

COMMITTEE ON COMMODITY PROBLEMS

SIXTEENTH MEETING

22 - 24 May 1951

Rome

PRESENT: (In the Chair) Sir Herbert Broadley

AUSTRALIA	Mr. J. B. Todd	PAKISTAN	Mr. A. Malik
BRAZIL	Mr. E.D. de Lima	UNITED KINGDOM	Mr. J. E. Wall *
CANADA	Mr. W. Van Vliet	UNITED STATES	Mr. H. R. Cottam Mr. R. C. Tetro
EGYPT	Mr. Raid Osman * Mr. Mohamed Chedid		
FRANCE	Mr. G. H. Janton Mr. Fourier Ruelle		
INDIA	Mr. S.S. Bajpai	DIRECTOR-GENERAL	Mr. N. E. Dodd
INDONESIA	Mr. Basuki Djatasmoro * Mr. Soenadi Mr. Soerjono	SECRETARY	Mr. Joseph L. Orr
ITALY	Prof. G.U. Papi	FOOD AND AGRICULTURE ORGANIZATION	Miss G. Blau Mr. A.H. Boerma
NETHERLANDS	Mr. S.L. Louwes Dr. C.C.L. Eygenraam		

Representatives of other Member Governments of FAO:

Observer:

SWEDEN Mr. Carl Bergenstrahle

* Mr. Osman present on 22-23 May
Mr. Djatasmoro present on 22 May
Mr. Wall present on 22-23 May

The meeting was called to order by the Director-General at 10-30 a.m.

The Director-General informed the meeting that Mr. Yriart had unfortunately been detained in Washington but, it was hoped, would arrive in Rome on the following day.

Mr. Louwes (Netherlands) suggested that in the circumstances the Director-General should nominate a member of the FAO secretariat to act as temporary Chairman since all delegates present were new to the work and procedure of the Committee.

This suggestion having been agreed to, the Director-General asked Sir Herbert Broadley to take the Chair until Mr. Yriart's arrival.

Sir Herbert Broadley took the Chair.

The Chairman asked the meeting for any comments on the provisional Agenda. In the absence of any comments, the Agenda was declared adopted.

The Chairman asked the meeting whether it was agreeable to conduct the proceedings in English with the right of translation from French at any time since an interpreter was present. This procedure was agreed to.

The next item on the agenda was the election of Vice-Chairman. It was agreed to postpone the election of Vice-Chairman until after Mr. Yriart's arrival.

The Director-General gave a brief review of FAO's interest and activities in the field of international commodity policies and arrangements from the beginning of the organization. One important first step, following the discussion of the World Food Board proposals at the Copenhagen Conference, had been the setting up of the Preparatory Commission in which some members of this Committee had taken part. Earlier in that year, the IEFC had been set up as a successor to the Combined Food Board. It was his belief that the IEFC, the secretariat of which was furnished by FAO, had set one of the best examples of international cooperation. A Commodity Working Party had been set up by the Conference in 1948 with instructions to survey the field of commodity problems and to report to the Council when the latter met in Paris in 1949. The Council, at its Paris meeting, authorized the Director-General to appoint a group of experts to study methods of dealing with commodity problems. It then appeared that many commodities might soon be in difficulty. The recommendations made by the group of experts were presented to the Conference of FAO in the fall of 1949 but governments could not see their way clear to accept these wide-reaching recommendations. Instead, it was decided to establish the FAO Committee on Commodity Problems, with terms of reference which at that time were rather narrowly defined, being concerned mainly with surpluses arising from balance-of-payments difficulties.

The Committee during the initial period of its operations had been able to do some useful exploratory work and had assisted in arrangements for sales of surplus commodities at special prices. At the same time, the Council and Conference at their meetings in the fall of 1950 felt that the Committee's terms of reference should be extended, especially also with a view to the changed world commodity situation, and that the Committee should be authorized to deal with all kinds of commodity problems falling within FAO's terms of reference to consider, whether arising from balance-of-payments difficulties or from other causes. At its last Washington meeting held in February this year, the Committee had given special attention to its relations with the new intergovernmental machinery being developed under the auspices of the International Materials Conference. The Committee had passed a Resolution asking FAO member governments to make full use of the experience and trained personnel which FAO was in a position to provide in the fields of agriculture, forestry, and fisheries. The D.G. had transmitted that Resolution at the Committee's request to all member governments; only acknowledgments had been received so far. Meanwhile, he had taken the initiative in presenting to the IMC Sulphur Committee a memorandum setting out the importance of sulphur for the production of fertilizer and its derived importance for the maintenance and expansion of world agricultural output. In conclusion, the Director-General informed the Committee that the secretariat would give every possible support to its work and that in particular the staff of the Commodities Branch was fully at the service of the Committee.

The Chairman thanked the Director-General for his statement and asked whether members wished to ask questions or comment on it.

Mr. Janton (France) expressed his appreciation of the Director-General's initiative in submitting information to the IMC Sulphur Committee and asked whether the Director-General could provide some further information on FAO's relations with the International Materials Conference. In particular, he was anxious to know whether some of the new Committees did not touch on matters which were clearly within the terms of reference of the FAO Committee on Commodity Problems, such as problems relating to Cotton, Wool, or Wood Pulp; and whether it was not possible to develop methods of cooperation which would also provide adequate safeguards

The Director-General, in reply to Mr. Janton's question, read a statement giving some more detailed information on these subjects and informed the Committee that copies of that statement would be circulated at the afternoon session.

Mr. Todd (Australia), in considering the future work of the Committee, stated that his Government looked to this Committee as an important intergovernmental body in the field of commodity problems. At the same time, he did not feel that there was much scope for special action by the Committee at this stage. It was his view that the secretariat should be asked to produce fairly comprehensive up-to-date commodity reviews and the Committee should, for the time being, see its main task in the examination of commodity situations based on these reviews.

Mr. Wall (U.K.) felt that it was difficult at this stage to form a clear view of the future scope of work of the Committee and that it might be better to postpone a decision on this matter until after the November Conference. The economic situation was dominated by the large and growing armament expenditures which had already affected the supply situation for industrial raw materials and might or might not affect the situation with regard to foodstuffs in the near future. There was uncertainty too in regard to new procedures and in particular in regard to the future of ICCICA and the action which ECOSOC might take on these matters now that the Havana Charter was not likely to be ratified for the time being. Meanwhile it might be opportune to concentrate on good up-to-date commodity reporting and at the same time it was important to make sure that the Committee was not doing the work which ought to be done by the secretariat. Beyond that, he felt that it was preferable for the Committee not to set out its program of future activities until after the next FAO Conference.

Mr. Louwes (Netherlands) stated that, no doubt, if we wait, we shall always know more. No one can see the future. Yet, the Committee cannot postpone the consideration of its activities to a future date. The Committee had now come together and had some time to consider these matters and it should do something about them. It was indeed an advantage that the Committee was meeting at a time when there was no urgent need for immediate action. The Committee should examine what had been done in the past and then go on to formulate its conclusions as to what should be done in the future.

Mr. Bajpai (India) supported the suggestions made by the Delegate of the Netherlands.

Mr. Louwes (Netherlands) went on to propose in more detail that the Committee should deal with the following three main points: First, it should discuss such far-reaching plans as had been put forward in the past. The conclusion would be reached, he believed, that such plans were not likely to be acceptable to governments at this stage. Secondly, the Committee should give more detailed consideration to concrete procedures for dealing with surplus situations. He did not think that the procedures worked out so far were adequate for dealing with all kinds of surplus problems which might arise. Thirdly, the Committee should give special attention to those commodities about which nothing had yet been done. In the light of the examination of all those aspects, the Committee could then formulate its conclusions in regard to its future work program.

The Director-General asked Mr. Louwes whether he also proposed to deal with procedures applicable to commodities in short supply.

Mr. Papi (Italy) drew attention to the Committee's expanded terms of reference which set out clearly defined and important responsibilities. In concurrence with the Delegate for Australia, he also felt that the Committee working jointly with the secretariat should undertake periodic commodity situation reviews and draw attention to current or impending problems.

The Chairman stated that the morning's discussion had in his view been a very useful one in that it had yielded a number of ideas and suggestions for further discussion. He asked whether it was the sense of the Committee to give further consideration to those suggestions under the following main headings:

- A The responsibilities of the committee and how they may be discharged in relationship to the overall responsibilities of FAO (See Preamble and Art. I of FAO Constitution).
- B The relationship between the functions of the Committee and those of the Secretariat.
- C The work of the Secretariat in the commodity field, and how it may be improved.
 - I. Advising on Commodity Policy
 - II Preparation and Publication of ~~periodical~~ reviews of particular commodities
 - III General overall review in State of Food and Agriculture and other publications.
 - IV The desirability of preparing an up-to-date review for this or future meetings of the Committee.
- D What will be the effect on the work of the Committee of the probable lack of ratification of ITO?
- E Should the Committee attempt to develop procedures to recommend for dealing with surplus and deficit situations?
- F Relations between FAO and other bodies interested in Commodity problems - including the International Materials Conference and ECOSOC.

It was agreed to continue the Committee's discussions on the basis of the points summarized by the Chairman.

The Meeting recessed at 12-45.

The Meeting reconvened on 22 May at 2-30 p.m.

The Chairman at the Committee's request read the Preamble and Article I of the Constitution of FAO, setting out the basis of the general framework of FAO's responsibilities in the field of international commodity relationships and arrangements.

The Chairman then asked Miss Blau to give a brief review of the work of the secretariat in the field of Commodities. Miss Blau started by referring to the Monthly Statistical Bulletins which could be regarded as providing some of the statistical raw material for FAO's commodity work. Every effort was being made to publish these tables in as up-to-date form as possible. Next there were the FAO Commodity Bulletins and shorter Commodity Reports which provided analytical reviews of individual commodity situations. The synthesis of commodity analyses with other aspects of agricultural economic reporting was being provided by the Annual Report on the State of Food and Agriculture. FAO commodity specialists also contributed statements for regional reports and for more general economic

reports such as the United Nations World Economic Reports. In reorganizing the Economics Division, a new Commodity Policy Section had been set up for the purpose of specializing on basic research in the field of international commodity inter-relationships and arrangements. A beginning of longer-term analyses had already been made in some of the work papers prepared for the Commodity Working Party in 1948. This work could usefully be expanded to provide a more thorough basis for policy decisions in the field of international commodity problems.

Samples of different types of FAO publications on Commodities were circulated around the table for inspection.

Mr. Janton (France) stated that while he appreciated the work done by the secretariat and had no intention of criticizing it, he felt that publications could only be really useful to governments if they were fully up-to-date. He quoted two examples from his own experience when he had wanted to utilize FAO documentation in the preparation of his own work but found that the data were not sufficiently up-to-date for his purpose. He wanted to know what could be done to circulate more timely information and whether the situation could be improved by governments supplying the secretariat with more up-to-date returns, even though some of these returns might have to be provisional.

Mr. Louwes (Netherlands) supported Mr. Janton's statement in regard to the importance of timely information. In particular, he wanted to know whether the FAO secretariat could provide weekly or fortnightly reviews of developments of markets in different parts of the world, whether in addition to the more comprehensive type of commodity bulletins, special up-to-date reports could be issued whenever in the opinion of the secretariat there was danger of serious imbalance in a commodity supply/demand situation, and whether all reports could be issued in condensed and fairly simple form so as to be of real use to busy operating people.

Mr. Papi (Italy) asked from what sources reports on the lines described by Mr. Louwes could be prepared and whether the secretariat was in fact authorized to use other than governmental sources in the compilation of its reports.

Mr. Louwes (Netherlands) felt that it was not possible for the secretariat to rely on governmental sources only and that other sources should also be used, although the secretariat would obviously have to make clear where the information was coming from and that it could not take full responsibility for items reported from non-governmental sources.

Mr. Wall (U.K.) stated that there was also the question as to how far the secretariat should go in interpreting factual information. The more controversial aspects of interpretation might have to be reserved for the Committee itself. He was in agreement with the points made by the previous speakers on the need for up-to-date information and he felt that the case could perhaps be met by issuing supplementary fly-sheets at frequent intervals.

The Chairman asked members of the secretariat present as to their views on the feasibility of the work which had been suggested.

Miss Blau stated that she thought it was possible to produce more frequent regular and up-to-date commodity news reports. Mr. Evans, speaking for the Cereals Section, Mr. Burtis (Fats and Oils) and Mr. Robertson (Fibers) stated that in their respective fields it should be possible to issue brief monthly up-to-date news reports. Mr. Majundar (Rice) thought that quarterly reports might be more suitable for rice. Mr. Mortensen (Miscellaneous Commodities) explained that his unit had to cover a large variety of commodities on which it might not be possible to report each month but that reports on these various commodities could be issued in rotation.

Mr. Janton (France) stated that in his view the secretariat could draw information from each of the following sources, ~~first~~ ~~questionnaires~~ sent

to governments. Governments should fully cooperate with the secretariat by providing the necessary information. Secondly, there were other official and semi-official publications such as, for instance, the Monthly Bulletin issued by the Ministry of Agriculture in France. Thirdly, there were regularly published trade statistics. Finally, there were non-governmental sources which could also be used with discretion and quotation of the source.

The Chairman, in summing up the discussion on the work of the secretariat stated that the Committee had emphasized the importance of prompt, up-to-date and regular information, drawn from as many sources as the FAO secretariat thought reliable but with preference being given to governmental sources; that reports should be issued as frequently as was compatible with the resources of the secretariat; and that the secretariat in its reports should also deal with forward situations but leave the more controversial aspects of interpretation to the Committee.

Prof. Papi (Italy) agreed that it would be useful if FAO could report on deficit situations, and particularly as to whether shortages were real or only feared. The structure of deficits should be examined in order to suggest ways and means for dealing with them.

Mr. Wall (U.K.) raised the question of how FAO could cooperate in the procedure for dealing with deficits. This will depend largely on the political decision of governments but of course any possible assistance should be made available. Situation reports should be sufficiently good to give warnings to governments of impending shortages. Discussion of shortages will give rise to suggestions on the production side and these must and probably automatically will be referred to FAO. Any group dealing with deficits will require information and it is expected that IMC would naturally turn to FAO for such information as it can furnish. Actual allocations, however, will be established largely by exporting countries on the basis of defense and political considerations.

Mr. Janton (France) stated that when there was a group established to deal with a particular commodity, such as sulphur, which was essential to agriculture, FAO should provide such a group with information not only on the use of the commodity in agricultural production but also on the consequence to production of a lack of the commodity. He also pointed out that some shortages are due primarily to stockpiling and that these might end abruptly under certain conditions and the stockpiles be released on the market.

Mr. Louwes (Netherlands) inquired if the secretariat could supply any information regarding the size of stockpiles.

It was agreed that such information was very difficult to obtain, for a variety of reasons but that such as was available should be incorporated in future commodity reports.

The Committee recessed until 23 May.

The Committee reconvened on 23 May at 10:00

The Chairman opened the discussion on relations between FAO and other bodies concerned with commodity problems and asked Miss Blau to discuss a Council document dealing with this subject, as well as FAO's experience with IMC.

Miss Blau explained that the Council had instructed the Director-General to prepare a Report on FAO's Relations with Specialized Intergovernmental Commodity Bodies. That Report which was to be presented to the forthcoming Twelfth Session of the Council, discussed FAO's relations with specialized commodity bodies under two main headings: (i) Technical Cooperation between Secretariats, and (ii) Programs and Policies. It also contained an appendix setting out origin, membership, and terms of reference of the rather formidable array of all the various general and specialized intergovernmental commodity bodies now in existence. Every possible effort was being made to avoid duplication by the pooling and clearing of factual information and other means of promoting technical cooperation between secretariats. These arrangements were now working

fairly smoothly. In regard to programs and policies, the situation was a little more complicated. It was felt that the effectiveness of FAO's participation and coordinating functions could be strengthened by adopting the following four sets of proposals set out in more detail in the Report to the Council: (i) strengthened guidance and coordination by the intergovernmental organs of the FAO in the field of specialized intergovernmental commodity policies; (ii) FAO staff work for ICCICA; (iii) participation of FAO observers in the work of Steering Committees of Study Groups, and (iv) adequate coordination with the work of the International Materials Conference. In reviewing the more general aspects of FAO's relations with other intergovernmental commodity bodies with membership largely overlapping with that of FAO, there might appear to be a good prima facie case for relying on the representatives of member-nations to do much of their own coordinating of policies adopted in these various bodies. Yet, while it might seem very logical in abstract not to build up a super-structure of organizational observers, such abstract logic might not always produce the best results in practice. In particular, there were four aspects of the problem which should be noted: In the first place, it would be rather unrealistic to assume that delegates of member-nations attending specialized commodity meetings could always be expected to be fully briefed on all the various program and policy decisions which their governments might have to adhere to under the auspices of all other organizations. Secondly, even if a complete briefing on all these matters could be assured, national delegates had their own delicate briefs to look after and they were not always in a position to concern themselves with FAO's viewpoint in these meetings. Thirdly, what was needed was the coordination of the consensus of the views of governments in one body with the consensus of their views in another body, not merely the coordination done by individual governments which might differ in interpretation from one to the other. Fourthly, account had to be taken of the fact that coordination was a two-way business and that the FAO observer attending specialized commodity meetings did so not only in order to attempt to contribute to these meetings but also in order to be sufficiently informed to report on these matters to his own secretariat and to the Committee on Commodity Problems.

Mr. Wall (U.K.) expressed his appreciation of the explanation given by Miss Blau, and commented as follows:

He was in favor of the secretariat preparing periodic reports for the Committee on the activities of specialized committee bodies. He reserved his opinion concerning relationship between FAO and ICCICA for a later stage in the discussion. With respect to the participation of FAO observers in steering groups he felt that it would be appropriate to recommend to governments that they attempt to influence specialized commodity bodies to admit FAO observers to the deliberations of their steering groups. With respect to IMC he felt that this again was a matter which could be dealt with only by member-governments. The U.K. sees some role for FAO in connection with certain commodity groups of IMC where a close relationship could be of benefit to both sides. He raised the question as to whether the Committee was prepared to recommend that any proposed programs for increased production should define FAO's role in such programs. He believed that the United Kingdom Government would be agreeable to instructing its delegates to IMC groups along the line which he had discussed.

Mr. Louwes (Netherlands) felt that there must be a distinction made between short term and long term problems. FAO is not much interested in the short term proposals but any suggestions to improve production must involve long term programs where FAO definitely would be interested. So far as participation by FAO observers in steering groups is concerned, he agreed in principle with Mr. Wall but pointed out that political implications might be involved in some cases and that government representatives on these groups were sometimes jealous of their prerogatives.

Mr. Janton (France) endorsed the statement of Mr. Wall concerning the U.K. position with regard to IMC and thought that his government would be willing to

issue similar instructions. He also agreed with Mr. Louwes that FAO should not become involved in allocation schemes but that FAO might have information which it would be important to place before certain IMC groups such for example as the effect of the shortage of sulphur on agricultural production. With respect to specialized commodity bodies, he felt that the part which FAO could play in such bodies would depend on the help which FAO representatives could give and also upon the feelings of governments' representatives towards FAO. He cited the example of the Wheat Council, stating that at the 1948 Wheat Conference FAO took no part but that in the 1949 Conference it took a very important part and attributed this to the fact that the FAO representative at the latter conference had played a considerable part in previous meetings of the Council. He also stated that delegates to the Sugar Council were generally more willing to accept help from FAO than those to the Wheat Council. He pointed out that the terms of reference of specialized commodity bodies are sometimes less extensive than those of FAO and cited the example of the Wheat Council whose terms of reference are limited to international trade in wheat and only that part of the international trade which comes within the framework of the International Wheat Agreement.

The Chairman pointed out that perhaps FAO commodity experts as such could not contribute very much at meetings of these bodies since the meetings were attended by persons who were themselves commodity experts but that FAO might be able to contribute something because of a wider knowledge of the techniques of commodity arrangements.

Mr. Van Vliet (Canada) raised a question of FAO's liaison with OEEC which is presently revising its entire agricultural production program. He pointed out that OEEC does not have all the information necessary to plan its programs since some of this information must come from countries outside the OEEC orbit. He felt, therefore, that FAO could be of great assistance and that OEEC would probably welcome such assistance. FAO could also advise on, or explain the background of, deficits in production and suggest remedies. Mr. Boerma, at the request of the Chairman, gave an account of FAO's relationships with OEEC and particularly emphasized developing improvement in such relationships.

Mr. Louwes (Netherlands) confirmed the improvement in relationships between FAO and OEEC but advocated caution in FAO's activities. He felt that there was still room for better cooperation between the two organizations but hoped that FAO would not get too involved in the question of integration of European agriculture. He pointed out that it was still undecided as to whether this question would be discussed within or outside of OEEC. Mr. Louwes agreed with Mr. Janton that FAO should not be concerned with allocation problems.

The Chairman summarized the discussion as follows:

1. The Committee would welcome periodic reports from the secretariat on the work of specialized commodity bodies and FAO's participation therein;
2. The Committee would like to see FAO's participation in these bodies developed as far as possible and should recommend that governments instruct their delegates to take advantage of FAO's cooperation but that FAO must recognize its concomitant responsibility to provide competent observers at meetings of these bodies;
3. Governments should influence their representatives on IMC groups to see that any information available in FAO is taken into consideration and that plans for the improvement of production should be referred to FAO but that FAO should not be concerned with allocations of commodities in short supply;
4. The Committee welcomed the increased cooperation between FAO and OEEC and should advise governments to instruct their delegates concerning the availability of FAO's services.

The Chairman then introduced the subject of relations with ICCICA.

Mr. Wall (U.K.) stated that President Truman's decision not to resubmit the ratification of ITO to Congress had raised certain problems. Commodity Policies have always been considered as closely related to barriers of trade but more recently they have also been considered as having a close relationship to the problem of full employment. Recently GATT has made considerable progress on reducing barriers of trade but GATT does not contain anything specifically on commodity policy. However, the governments associated in GATT have put into effect many of the provisions of Chapter VI of the Havana Charter and many of the governments act as if this Chapter were actually in force. The obligations of governments, members of GATT, include the resolutions of the Havana Charter in principle, the principle of intergovernmental consultation but exempt them from other conditions when intergovernmental commodity agreements are in effect. He pointed out that the establishment of ICCICA was with the expectation that ITO would eventually come into existence, but raised the question as to what governments would do now since it is apparent that ITO will not come into existence, at least in the near future. He also pointed out that ECOSOC has a responsibility in this regard as indicated in the instructions which it gave to the Secretary-General of the U N to submit a plan for negotiating study groups and convening commodity conferences.

The United Kingdom felt that it was proper to insist on the need for an intergovernmental commodity policy which should include definite rules of conduct. Such a policy should seek to avoid restrictive policies which might be adopted in emergencies. Various procedures might be adopted for dealing with commodity policies in future. The possibilities include direct handling by ECOSOC, the creation of a new specialized agency, handling by GATT or the handling by FAO for agricultural commodities and some other organization for non-agricultural commodities. It will be recalled that ICCICA had at one time expressed the view that it should be replaced by an intergovernmental group. His personal view was that the creation of new bits of machinery should be avoided and that it would be better at present to maintain the status quo.

The Chairman stated that it had been FAO's policy to designate a member of the Council as its representative on ICCICA rather than a member of the secretariat. He recalled that Mr. Leslie Wheeler had been FAO's first representative on ICCICA and that later Mr. Albert Loveland had served as FAO's representative. The D.D.G. had served as alternate. Since Mr. Loveland's resignation from the position of Undersecretary of Agriculture of the United States, no new appointment of an FAO member had been made. Consideration had been given to the appointment of the Chairman of the Committee on Commodity Problems as FAO's member of ICCICA. Mr. Cottam (U.S.) speaking personally expressed the view that the United States as a contracting party of GATT would continue to support some of the objectives of the Havana Charter and that the FAO representative on ICCICA might at some future date be the chairman of the Committee on Commodity Problems.

Prof. Papi (Italy) expressed the view that FAO itself could not solve all the problems of trade but that it should study and put before governments problems arising from obstacles of trade. He stated that production and trade in agricultural commodities cannot be entirely separated and it was his view that FAO in the past had devoted more attention to technical problems of production than to economic problems and that it should in the future devote more attention to economic problems. FAO's membership on ICCICA is necessary but other steps are also necessary.

In response to a question from Mr. Janton (France) Miss Blau read the terms of reference of ICCICA. The Chairman explained that in practice ICCICA had largely confined itself to reporting on developments in the commodity field

and promoting the coordination of procedures.

Mr. Wall (U.K.) expressed the view that ICCICA had actually done more than appeared on the surface and pointed out that it has temporarily the functions envisaged for the Commodity Commission of ITO, namely the calling of conferences, collecting of information and developing of case law for Chapter VI of the Charter.

Prof. Papi (Italy) reiterated his view that if this Committee is to properly discharge its functions as laid down by the Special Conference it must consider problems arising from obstacles to trade and inform governments of them.

Mr. Louwes (Netherlands) expressed the personal opinion that the Committee could not do much about this problem until some further action is taken concerning ICCICA. It could, however, express an opinion as to the necessity for the continuation of ICCICA or some other body to perform similar functions. It might also point out the necessity of FAO having a permanent part in ICCICA or any organization which might be established.

In response to a question from Mr. Van Vliet (Canada) as to the extent to which Chapter VI was incorporated in GATT, Mr. Wall (U.K.) replied that governments, which are members of GATT undertook to observe the principles of Chapter VI of the Charter.

Mr. Janton (France) expressed the opinion that in the absence of instructions to members of the Committee, the Committee could hardly go further in its report to the Council than to raise a question which might result in instructions from governments to delegates to the Council.

The Chairman suggested that the Committee might report that it was informed by the Secretariat of the problem and had discussed the advisability of the question being considered by the Council in which case the Council might wish to also consider whether any body which replaces ICCICA should be inter-governmental or interorganizational in character. The Committee agreed with Chairman's suggestion that it was in favor of the Secretary of the Committee on Commodity Problems giving all possible assistance to ICCICA including attending meetings of ICCICA when necessary.

Mr. Janton (France) raised the question of the Committee's responsibility with respect to continuing studies of long term problems. If such proposals are placed before the Conference it presumably would devolve upon the Committee to make some study of them, since under the terms of reference adopted by the Special Session of the Conference the Committee has a responsibility for dealing with long term problems involving stability of markets and prices. The Committee agreed that it did have such a responsibility although at the present moment there were no such proposals before it for study.

The Secretary requested the guidance of the Committee as to the future distribution of monthly export sales prices published by the United States Government. He pointed out that when FAO headquarters were in Washington, the secretariat, upon instructions from the Committee, had assumed the responsibility for distributing these documents to representatives of member governments in Washington. It was agreed that such a procedure was not feasible with the removal of headquarters to Rome and that the offer of the United States Government to make this distribution direct to representatives of member governments in Washington should be accepted, but that the secretariat should undertake to provide copies to members of the Committee.

The Committee recessed at 12-45 p.m.

The Committee reconvened at 2-30 p.m.

The Chairman reported on a communication which he had recently received from the Assistant Secretary-General of the U N for Economic Affairs regarding the proposals which the Secretary-General would make to ECOSOC regarding machinery for and methods of dealing with commodity problems.

(Since the Secretary has subsequently been advised that neither these proposals nor a summary thereof should be made public at the present time, the discussion of this subject has been omitted from the Minutes.)

The Chairman called the Committee's attention to documents CCP51/14 and CCP51/15 which had been distributed and which contain a description of the work of the new Commodity Policy Section and a brief situation report on certain commodities.

Mr. Wall (U.K.) suggested that in future situation reports should contain a section on livestock and should be made available to members of the Committee approximately a week before a meeting was called.

Prof. Papi (Italy) pointed out that reports on vegetables and sugar should also be included.

Mr. Wall (U.K.) suggested that food and feed-grains might be reported on separately and that oilcake and other feedstuffs might be included.

Mr. Todd (Australia) asked whether such reports could include reference to stockpiling, to which the Secretary replied that any available information on stocks would be included in future reports. Mr Todd also suggested that all documents to be considered at a meeting of the Committee should be made available to members two weeks in advance.

At this point the Chairman suggested that a small drafting committee might be appointed to prepare a draft of the Committee's report to the Council.

Mr. Louwes (Netherlands) suggested that the drafting committee keep in mind that the Committee should not undertake to prepare any grandiose schemes for dealing with commodity problems.

Mr. Janton (France) suggested that the report should contain a section on the frequency and length of future sessions of the Committee.

Mr. Louwes (Netherlands) added that in this connection it should be remembered that whereas all governments, members of the Committee, had representatives in Washington this was not the case in Rome and most members of the Committee must come a considerable distance to attend a meeting.

The Committee agreed to the appointment of Messrs. Janton (France), Louwes (Netherlands), Wall (U.K.) and Van Vliet (Canada) to serve as a drafting committee.

The Committee then adjourned until 4 o'clock on 24 May.

At 4 p.m. on 24 May the Committee reconvened and adopted with certain revisions the draft report which had been prepared by the drafting committee.

The meeting was adjourned at 6:00 p.m.