00
Finland	675.6	0.84	812.5	1.0S	l,4SS.l	0.96

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Noiway J	S77.6	1.09	620.0	0.82	1,497.6	0.96
Cuba1	701.01	0.87	763.2	1.01	1,464.2	0.94
Mexico 11	836.31	1.04	573.0	0.76	1,409.3	0.90
Pakistan1	532.9	0.66	761.7	1.01	1,294.6	0.S3
New Zealand1	573.1	0.71	687.5	0.91	1,260.6	0.S1
Western Samoas	4.0	0.00	4.0	0.01	8.0	0.01

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Other New Zealand Dependencies	04	0.00	0.2	0.00	06	0.00
Total : New Zealand and Dependencies	577.5	0.72	691.7	0.92	1,269.2	0.S1
Spain	384.3	0.48	461.8	0.61	846.1	0.54
Canary Islands	136.7	0.17	124.5	0.16	261.2	0.17
Ceuta	30.1	0.04	15.6	0.02	45.7	0.03

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Melilla	11.3	0.01	7.0	0.01	1S.3	0.01
Moroccan Protectorate	72.0	0.09	28.0	0.04	100.0	0.06
Total : Spain and Dependencies	562.4	0.70	608.9	0.81	1,171.3	0.75
Austria	656.7	0.82	451.1	0.60	1,107.8	0.71
Portugal	330.1	0.41	263.0	0.35	593.1	0.38
Angola	75.7	0.09	110.9	0.15	186.6	0.12
Cape Veide Islands	8.6	0.01	7.8	0.01	16.4	0.01

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Macau	40.0	0.05	2.0	0.00	42.0	0.03
Mozambique	71.1	0.09	43.6	0.06	114.7	0.07
Port. Guinea	6.0	0.01	8.0	0.01	14.0	0.01
Port. India	12. 0	0.01	4.0	0.01	16.0	0.01
St. Tome and Principe	5.2	0.01	7.5	0.01	12.7	0.01
Timor	1.6	0.00	1.1	0.00	2.7	0.00

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Total : Portugal and Dependencies	550.3	0.69	447.9	0.59	99S.2	0.64
Phihppines1	524.51	0.65	398.0	0.53	922.5	0.59
Colombia!	415.9	0.52	460.0	0.61	875.9	0.56
Iran	242.0	0.30	590.1	0.7S	832.1	0.53
Ireland 1	567.7	0.71	223.6	0.30	791.3	0.51
Turkey	402.1	0.50	314.1	0.42	716.2	0.46
Chile	329.0	0.41	372.3	0.49	701.3	0.45
Ceylon 1	308.5	0.38	383.6	0.51	692.1	0.44

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m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Saudi Arabia	268.0	0.33	344.0	0.46	612.0	0.39
Thailand	344.0	0.43	270.0	0.36	614.0	0.39
Uruguay	315.7	0.39	236.3	0.31	552.0	0.35
Peru	261.4	0.33	255.4	0.34	516.8	0.33
Greece	398.4	0.50	101.8	0.13	500.2	0.32
Yugoslavia	242.0	0.30	183.7	0.24	425.9	0.27
Israel	343.3	0.43	46.8	0.06	390.1	0.25
Burma 1	136.0	0.17	205.8	0.27	341.8	0.22
Iraq	142.7	0.18	1S4.0	0.24	326.7	0.21

* Partially estimated.

1 General trade adjusted to approximate special trade by subtracting re-exports from total imports and total exports.

h General trade.

c This country is included twice in the table, but only once in World Totals.

1 1mports reported f.o.b. adjusted to an arbitrary c.i.f. value by adding 10 per cent.

0 Under military government.

£ Federation of Malaya and Colony of Singapore,

s Trust Territory.

h Imports: general trade. Exports: special trade.

Imports: special trade. Exports: of domestic produce.

Including Alaska, Hawaii and Puerto Rico.

•= Including Svalbard.

1 Figures estimated by International Monetary Fund from trade returns of country's principal trading partners.

m Former mandated territory.

Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Southern Rhodesia1 0	233.61	o.29	100.5	0.13	334.1-	0.21
Syria	133.5	0.17	126.4	0.17	259.9	0.17
Bolivia	91.01	0.11	150.8	0.20	241.8	0.16
Dominican Republic1	63.91	0.08	107.9	0.14	171.8	0.11
Lebanon	136.2	0.17	40.9	0.05	177.1	0.11
El Salvador	63.8	0.08	84.7	0.11	148.5	0.10
Guatemala!"	80.8	0.10		76.1	0.10	156.9	0.10

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Ecuador!"	47.01	0.06	56.8	0.08	103.S	0.07
Afghanistan	52.0	0.06	53.0	0.07	105.0	0.07
Iceland	56.7	0.07	44.6	0.06	101.3	0.07
Ethiopia1	41.8	0.05	46.7	0.06	SS.5	0.06
Costa Rica1	54.5	0.07	39.3	0.05	93.8	0.06
Haiti1"-	44.0	0.05	51.0	0.07	95.0	0.06
Honduras	52.01	0.06	30.0	0.04	82.0	0.05
Panama1	68.71	0.09	11.6	0.02	S0.3	0.05
Nicaragua1'	33.01	0.04	36.8	0.05	69.S	0.04

* Partially estimated.

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Country	Imports c. i. f.		Exports f. o. b.		Imports plus cxjiorts	
	Value in million U.S. dollars	J.s percentage of world imports	Value in milium U.S. dollars	As percentage of world exports	Value in million U. S. dollars	As percentage of world trade
Paraguay	36.71	0.05	31.1	0.04	67.S	0.04
Jordan	36.5	0.05	4	0.01	41.9	0.03
Liberia	8.0	0.01	27.0	0.04	35.0	0.02
WOKLD TOTAL	80,321.0	100.00	75,470.0	100.00	155,791.0	100.00

* Partially estimated.

1 General trade adjusted to approximate special trade by subtracting re-exports from total imports and total exports.

h General trade.

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