

729 TIN



Miscellaneous No. 2 (1961)

Second International Tin Agreement

London, September 1, 1960

[The Agreement has not been ratified
by the United Kingdom]

*Presented to Parliament by the Secretary of State for Foreign Affairs
by Command of Her Majesty
April 1961*

LONDON
HER MAJESTY'S STATIONERY OFFICE
TWO SHILLINGS NET

Cmnd. 1332

SECOND INTERNATIONAL TIN AGREEMENT

The Contracting Governments:

(a) recognizing the exceptional importance of tin to numerous countries which are heavily dependent upon favourable and equitable conditions for its production, consumption or trade;

(b) finding reason to expect that wide-spread unemployment or under-employment in the industries producing and consuming tin may develop out of special difficulties to which international trade in tin is subject, including a tendency toward persistent disequilibrium between production and consumption, the accumulation of burdensome stocks and pronounced fluctuations in price;

(c) considering that the situation of the tin market might be aggravated by uncertainties with respect to the disposal of non-commercial strategic stocks unless provision existed for consultation and for the giving of appropriate notice for their liquidation;

(d) believing that in the absence of international action this situation cannot be corrected by normal market forces in time to prevent wide-spread and undue hardship to workers and the premature abandonment of tin deposits;

(e) recognizing the need to prevent the occurrence of shortages of tin and to take steps to ensure an equitable distribution of supplies if a shortage should occur at any time during the period of this Agreement;

(f) and desiring to continue the work commenced under the International Tin Agreement which was opened for signature on 1 March 1954⁽¹⁾ and which entered into force on 1 July 1956, hereinafter referred to as the First Agreement;

Have agreed as follows:

ARTICLE I

Objectives

The objectives of this Agreement are:

- (a) to prevent or alleviate wide-spread unemployment or under-employment and other serious difficulties which are likely to result from maladjustments between the supply of and the demand for tin;
- (b) to prevent excessive fluctuations in the price of tin and to achieve a reasonable degree of stability of price on a basis which will secure long-term equilibrium between supply and demand;
- (c) to ensure adequate supplies of tin at prices which are fair to consumers and provide a reasonable return to producers;
- (d) to provide a framework for the consideration of measures to promote the progressively more economic production of tin, while protecting deposits of tin from unnecessary waste or premature abandonment, thus facilitating expansion in world consumption of tin, and to keep under review the long-term need for the development of new deposits of tin;
- (e) to continue the work commenced under the First Agreement.

⁽¹⁾ "Treaty Series No. 50 (1956)", Cmnd. 12.

ARTICLE II

Definitions

For the purposes of this Agreement:

- “Tin” means tin metal, other refined tin or the tin content of concentrates or of ore which has been extracted from its original position. For the purposes of this definition, “ore” shall be deemed to exclude (a) material which has been extracted from the ore body but for a purpose other than that of being dressed and (b) material which is discarded in the process of dressing.
- “Tin metal” means refined tin of good merchantable quality assaying not less than 99.75 per cent.
- “Tin metal held”, when used in relation to the buffer stock holding, includes metal which has been bought for the buffer stock but has not yet been received by the Manager of the buffer stock and excludes metal which has been sold from the buffer stock but which has not yet been delivered by him.
- “Ton” means a long ton of 2,240 pounds avoirdupois.
- “Net exports” means the amount exported in the circumstances set out in Part One of Annex C to this Agreement less the amount imported as determined in accordance with Part Two of the same Annex.
- “Participating country” means, as the context may require, the Government of a country which has ratified or accepted this Agreement or given notification of intention to ratify or accept it or acceded to it on its own behalf for all or part of its territories or on behalf of a country or territory or countries or territories which it is empowered so to engage or the Government of a country or territory or countries or territories on whose behalf separate participation has been declared in accordance with Article III or Article XXII hereof, or the country or territory or countries or territories themselves.
- “Consuming country” means a participating country which, in its instrument of ratification, acceptance, notification or accession, has declared itself to be, or in the instrument relating to it has been declared to be, a consuming country.
- “Contributing country” means a participating country that has contributed in cash or in tin metal to the buffer stock.
- “Producing country” means a participating country which, in its instrument of ratification, acceptance, notification or accession, has declared itself to be, or in the instrument relating to it has been declared to be, a producing country.
- “Simple majority” means a majority of the votes cast by participating countries, counted together.
- “Simple distributed majority” means a majority of the votes cast by producing countries and a majority of the votes cast by consuming countries, counted separately.
- “Two-thirds distributed majority” means a two-thirds majority of the votes cast by producing countries and a two-thirds majority of the votes cast by consuming countries, counted separately.

“Entry into force” means, except when qualified, the initial entry into force of this Agreement on 1 July 1961, whether such entry into force is provisional in accordance with paragraph 4 of Article XXI or definitive in accordance with paragraph 3 of the same Article.

“Control period” means a period which has been so declared and for which a total permissible export amount has been fixed.

“Quarter” means a calendar quarter beginning on 1 January, 1 April, 1 July or 1 October, as the case may be.

ARTICLE III

Participation

Each Contracting Government shall, in its instrument of ratification or acceptance or notification of intention to ratify or accept, deposited under Article XXI, or its instrument of accession deposited under Article XXII, declare that it desires to participate in this Agreement either as a producing country or as a consuming country. Where a Contracting Government has ratified, accepted, given notification of intention to ratify or accept, or acceded to this Agreement, it may in its instrument of ratification, acceptance, notification or accession, or at any time thereafter in accordance with and subject to the provisions of paragraph 2 of Article XXII, declare the separate participation as a producing or as a consuming country, as may be appropriate, of a country or territory or countries or territories interested in the production or consumption of tin, which it is empowered so to engage.

ARTICLE IV

International Tin Council

A.—Constitution

1.—(a) On the entry into force of this Agreement, an International Tin Council (hereinafter called the Council) shall be established to administer the provisions and to supervise the operation of this Agreement.

(b) The seat of the Council shall be in London.

2. The Council shall be composed of the Chairman and the delegates of the participating countries.

3. Each participating country shall be represented upon the Council by one delegate. Each delegate may be accompanied at meetings of the Council by alternates empowered to act and vote on behalf of the delegate during his absence or in other special circumstances and by advisers.

4.—(a) The Council shall by a two-thirds distributed majority appoint an independent Chairman who may be a national of one of the participating countries. The appointment of the Chairman shall be considered at the first meeting of the Council after the entry into force of this Agreement.

(b) The Chairman shall not have been actively engaged in the tin industry or the tin trade during the ten years preceding his appointment and shall comply with the conditions set out in paragraph 8 of this Article.

(c) The Chairman shall hold office for such period and on such other terms and conditions as the Council may determine.

(d) The Chairman shall have no vote at meetings of the Council.

5. The Chairman shall preside at meetings of the Council and shall be responsible to it for the administration and operation of this Agreement in accordance with the decisions of the Council.

6. The Council shall elect annually two Vice-Chairmen, one from delegates of producing countries and one from delegates of consuming countries. A Vice-Chairman, while acting as Chairman of the Council, shall have all the powers and duties of the Chairman unless the Council decides otherwise. A Vice-Chairman shall have no vote while acting as Chairman but may appoint another person to exercise the voting rights of his delegation.

7.—(a) The Council shall appoint a Secretary and a Manager of the buffer stock established pursuant to Article VIII and shall determine the terms and conditions of service of these two officers.

(b) The Council shall determine the duties of the Secretary and may give instructions to the Chairman as to the manner in which the Manager of the buffer stock (hereinafter called the Manager) is to carry out the duties laid down in this Agreement and such additional duties as the Council may think fit to impose.

(c) These officers shall be responsible in the first place to the Chairman for the performance of their duties and shall be assisted by such staff as may be considered necessary by the Council. The method of appointment and the terms and conditions of employment of such staff shall be approved by the Council.

8. It shall be a condition of appointment and employment of the Chairman, Secretary, Manager and the staff that they do not hold or shall cease to hold any financial interest in the tin industry or in the tin trade and that they shall not seek or receive instructions regarding their functions or duties from any Government or from any person or authority except the Council or person acting on its behalf in accordance with the terms of this Agreement.

9. No information concerning the operation or administration of this Agreement shall be revealed by any officer or employee of the Council, except as may be authorized by the Council or as is necessary for the proper discharge of his duties under this Agreement.

B.—Meetings

10.—(a) The Council shall meet at least four times a year.

(b) Meetings shall be convened, at the request of any participating country or as may be required by the provisions of this Agreement, by the Chairman or by the Secretary in the event of the incapacity of the Chairman. Meetings may also be convened by the Chairman at his discretion.

(c) Meetings shall unless otherwise decided by the Council be held at the seat of the Council and, except in the case of meetings convened under Article X, at least seven days' notice of each meeting shall be given.

11. Delegates holding two-thirds of the votes of producing countries and two-thirds of the votes of consuming countries shall together constitute a quorum at any meeting of the Council, provided that, if for any meeting of the Council, there is not a quorum as defined above, a further meeting shall be convened after not less than seven days at which delegates holding more than 1,000 votes shall together constitute a quorum.

12. Any participating country may, in due form satisfactory to the Council, authorize any other participating country to represent its interests and to exercise its voting right at any meeting of the Council.

C.—Voting

13.—(a) The producing countries shall together hold 1,000 votes which shall be distributed amongst them so that each producing country receives five initial votes and, in addition, a proportion as nearly as possible equal to the proportion which the percentage of that country as listed in column (2) of Annex A or as published from time to time in accordance with paragraph 10 of Article VII bears to the total of the percentages of all producing countries; and the consuming countries shall together hold 1,000 votes which shall be distributed amongst them so that each consuming country receives five initial votes and, in addition, a proportion as nearly as possible equal to the proportion which that country's tonnage as shown in column (2) of Annex B bears to the total tonnage of all consuming countries:

Provided that:

- (i) if there are more than thirty consuming countries the initial vote for each consuming country shall be the highest whole number consistent with the requirement that the total of all initial votes for all consuming countries shall not exceed 150;
- (ii) if, after the entry into force of this Agreement any country ratifies, accepts, gives notification of intention to ratify or accept, or accedes to this Agreement as a consuming country, the Council shall determine and publish its tonnage, which tonnage shall take effect upon the date decided by the Council for the purposes of this Article as if it were one of the tonnages listed in column (2) of Annex B;
- (iii) the Council may at its first meeting review the tonnages listed in column (2) of Annex B and may amend such tonnages or any of them. In the event of any such amendment, the Council shall publish such revised tonnages and the tonnages so amended shall be effective for the purposes of this Article as if they were the tonnages listed in column (2) of Annex B as from the date of any such amendment until further amended or 30 June 1962 whichever is the earlier;
- (iv) at meetings to be held during the second quarter of 1962 and of each calendar year subsequently the Council shall review the figures of the consumption of tin of each consuming country for each of the three preceding calendar years ending on 31 December and shall publish revised tonnages for each consuming country on the basis of the averages of such figures of consumption, which tonnages shall take effect on 1 July next following for the purposes of this Article as if they were the tonnages listed in column (2) of Annex B;

- (v) no participating country shall have more than 450 votes; and
- (vi) there shall be no fractional votes.

(b) Where, by reason of the failure of one or more of the countries listed in Annex A or Annex B to ratify, accept or give notification of intention to ratify or accept this Agreement or by reason of the operation of the provisions of sub-paragraph (a) of this paragraph or of Articles V, VIII, XVI, XVII, XVIII, XIX or XXI, the total of the votes of the consuming countries or the producing countries is thereby less than 1,000, the balance of votes shall be distributed amongst other consuming or producing countries as the case may be as nearly in proportion to the votes they already hold, less in each case the initial votes, as is consistent with there being no fractional votes.

14. Decisions of the Council shall, except when otherwise provided, be taken by a simple distributed majority. Abstention shall not be deemed to be the casting of an affirmative or a negative vote. When voting, a delegate shall not divide his vote.

D.—Functions and Duties

15.—(a) The Council shall receive from the Chairman at such times as it may request, such information with regard to the holdings and operations of the buffer stock as it considers necessary to fulfil its functions under this Agreement.

(b) The Council shall publish:

- (i) after the end of each quarter a statement showing the tonnage of tin metal held by it at the end of that quarter; and
- (ii) after the end of each financial year a report of its activities for that year;

Provided that the statements or reports referred to in this sub-paragraph shall not be published earlier than three months after the end of the periods to which they relate unless the Council so decides.

16. The Council shall make whatever arrangements are appropriate for consultation and co-operation with the appropriate organs of the United Nations and its specialized agencies and with any other international organizations concerned with tin.

17. The Council may request participating countries to furnish any information necessary for the satisfactory administration of this Agreement and, subject to the provisions of Article XVI, participating countries shall furnish to the fullest extent possible the information so requested.

18. The Council shall have such powers and perform such duties as may be necessary for the administration and operation of this Agreement, including the power to borrow on behalf of the Administrative Account established under Article V.

19.—(a) The Council may appoint such committees as it considers necessary to assist it in the performance of its functions.

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(b) Any power of the Council which may be exercised by a simple distributed majority may be delegated at any time by the Council by a two-thirds distributed majority to any committee. The terms of reference of any such committee shall be determined and its members shall be appointed by the Council by a two-thirds distributed majority. Such delegation may at any time be revoked by the Council by a simple majority.

20.—(a) The Council shall establish its own rules of procedure.

(b) Committees of the Council may unless the Council otherwise decides establish their own rules of procedure.

E.—Privileges and Immunities

21. The Council shall be accorded in each participating country such currency exchange facilities as may be necessary for the discharge of its functions under this Agreement.

22. The Council shall have in each participating country, to the extent consistent with its law, such legal capacity as may be necessary for the discharge of its functions under this Agreement.

23. The Council shall have in each participating country, to the extent consistent with its law, such exemption from taxation on the assets, income and other property of the Council as may be necessary for the discharge of its functions under this Agreement.

24. The Government of the country in which the seat of the Council is situated shall grant exemption from taxation on remuneration paid by the Council to its employees other than those employees who are nationals of the country in which the seat of the Council is.

ARTICLE V

Finance

1. The Council shall not be responsible for the expenses of delegates to the Council or to committees of the Council or the expenses of their alternates and advisers.

2.—(a) There shall be kept two accounts for the administration and operation of this Agreement.

(b) The administrative and office expenses of the Council, including the remuneration of the Chairman, the Secretary, the Manager and the staff, shall be brought into one account (hereinafter called the Administrative Account).

(c) All expenditure incurred in the course of or attributable to buffer stock transactions or operations, including all expenses in respect of storage, commission, insurance and telephone and telegraph facilities, shall be borne by buffer stock contributions payable by participating countries under this Agreement and brought by the Manager into another account (hereinafter called the Buffer Stock Account).

3. The Council shall at its first meeting after the entry into force of this Agreement:

- (a) determine what its financial year shall be;
- (b) approve estimates of contributions and expenditure on the Administrative Account for the period between the date of entry into force of the Agreement and the end of the financial year.

Thereafter it shall approve similar annual estimates for each financial year. If it appears at any time during any financial year that the balance remaining in the Administrative Account is likely to prove inadequate to meet the administrative and office expenses of the Council, the Council may approve supplementary estimates for the remainder of that financial year.

4. Upon the basis of such estimates the Council shall assess in sterling the contribution of each participating country, which shall be liable to pay its full contribution to the Secretary of the Council upon notice of assessment. Each participating country shall pay in respect of each vote which it holds in the Council upon the day of assessment one-two-thousandth of the total amount required, provided that no country shall contribute less than £100 sterling in any financial year.

5. Payments to the Council by participating countries under this Article and Articles VII and VIII and payments by the Council to participating countries under Articles XI and XX shall be made in sterling or, at the option of the participating country, in any currency which is freely convertible into sterling on the London foreign exchange market.

6. The Council may deprive any participating country which fails to pay its contribution within six months of the date of notice of assessment of its right to vote at meetings of the Council. If such a country fails to pay its contribution within twelve months of the date of notice of assessment, the Council may deprive it of any other rights under this Agreement, including such proportion of its rights to participation on liquidation of the buffer stock under the terms of Article XI as is equivalent to the unpaid contribution: Provided that the Council shall, on payment of any such outstanding contribution, restore to the country concerned the rights of which it has been deprived under this paragraph.

7. The Council shall as soon as possible after the end of each financial year publish audited Administrative and Buffer Stock Accounts, provided, however, that such Buffer Stock Accounts shall not be published earlier than three months after the end of the financial year to which they relate.

ARTICLE VI

Floor and Ceiling Prices

1. For the purposes of this Agreement there shall be floor and ceiling prices for tin metal as hereafter determined.

2. The initial floor and ceiling prices shall be £730 and £880 sterling per ton respectively, provided that there shall be substituted for such prices or for either of such prices any other prices or price which were in force at the date of the termination of the First Agreement.

3. The range between the floor and ceiling prices shall be divided into three sectors. These sectors shall be equal unless the Council by a two-thirds distributed majority otherwise decides.

4.—(a) The Council shall at its first meeting after the entry into force of this Agreement and from time to time thereafter or in accordance with the provisions of Article X consider whether the floor and ceiling prices are appropriate for the attainment of the objectives of this Agreement and may revise either or both of them.

(b) In so doing, the Council shall take into account the current trends of tin production and consumption, the existing capacity for production, the adequacy of the current price to maintain sufficient future productive capacity and any other relevant factors.

5. The Council shall publish as soon as possible any revised floor or ceiling price, including any provisional or revised price determined under Article X, and any revised division of the range.

ARTICLE VII

Export Control

1. The Council shall from time to time determine the quantities of tin which may be exported from producing countries in accordance with the provisions of this Article. In determining these quantities, it shall be the duty of the Council to adjust supply to demand so as to maintain the price of tin metal between the floor and ceiling prices. The Council shall also aim to maintain available in the buffer stock tin metal and cash adequate to rectify any discrepancies between supply and demand which may arise through unforeseen circumstances.

2.—(a) As soon as practicable after the entry into force of this Agreement and thereafter not less than once in every quarter the Council shall estimate the probable demand for tin during the next following quarter. In the light of this estimate, the quantity of tin metal held in the buffer stock, the amount of the stocks held in producing countries, the probable trend of commercial stocks, the current price of tin metal, the provisions of Articles VIII and XI and any other relevant factors, the Council may declare such a quarter or other period declared under sub-paragraph (b) of this paragraph to be a control period and by the same resolution shall fix a total permissible export amount for that control period. In fixing such amount, the Council shall observe the principles laid down in paragraph 1 of this Article.

(b) The control periods shall correspond to the quarters, provided that, on any occasion when the limitation of exports is being introduced for the first time during the currency of this Agreement or is being reintroduced after an interval during which there has been no limitation of exports, the Council may declare as the control period any period not being greater than five months or less than two months, ending on 31 March, 30 June, 30 September or 31 December.

(c) The limitation of exports under this Agreement in each control period shall depend on the positive decision of the Council for that control period

and no such limitation shall operate in any period unless the Council has declared it to be a control period and fixed a total permissible export amount in respect of it.

(d) The Council shall not declare a control period unless it finds that at least 10,000 tons of tin metal are likely to be held in the buffer stock at the beginning of that period, provided:

- (i) that, if a control period is declared for the first time after an interval during which no limitation of exports was in force, the figure for the purposes of this paragraph shall be 5,000 tons; and
- (ii) that the Council may by a two-thirds distributed majority reduce in respect of any period the required amount of 10,000 tons or 5,000 tons, as the case may be.

(e) A total permissible export amount which has become effective shall not cease to be effective during the course of the period to which it relates by reason only of the fact that the buffer stock holding has fallen below the minimum amount of tin metal required under sub-paragraph (d) of this paragraph or any other amount substituted therefor under the same sub-paragraph.

(f) Notwithstanding the suspension of buffer stock operations in accordance with the provisions of paragraph 4 of Article IX or paragraph 3 of Article X, the Council may declare control periods and fix total permissible export amounts.

(g) A total permissible export amount previously fixed under sub-paragraph (a) of this paragraph may be revised by the Council, provided however that a total permissible export amount may not be decreased during the control period to which it relates.

3. Notwithstanding the provisions of paragraph 2 of this Article, if, under the First Agreement a total permissible export amount has been fixed in respect of the period 1 April to 30 June 1961 and is still effective at the termination of the First Agreement, then

- (i) the quarter 1 July to 30 September 1961 shall be deemed to have been declared a control period under this Agreement; and
- (ii) the total permissible export amount for such control period shall be the same as that fixed under the First Agreement for the period 1 April to 30 June 1961 unless and until revised by the Council in accordance with the provisions of this Article:

Provided that if on 3 July 1961 less than 10,000 tons of tin metal are held in the buffer stock the Council shall consider the position at its first meeting and, if a decision to continue the limitation of exports is not reached, the period in question shall cease to be a control period.

4. The total permissible export amount for any control period shall be divided among producing countries in proportion to their percentages in Annex A or in proportion to their percentages in any revised table of percentages which may be published in accordance with this Agreement, and the quantity of tin so computed in respect of any country for any control period shall be the permissible export amount of that country for that control period.

5. If, after the entry into force of this Agreement, any country ratifies, accepts, gives notification of intention to ratify or accept, or accedes to it, as a producing country, the Council shall determine the percentage of that country and redetermine the percentages of all the other participating producing countries in proportion to their current percentages.

6.—(a) The Council shall review the percentages of the producing countries and redetermine them in accordance with the rules set out in Annex G to this Agreement, provided that the percentage of a producing country shall not, during any period of twelve months, be reduced by more than one-tenth of its percentage at the commencement of that period.

(b) The Council may, from time to time, by a two-thirds distributed majority amend Annex G and any such amendment shall have effect as if it were included in such Annex.

(c) The percentages resulting from the procedure set out in sub-paragraphs (a) and (b) of this paragraph shall be published and shall take effect upon the first day of the quarter following the date of the decision of the Council in replacement of the percentages listed in column (2) of Annex A.

7.—(a) Notwithstanding the provisions of paragraph 4 of this Article, the Council may, with the consent of a producing country, reduce its share in the total permissible export amount and redistribute the amount of the reduction among the other producing countries in proportion to the percentages of those countries or, if circumstances so require, in some other manner.

(b) The quantity of tin determined according to sub-paragraph (a) of this paragraph for any producing country for any control period shall for the purposes of this Article be deemed to be the permissible export amount of that country for that control period.

8.—(a) It shall be the duty of any producing country which believes itself unlikely to be able to export in any control period as much tin as it would be entitled to export in accordance with its permissible export amount for that control period to make to the Council, as soon as possible but in any case not later than one calendar month after the date upon which such permissible export amount has become effective, a declaration to that effect.

(b) If the Council has received such a declaration or is of the opinion that any producing country is unlikely to be able to export in any control period as much tin as it would be entitled to export in accordance with its permissible export amount, the Council may increase the total permissible export amount for that control period by such an amount as will in its opinion ensure that the total permissible export amount required will in fact be exported.

9.—(a) The net exports of tin from each producing country for each control period shall be limited, except as otherwise provided in this Article, to the permissible export amount for that country for that control period.

(b) If, notwithstanding the provisions of sub-paragraph (a) of this paragraph, the net exports of tin from a producing country in any control period exceed its permissible export amount for that control period by more than 5 per cent, the Council may require the country concerned to make an additional contribution to the buffer stock not exceeding the amount by which

such exports exceed its permissible export amount. Such a contribution shall be in tin metal or in cash or in such proportions of tin metal and cash and before such date or dates, as the Council may decide. That part, if any, of the contribution which is to be paid in cash shall be calculated at the floor price current at the date of the decision of the Council. That part, if any, of the contribution which is to be made in tin metal shall be included in and shall not be additional to the permissible export amount of the country in question for the control period in which such contribution is made.

(c) If, notwithstanding the provisions of sub-paragraph (a) of this paragraph, the aggregate net exports of tin from a producing country in any four successive control periods exceed by more than 1 per cent the aggregate of its permissible export amounts for those periods, the permissible export amounts of that country during each of the four subsequent control periods may be reduced by one-quarter of the aggregate tonnage so over-exported or, if the Council so decides, by any greater fraction not exceeding one-half. Such reduction shall take effect from the control period next following that in which the decision was taken by the Council.

(d) If, after any such four successive control periods (during which the aggregate net exports of tin from a country have exceeded its permissible export amount as mentioned in sub-paragraph (c) of this paragraph), the aggregate net exports of tin from that country in any four further successive control periods exceed the aggregate of the permissible export amounts for those four control periods, the Council may, in addition to reducing the total permissible export amount of that country in accordance with the provisions of sub-paragraph (c) of this paragraph, declare that the country shall forfeit a portion, which shall on the first occasion not exceed one half, of its rights to participation on liquidation of the buffer stock. The Council may at any time restore to the country concerned the portion of its rights so forfeited on such terms and conditions as it may determine.

(e) It shall be the duty of a producing country which has exported an amount of tin in excess of its permissible export amount and of any amount permitted by other provisions of this Article to take effective steps to correct its breach of this Agreement at the earliest possible opportunity; and the Council, when deciding the action to be taken under this paragraph, shall take account of any failure to take such steps or delay in doing so.

10.—(a) When, by reason of the determination or alteration of the percentage of a producing country or of the withdrawal of a producing country, the total of percentages is no longer one hundred, the percentage of each other producing country shall be proportionately adjusted so that the total of percentages is restored to one hundred.

(b) The Council shall then publish as soon as possible the revised table of percentages which shall come into force for the purposes of export control with effect from the first day of the control period following that in which the decision to revise percentages was taken.

11. Each producing country shall take such measures as may be necessary to maintain and enforce the provisions of this Article so that its exports shall correspond as closely as possible to its permissible export amount for any control period.

12. For the purposes of this Article, the Council may decide that exports of tin from any producing country shall include the tin content of any material derived from the mineral production of the country concerned.

13. Tin shall be deemed to have been exported if, in the case of countries named in column (1) of Annex C, the formalities set out in column (2) of that Annex opposite the name of that country have been completed, provided that:

- (i) the Council may, from time to time, with the consent of the country concerned, amend Annex C and any such amendment shall have effect as if it were included in such Annex;
- (ii) if any tin shall be exported from any producing country by any method which is not provided for by column (2) of Annex C, the Council shall determine whether such tin shall be deemed to have been exported for the purposes of this Agreement and, if so, the time at which such export shall be deemed to have taken place.

14. Control periods for which total permissible export amounts have been fixed under paragraph 2 of Article VII of the First Agreement and penalties imposed under paragraphs 7 or 9 of Article VII of the First Agreement shall be deemed as from 1 July 1961 to have been fixed or imposed under this Article.

15.—(a) The Council, if it considers that the conditions in Annex D are satisfied, may by a two-thirds distributed majority permit the export (hereinafter called a special export) of a specified quantity of tin in addition to the permissible export amount referred to in paragraph 2 of this Article.

(b) The Council may by a two-thirds distributed majority impose such conditions upon a special export as it deems necessary.

(c) If the provisions of Article XII and the conditions imposed by the Council are fulfilled, a special export shall not be taken into account when the provisions of paragraphs 7 or 9 of this Article are being applied.

(d) The Council may by a two-thirds distributed majority at any time amend the conditions contained in Annex D, provided that any such amendment shall be without prejudice to anything done by a country in pursuance of permission given and conditions already imposed under this paragraph.

16.—(a) A producing country may make special deposits of tin metal with the Manager. A special deposit shall not be treated as part of the buffer stock and shall not be at the disposal of the Manager.

(b) A producing country which has informed the Council of its intention of making a special deposit of tin metal from within that country shall, subject to furnishing such evidence as the Council may require to identify the metal or the concentrates exported with the tin metal which is the subject of the special deposit, be permitted to export such metal or concentrates in addition to any permissible export amount that may have been allocated to that country under paragraph 4 of this Article and, subject to the compliance by the producing country with the requirements of Article XII, paragraphs 7, 8 and 9 of this Article shall not apply to such exports.

(c) Special deposits may be accepted by the Manager only at such place or places as may be determined by the Council.

(d) The Chairman shall notify the participating countries of the receipt of any such special deposit.

(e) A producing country which has made a special deposit of tin metal may withdraw the whole or part of such special deposit in order to fulfil the whole or part of its permissible export amount in any control period. In such a case the amount withdrawn from the special deposit shall be regarded as having been exported for the purposes of this Article in the control period in which the withdrawal was made.

(f) In any quarter which has not been declared a control period any special deposit shall be at the unfettered disposal of the country which has made the deposit, subject only to the provisions of paragraph 7 of Article XII.

(g) All charges directly incurred in connexion with any special deposit shall be borne by the country making the deposit.

ARTICLE VIII

Establishment of the Buffer Stock

1. A buffer stock shall be established and maintained in accordance with the provisions of this Article and contributions shall be made to it by producing countries.

2.—(a) Producing countries shall make contributions in tin metal amounting in the aggregate to 12,500 tons and contributions in cash amounting in the aggregate to the equivalent of 7,500 tons of tin metal. Such contributions shall be made on 3 July 1961 or by such later date as the Council may at its first meeting determine.

(b) The Council at its first meeting may decide that a portion of the contributions under sub-paragraph (a) of this paragraph to be made in tin metal shall be made in cash or that a portion to be made in cash shall be made in tin metal. If the Council makes such decision, the producing countries shall complete their arrangements for carrying out the decision within three months of the date of its making or within such further period as the Council may determine.

3. Contributions due to be made in tin metal may be made by the transfer of tin metal from the buffer stock held under the First Agreement.

4. The contributions referred to in paragraph 2 of this Article shall be apportioned between the producing countries according to the percentages set out in column (2) of Annex A.

5.—(a) If on or after 1 July 1961 a producing country ratifies, accepts, gives notification of intention to ratify or accept, or accedes to, this Agreement, the contributions of that country shall be determined by the Council with reference to the percentage in column (2) of Annex A as determined or redetermined under paragraph 5 of Article VII.

(b) Contributions determined under sub-paragraph (a) of this paragraph shall be made on the date of the deposit of the instrument.

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(c) The Council may direct refunds, not exceeding in the aggregate the amount of any contribution received under sub-paragraph (a) of this paragraph, to be made to the other producer countries and, if it decides that such refunds or part of such refunds are to be made in tin metal, may attach to these refunds such conditions as it deems necessary.

6.—(a) The Council may borrow for the purposes of the buffer stock and upon the security of tin warrants held by the buffer stock such sum or sums as it deems necessary, provided that the maximum amount of such borrowing and the terms and conditions thereof shall have been approved by a majority of the votes cast by consuming countries and all the votes cast by producing countries and further provided that no obligation shall be incurred by any consuming country in respect of such borrowing.

(b) The Council may by a two-thirds distributed majority make any other arrangements as it thinks fit for borrowing for the purposes of the buffer stock, provided that no obligation shall be laid upon any participating country under this sub-paragraph without the consent of that country.

7.—(a) Any participating country may, with the consent of and upon conditions imposed by the Council, make voluntary contributions to the buffer stock either in cash or in tin metal or in both.

(b) The Chairman shall notify the participating countries of the receipt of any such voluntary contribution.

(c) The Council may at any time at the request of a participating country refund to that country the whole or any part of a voluntary contribution made by that country to the buffer stock. If such refunds or part of such refunds are made in tin metal the Council may attach to these refunds such conditions as it deems necessary.

8.—(a) A producing country which for the purposes of making a contribution under this Article wishes to export from stocks lying within that country may apply to the Council to be permitted to export the amount so desired in addition to its permissible export amount, if any, determined under Article VII.

(b) The Council shall consider any such application and may approve it, subject to such conditions as it deems necessary.

(c) Subject to these conditions being satisfied and to the furnishing of such evidence as the Council may require to identify the metal or concentrates exported with the tin metal delivered to the buffer stock, paragraphs 7, 8 and 9 of Article VII shall not apply to such exports.

9. Contributions in tin metal may be accepted by the Manager only in warehouses officially recognized by the London Metal Exchange or at such other place or places as may have been determined by the Council.

10.—(a) If a producing country does not fulfil its obligations under this Article, the Council may deprive it of any or all of its rights and privileges under this Agreement and may also require the remaining producing countries to make good the deficit in cash or in tin metal or partly in cash and partly in tin metal.

(b) If a part of the deficit is to be made good in tin metal, the producing countries which are making good that deficit shall be permitted to export the amounts required of them in addition to any permissible export amounts that

may have been determined under Article VII. Subject to the furnishing of such evidence as the Council may require to identify the metal or concentrates exported with the tin metal delivered to the buffer stock, paragraphs 7, 8 and 9 of Article VII shall not apply to such exports.

(c) The Council may at any time and on such conditions as it may determine:

- (i) declare that the default has been remedied, and
- (ii) restore the rights and privileges of the country in question, and
- (iii) return the additional contributions made by the other producing countries under sub-paragraph (a) of this paragraph together with interest at the rate of 5 per cent per annum, provided that, in respect of that part of the additional contribution which has been made in tin metal, such interest shall be calculated on the basis of the cash equivalent at the settlement price for tin metal on the London Metal Exchange on the date of the decision of the Council under sub-paragraph (a) of this paragraph. If such refunds or part of such refunds are made in tin metal the Council may attach to these refunds such conditions as it deems necessary.

11.—(a) For the purposes of this Article any part of a contribution made in cash shall be deemed to be equivalent to the quantity of tin metal which could have been purchased at the floor price in force:

- (i) in the case of contributions made under paragraph 2 of this Article at the date of entry into force of this Agreement;
- (ii) in the case of contributions made under paragraph 5 of this Article on the date of the deposit of the instrument; and
- (iii) in the case of voluntary contributions made under paragraph 7 of this Article on the date on which the contribution was received by the Manager.

(b) The part of any contribution made in tin metal shall be five tons or a multiple thereof and a cash adjustment shall be made, if necessary, in respect of a fraction of five tons.

ARTICLE IX

Management and Operation of the Buffer Stock

1. The Manager shall, within the framework of instructions of the Council, be responsible for the operation of the buffer stock and in particular for buying, selling and maintaining stocks of tin in accordance with the provisions of this Article and of Article XI.

2. If the price of cash tin on the London Metal Exchange:

- (a) is equal to or greater than the ceiling price, the Manager shall, if he has cash tin at his disposal, offer such tin for sale on the London Metal Exchange at the ceiling price until either the cash price on the London Metal Exchange falls below the ceiling price or the cash tin at his disposal is exhausted;

- (b) is in the upper sector of the range between the floor and ceiling prices, the Manager may sell cash tin on the London Metal Exchange at the market price if he considers it necessary to prevent the market price from rising too steeply;
- (c) is in the middle sector of the range between the floor and ceiling prices, the Manager shall neither buy nor sell unless the Council otherwise decides, provided during any period which is not a control period such decision shall require a two-thirds distributed majority;
- (d) is in the lower sector of the range between the floor and ceiling prices, the Manager may buy cash tin on the London Metal Exchange at the market price if he considers it necessary to prevent the market price from falling too steeply;
- (e) is equal to or less than the floor price, the Manager shall, if he has funds at his disposal, offer to buy cash tin on the London Metal Exchange at the floor price until either the cash price on the London Metal Exchange is above the floor price or the funds at his disposal are exhausted.

3.—(a) When under the provisions of paragraph 2 of this Article the Manager may buy (or sell, as the case may be) cash tin on the London Metal Exchange he may buy (or sell, as the case may be) forward tin on the London Metal Exchange or buy (or sell, as the case may be) either cash tin or forward tin on any other established market for tin, provided that he may not engage in forward transactions unless these will be completed before the termination of this Agreement.

(b) The Council may authorize the Manager to buy from, or sell to or for the account of, a governmental non-commercial stock.

4.—(a) Notwithstanding the provisions of sub-paragraphs (a) and (e) of paragraph 2 of this Article, the Council may suspend the operations of the buffer stock if, in its opinion, the discharge of the obligations laid upon the Manager by those sub-paragraphs will not achieve the purposes of this Agreement.

(b) At such times as the Council is not in session, the power to suspend operations under sub-paragraph (a) of this paragraph shall be vested in the Chairman.

(c) The Chairman may at any time revoke a suspension which he has decided by virtue of the power vested in him under sub-paragraph (b) of this paragraph.

(d) Immediately after a decision by the Chairman to suspend the operations of the buffer stock under the powers vested in him by sub-paragraph (b) of this paragraph, he shall convene a meeting of the Council to review such decision. Such meeting shall be held within fourteen days after the date of the suspension.

(e) If operations of the buffer stock have been suspended by the Council under sub-paragraph (a) of this paragraph, the Chairman shall convene a meeting of the Council to review the decision. Such meeting shall be held within six weeks after the date of suspension.

(f) The Council may on such review confirm any suspension under sub-paragraph (a) or (b) of this paragraph or, where a suspension has been

revoked by the Chairman under sub-paragraph (c) of this paragraph, may restore such suspension. If the Council fails to come to a decision, buffer stock operations shall be resumed or continue, as the case may be.

(g) Any suspension of the operation of the buffer stock shall be reviewed by the Council at intervals of not longer than six weeks. If at any such meeting the Council fails to come to a decision in favour of the continuation of the suspension, buffer stock operations shall be resumed.

5. Notwithstanding the provisions of this Article the Council may authorize the Manager, if his funds are inadequate to meet his operational expenses, to sell sufficient quantities of tin at the current market price to meet expenses.

ARTICLE X

Revaluation of Currencies

1.—(a) The Chairman may convene or any participating country may request the Chairman to convene a meeting of the Council immediately to review the floor and ceiling prices if the Chairman or such participating country, as the case may be, considers the movements in the relative values of currencies from those ruling at the date at which this Agreement was opened for signature make such a review necessary.

(b) Meetings convened under sub-paragraph (a) of this paragraph may be convened by less than seven days' notice.

2. In the circumstances set forth in sub-paragraph (a) of paragraph 1 of this Article, the Chairman shall, pending the meeting of the Council, provisionally suspend the operations of the buffer stock if such a suspension is in his opinion necessary to prevent buying or selling of tin by the Manager to an extent likely to prejudice the purposes of this Agreement.

3. The Council may suspend or confirm the suspension of buffer stock operations under this Article. If the Council fails to come to a decision, buffer stock operations if provisionally suspended shall be resumed.

4. Within thirty days of its decision to suspend or to confirm the suspension of buffer stock operations under this Article, the Council shall consider the determination of provisional floor and ceiling prices and may determine such provisional floor and ceiling prices.

5. Within ninety days from the establishment of provisional floor and ceiling prices, the Council shall review such prices and may determine new floor and ceiling prices.

6. If the Council fails to determine provisional floor and ceiling prices in accordance with paragraph 4 of this Article, it may at any subsequent meeting determine what the floor and ceiling prices shall be.

7. Buffer stock operations shall be resumed on the basis of such floor and ceiling prices as are determined in accordance with paragraphs 4, 5 or 6 of this Article as the case may be.

ARTICLE XI

Liquidation of the Buffer Stock

1. When fixing the total permissible export amount for any control period in accordance with the provisions of Article VII, the Council shall, when the need arises, pay regard to the desirability of reducing the quantity of tin metal held in the buffer stock by the date of termination of this Agreement, and the total permissible export amount may be fixed at such figure, lower than the figure which the Council would otherwise have fixed as the total permissible export amount for that period, as the Council may decide.

2. Within the framework of instructions of the Council, the Manager may sell from the buffer stock at any price, being the current market price and not less than the floor price, the quantities of tin metal by which the Council has reduced the total permissible export amounts in accordance with the provisions of paragraph 1 of this Article.

3. From the date of termination of this Agreement all buffer stock operations under Article IX shall cease. The Manager shall thereafter make no further purchases of tin metal and may sell tin metal only as authorized by paragraphs 5 and 7 of this Article or by the Council under paragraph 4 of this Article.

4. Unless the Council from time to time substitutes other arrangements for those contained in paragraphs 5, 6 and 7 of this Article, the Manager shall, in connexion with the liquidation of the buffer stock, take the steps set out in paragraphs 5, 6, 7 and 8 of this Article.

5. As soon as possible after the date of termination of this Agreement the Manager shall make an estimate of the total expenses of liquidating the buffer stock in accordance with the provisions of this Article and shall set aside from the balance remaining in the Buffer Stock Account a sum which is in his opinion sufficient to meet such expenses. Should the balance remaining in the Buffer Stock Account be inadequate to meet such expenses, he shall sell a sufficient quantity of tin metal to provide the additional sum required.

6.—(a) Subject to and in accordance with the terms of this Agreement, the share of each contributing country in the buffer stock shall be refunded to such country.

(b) For the purpose of ascertaining the share of each contributing country in the buffer stock, the Manager shall adopt the following procedure:

- (i) The contributions of each contributing country to the buffer stock (excluding any voluntary contribution or part of a voluntary contribution which has been made under sub-paragraph (a) of paragraph 7 of Article VIII and which has been refunded under sub-paragraph (c) of the same paragraph) shall be evaluated and for this purpose any contribution or portion of any contribution made by a contributing country in metal shall be calculated at the floor price in force at the time when the contribution was made and shall be added to the total contributions made by that country in cash.

- (ii) All the tin metal held by the Manager on the date of the termination of this Agreement shall be valued at the settlement price of cash tin on the London Metal Exchange on that date and an amount to that value shall be added to the total cash held by him at that date after setting aside a sum as required by paragraph 5 of this Article.
- (iii) If the sum total arrived at under clause (ii) of this sub-paragraph is greater than the sum total of all the contributions made to the buffer stock by all the contributing countries (calculated in accordance with clause (i) of this sub-paragraph), the surplus shall be apportioned among the contributing countries in proportion to the total contributions to the buffer stock of each contributing country multiplied by the number of days that such contributions have been at the disposal of the Manager up to the termination of this Agreement. For this purpose contributions in metal shall be calculated in accordance with clause (i) of this sub-paragraph and each individual contribution (in metal or in cash) shall be multiplied by the number of days that it has been at the disposal of the Manager and for the purpose of calculating the number of days that a contribution has been at the disposal of the Manager neither the date on which the contribution was received by him nor the date of the termination of this Agreement shall be counted. The amount of surplus so apportioned to each contributing country shall be added to the total of the contributions of that country (calculated in accordance with clause (i) of this sub-paragraph):

Provided, however, that in calculating the apportionment of such a surplus a forfeited contribution shall not be regarded as having been at the disposal of the Manager during the period of forfeiture.

- (iv) If the sum total arrived at under clause (ii) of this sub-paragraph is less than the sum of all the contributions made to the buffer stock by all the contributing countries (calculated in accordance with clause (i) of this sub-paragraph) the deficit shall be apportioned among the contributing countries in proportion to their total contributions (calculated in accordance with clause (i) of this sub-paragraph) and the amount of the deficit so apportioned to each contributing country shall be deducted from the total of the contributions of that country (calculated in accordance with clause (i) of this sub-paragraph).
- (v) The result of the foregoing calculation shall in the case of each contributing country be treated as its share of the buffer stock.

(c) The Manager shall then, subject to the provisions of paragraph 5 of this Article, allocate to each contributing country its share (calculated as aforesaid) of the cash and tin metal at his disposal, provided, however, that if any contributing country has forfeited the whole or part of its right to participate in the proceeds of the liquidation of the buffer stock by virtue of Articles V, VII, VIII, XVII, XVIII or XIX of this Agreement, it shall to that extent be excluded from the refund of its share and the resulting residue shall be apportioned between the other contributing countries in the manner laid down in clause (iv) of sub-paragraph (b) of this paragraph for the apportionment of a deficit.

(d) The ratio of tin metal to cash allocated to each contributing country under this paragraph shall be the same.

7. The Manager shall then repay to each contributing country the cash allocated to that country as the result of the procedure in paragraph 6 of this Article. He shall either:

- (i) transfer the tin metal so allocated to each contributing country to that country in twelve monthly instalments which shall be as nearly equal as possible; or
- (ii) at the option of any contributing country sell any such instalment and pay to it the net proceeds of such sale.

8. When all the tin metal has been disposed of in accordance with paragraph 7 of this Article, the Manager shall distribute between contributing countries any balance remaining of the sum set aside under paragraph 5 of this Article in the proportions allocated to each country in accordance with paragraph 6 of this Article.

ARTICLE XII

Stocks in Producing Countries

1.—(a) The stocks of tin within any producing country which have not been exported within the definition contained in Annex C shall not at any time during a control period exceed 25 per cent of the amount shown against that country in Annex E.

(b) Such stocks shall not include tin in the course of transport between the mine and the point of export as defined in Annex C.

(c) The Council may substitute for the figures in Annex E the net exports for any period consisting of not less than four consecutive quarters, none of which was a control period.

2. The Council may permit the percentage laid down in sub-paragraph (a) of paragraph 1 of this Article to be exceeded in particular countries during specified periods and may impose conditions in relation to the granting of such permission.

3. Any increase in percentage approved under Article XII of the First Agreement and still operative at the termination of that Agreement and any conditions which have been imposed in connexion therewith shall be deemed to have been approved or imposed under this Agreement unless the Council on or before 31 December 1961 otherwise decides.

4. Any special export permitted by the Council under the provisions of paragraph 15 of Article VII and any special deposit made under the provisions of paragraph 16 of Article VII shall be deducted from the amount of stocks permitted under this Article to be held in a control period within the producing country concerned.

5.—(a) In a producing country mentioned in column (1) of Annex F where tin ore is unavoidably extracted from its original position in the mining of the other mineral mentioned in column (2) of that Annex and where for that reason the limitation of stocks prescribed in paragraph 1 of this Article would unreasonably restrict the mining of that other mineral, additional stocks of tin ore may be held within that country to the extent certified by the

Government of that country as having been won exclusively in association with that other mineral and actually retained in that country, provided that the proportion which such additional stocks bear to the total amount of the other mineral exported shall not at any time exceed the proportion stated in column (3) of Annex F.

(b) Except with the consent of the Council, the disposal of such additional stocks shall not commence until after the liquidation of all the tin metal in the buffer stock and the rate of disposal thereafter shall not exceed one-fortieth of the whole or 250 tons whichever is the greater in each quarter, provided that the Council may increase the fraction or tonnage, or both, mentioned in this sub-paragraph.

(c) A country mentioned in column (1) of Annex F shall, in consultation with the Council, make regulations governing the maintenance, protection and control of such additional stocks.

(d) The Council may, with the consent of the producing country concerned, amend Annex E and Annex F.

6. Each producing country shall forward to the Council at such intervals as the Council may require statements as to the stocks of tin within its territory which have not been exported within the definition of Annex C. Such statements shall not include tin in course of transport between the mine and the point of export as defined in Annex C. Such statements shall show separately the stocks held by virtue of the provisions of paragraph 5 of this Article.

7. Each producing country shall, not less than six months before the termination of this Agreement, inform the Council of its plans for the disposal of special deposits and of all or part of the stocks referred to in paragraphs 1 and 2 of this Article (other than additional stocks whose disposal is governed by the provisions of paragraph 5 of this Article) and shall consult with the Council as to the best means of making such disposal without avoidable disruption of the tin market and in harmony with the provisions for the liquidation of the buffer stock under Article XI. The producing country concerned shall give due consideration to the recommendations of the Council.

ARTICLE XIII

Action in the Event of a Tin Shortage

1. If at any time it appears to the Council that a shortage of tin has developed or is expected to develop, the Council may invite countries interested in the consumption or production of tin to present to it, by a date which it shall fix and in respect of such period as it shall determine:

- (i) estimates of their respective demands for tin during the same period; and
- (ii) estimates of the maximum amounts of tin which each country can put at the disposal of consumers during the same period.

2. On the basis of these estimates, the Council shall compare the total estimated requirements with the total estimated supplies during the specified period. It shall take into account the probable increase or decrease in tin

stocks. If the Council considers that a serious shortage of tin is likely to develop, it may make recommendations to the participating countries:

- (i) with a view to ensuring the maximum development of production in the producing countries;
- (ii) with a view to assuring to consuming countries the equitable distribution of the available supplies of tin metal, at a price which shall not be higher than the ceiling price, it being understood that the latter may be revised in conformity with the provisions of Articles VI and X.

3. For this purpose the Council shall be entitled to communicate to countries the necessary information on the allocation of the quantities in question.

ARTICLE XIV

Ancillary Provisions

1. Participating countries shall during the currency of this Agreement use their best endeavours and co-operate to promote the attainment of its objectives.

2. Without prejudice to the general scope of paragraph 1 of this Article, participating countries shall in particular observe the following conditions:

- (a) they shall not, so long as sufficient quantities of tin are available to meet their full requirements, prohibit or limit the use of tin for specified purposes except in circumstances in which such prohibition or limitation would be permitted under the General Agreement on Tariffs and Trade;
- (b) they shall create conditions which would promote the transference of tin production from less efficient to more efficient enterprises, and shall encourage the conservation of the natural resources of tin by preventing the premature abandonment of deposits; and
- (c) they shall not dispose of non-commercial stocks of tin except upon six months' public notice. The Council may consent to a reduction in the length of such notice. The public notice shall state the reasons for disposal, the quantity to be released, the method or methods by which disposals are to be made, the earliest date on which tin will be available and the period within which the disposals are expected to be completed. Such disposal shall protect producers and consumers against avoidable disruption of their usual markets. A participating country wishing to dispose of such stocks shall, at the request of the Council or of any other participating country which considers itself substantially interested, consult as to the best means of avoiding substantial injury to the economic interests of producing and consuming countries. The participating country shall give due consideration to any recommendations thereon made by the Council. If the notice is given at a time which is not within a control period and before the expiry of the notice a control period has been declared under Article VII, the participating country wishing to dispose of the stocks shall, notwithstanding any previous consultation which may

have been held, again consult the Council and shall reconsider the disposal plan taking into consideration any recommendations the Council may then make.

ARTICLE XV

Fair Labour Standards

The participating countries declare that, in order to avoid the depression of living standards and the introduction of unfair competitive conditions in world trade, they will seek to ensure fair labour standards in the tin industry.

ARTICLE XVI

National Security Provisions

1. Nothing in this Agreement shall be construed
 - (a) to require a participating country to furnish any information the disclosure of which it considers contrary to its essential security interests; or
 - (b) to prevent a participating country from taking, either singly or with other countries, any action which it considers necessary for the protection of its essential security interests where such action
 - (i) relates to traffic in arms, ammunition or implements of war, or to traffic in other goods and materials carried on directly or indirectly for the purpose of supplying a military establishment of any country, or
 - (ii) is taken in time of war or other emergency in international relations; or
 - (c) to prevent a participating country from entering into or carrying out any inter-governmental agreement (or other agreement on behalf of a country for the purpose specified in this paragraph) made by or for a military establishment for the purpose of meeting essential requirements of the national security of one or more of the countries participating in such agreement; or
 - (d) to prevent a participating country from taking any action in pursuance of its obligations under the United Nations Charter⁽²⁾ for the maintenance of international peace and security.
2. Participating countries shall notify the Chairman as soon as practicable of any action they take respecting tin in consequence of sub-paragraphs (b) (ii) or (d) of paragraph 1 of this Article, and the Chairman shall so notify other participating countries.
3. Any participating country which considers its economic interests under this Agreement seriously injured by action taken by any other participating country or countries, other than action taken in time of war, under the provisions of paragraph 1 of this Article, may complain to the Council.
4. On receipt of such a complaint the Council shall review the facts of the situation and shall by a majority of the votes held by consuming countries

⁽²⁾ "Treaty Series No. 67 (1946)", Cmd. 7015.

and a majority of the votes held by the producing countries decide whether the complainant country is justified in its complaint and shall, if it so decides, permit the complainant country to withdraw from this Agreement.

ARTICLE XVII

Complaints and Disputes

1. Any complaint that any participating country has committed a breach of this Agreement for which a remedy is not provided elsewhere in this Agreement shall, at the request of the country making the complaint, be referred to the Council for a decision.

2. Any dispute concerning the interpretation or application of this Agreement shall, at the request of any participating country, be referred to the Council for decision.

3. In any case where a dispute has been referred to the Council under paragraph 2 of this Article, or in any case where a complaint involving a dispute concerning the interpretation or application of this Agreement has been referred to the Council under paragraph 1 of this Article, a majority of participating countries or any participating countries holding not less than one-third of the votes in the Council may require the Council, after full discussion, to seek the opinion of the advisory panel referred to in paragraph 4 of this Article on the issues in dispute before giving its decision.

4.—(a) Unless the Council by a unanimous decision of votes cast agrees otherwise, the panel shall consist of

- (i) two persons, one having wide experience in matters of the kind in dispute and the other having legal standing and experience, nominated by the producing countries;
- (ii) two such persons nominated by the consuming countries; and
- (iii) a chairman selected unanimously by the four persons nominated under (i) and (ii) or, if they fail to agree, by the Chairman of the Council.

(b) Nationals of participating countries shall be eligible to serve on the advisory panel and persons appointed to the advisory panel shall act in their personal capacities and without instructions from any Government.

(c) The expenses of the advisory panel shall be paid by the Council.

5. The opinion of the advisory panel and the reasons therefor shall be submitted to the Council which, after considering all the relevant information, shall decide the dispute.

6. Save where otherwise provided in this Agreement, no participating country shall be found to have committed a breach of this Agreement unless a resolution to that effect is passed. Any such finding shall specify the nature and extent of the breach.

7. If the Council finds under this Article that a participating country has committed a breach of this Agreement, the Council may, unless some other penalty is provided elsewhere in this Agreement, deprive the country concerned of its voting and other rights until it has remedied the breach or has otherwise fulfilled its obligations.

8. For the purposes of this Article the expression “breach of this Agreement” shall be deemed to include the breach of any condition imposed by the Council or failure to fulfil any obligation laid upon a participating country by the Council in accordance with this Agreement.

ARTICLE XVIII

Amendments and Suspensions

1.—(a) The Council may, by a two-thirds majority of the votes held by producing countries and a two-thirds majority of the votes held by the consuming countries, recommend to Contracting Governments amendments to this Agreement. The Council shall, in its recommendation, fix the time within which each Contracting Government shall notify the Government of the United Kingdom of Great Britain and Northern Ireland whether or not it ratifies or accepts the recommended amendment, on its own behalf or on behalf of any country or territory or countries or territories separately participating in this Agreement.

(b) The Council may extend the time fixed by it under sub-paragraph (a) of this paragraph for notification of ratification or acceptance.

2. If, within the time fixed under sub-paragraph (a) or extended under sub-paragraph (b) of paragraph 1 of this Article, an amendment is ratified or accepted by or on behalf of all participating countries it shall take effect immediately on the receipt by the Government of the United Kingdom of Great Britain and Northern Ireland of the last ratification or acceptance.

3. If, within the time fixed under sub-paragraph (a) or extended under sub-paragraph (b) of paragraph 1, an amendment is not ratified or accepted by or on behalf of participating countries holding all of the votes of producing countries and by or on behalf of participating countries holding two-thirds of the votes of consuming countries, it shall not take effect.

4. If, by the end of the time fixed under sub-paragraph (a) or extended under sub-paragraph (b) of paragraph 1, an amendment is ratified or accepted by or on behalf of participating countries holding all of the votes of producing countries and by or on behalf of participating countries holding two-thirds of the votes of consuming countries:

(a) the amendment shall become effective for the participating countries by whom or on whose behalf ratification or acceptance has been signified at the end of three months next following the receipt by the Government of the United Kingdom of Great Britain and Northern Ireland of the last ratification or acceptance necessary to comprise all of the votes of producing countries and two-thirds of the votes of consuming countries;

(b) the Council shall, as soon as possible after the coming into effect of an amendment, determine whether the amendment is of such a nature that consuming countries which do not ratify or accept it shall be suspended from the Agreement from the date upon which it becomes effective under sub-paragraph (a) of this paragraph, and shall inform all participating countries accordingly. If the Council determines that

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the amendment is of such a nature, consuming countries which have not ratified or accepted it shall inform the Council within one month following this determination whether the amendment is still unacceptable and those consuming countries which do so shall automatically be suspended from the Agreement, provided that, if any such consuming country satisfies the Council that its ratification or acceptance of an amendment could not be secured by the time the amendment became effective under sub-paragraph (a) of this paragraph by reason of constitutional difficulties, the Council may postpone suspension until such difficulties have been overcome and the consuming country has notified its decision to the Council;

- (c) the Council may reinstate a consuming country which has been suspended under sub-paragraph (b) of this paragraph on such terms and conditions as it considers equitable.

5. If a consuming country considers that its interests will be adversely affected by an amendment, it may, before the expiry of the period fixed under sub-paragraph (a) or extended under sub-paragraph (b) of paragraph 1 of this Article or the expiry of any period until the suspension of a consuming country is determined under the provisions of sub-paragraph (b) of paragraph 4 of this Article, give notice to the Government of the United Kingdom of Great Britain and Northern Ireland of its withdrawal from this Agreement, and this withdrawal shall take effect on the same date as the amendment, or on the date upon which such suspension is determined, in the discretion of and as notified by such country.

6. Any amendment of this Article shall come into effect only if it is ratified or accepted by or on behalf of all participating countries.

7. The Government of the United Kingdom of Great Britain and Northern Ireland shall notify all interested Governments and the Council of the receipt of instruments of ratification or acceptance in accordance with paragraph 1 of this Article and of the entry into force of an amendment in accordance with paragraphs 2 or 6 or sub-paragraph (a) of paragraph 4 of this Article.

8. The provisions of this Article shall not affect any power under this Agreement to amend or enlarge any Annex to this Agreement.

ARTICLE XIX

Withdrawal

1. A participating country which withdraws from this Agreement during its currency save

- (i) in accordance with the provisions of paragraph 4 of Article XVI or paragraph 5 of Article XVIII; or
- (ii) upon at least twelve months' notice being given to the Government of the United Kingdom of Great Britain and Northern Ireland not earlier than one year after the entry into force of this Agreement,

shall not be entitled to any share of the proceeds of the liquidation of the buffer stock under the terms of Article XI nor shall it be entitled to a share of the other assets of the Council on the termination of this Agreement under the terms of Article XX.

2. A consuming country which is suspended in accordance with the provisions of sub-paragraph (b) of paragraph 4 of Article XVIII shall nevertheless not lose any entitlement to its share of the proceeds of the liquidation of the buffer stock under the terms of Article XI or to its share of the other assets of the Council on the termination of this Agreement under the terms of Article XX.

3. The Government of the United Kingdom of Great Britain and Northern Ireland shall notify all interested Governments and the Council of the receipt of notification of withdrawal from this Agreement.

ARTICLE XX

Duration, Termination and Renewal

1.—(a) The duration of this Agreement shall, except as otherwise provided in this Article or in Article XXI, be five years from 1 July 1961.

(b) The Council may by a two-thirds majority of the votes held by producing countries and a two-thirds majority of the votes held by consuming countries extend the duration of this Agreement by a period or periods not exceeding twelve months in all.

2. A Contracting Government may at any time give notice that it intends to propose at the next meeting of the Council the termination of this Agreement. If the Council by a two-thirds majority of the votes held by producing countries and a two-thirds majority of the votes held by consuming countries adopts such a proposal, it shall recommend to the Contracting Governments that this Agreement be terminated. If countries holding two-thirds of the votes of producing countries and two-thirds of the votes of consuming countries notify the Council that they accept the recommendation, this Agreement shall terminate on such date as the Council shall decide, being a date not later than six months after the receipt by the Council of the last of the notifications from the aforesaid countries.

3. The Council shall from time to time consider what the relationship between the supply of and demand for tin is likely to be at the expiration of this Agreement and shall recommend to the Contracting Governments, not later than four years after the entry into force of this Agreement, whether it is necessary and appropriate that this Agreement shall be renewed, and, if so, in what form.

4.—(a) On the termination of this Agreement the buffer stock shall be liquidated in accordance with the provisions of Article XI.

(b) After all liabilities incurred by the Council, other than liabilities of the buffer stock, have been met, the remaining assets shall be disposed of in the manner laid down in this paragraph.

(c) If a body is created to succeed the Council, the Council shall transfer its archives, statistical material and such other documents as the Council may determine to such successor body and may by a distributed two-thirds majority transfer all or any of its remaining assets to such successor body.

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- (d) If no successor body is created:
- (i) the Council shall transfer its archives, statistical material and any other documents to the Secretary-General of the United Nations or to any international organization nominated by him or, failing such nomination, as the Council may determine;
 - (ii) the remaining non-monetary assets of the Council shall be sold or otherwise realized in such a manner as the Council may direct; and
 - (iii) the proceeds of such realization and any remaining monetary assets shall then be distributed in such a manner that each participating country shall receive a share proportionate to the total of the contributions which it has made to the Administrative Account established under Article V.

5. The Council shall remain in being for as long as may be necessary for the carrying out of paragraph 4 of this Article, for the supervision of the liquidation of the buffer stock and any stocks held in producing countries by virtue of Article XII and for the supervision of the due performance of conditions imposed under this Agreement by the Council or under the First Agreement and the Council shall have such of the powers and functions conferred on it by this Agreement as may be necessary for the purpose.

ARTICLE XXI

Signature, Ratification, Acceptance and Entry into Force

1. This Agreement shall be open for signature in London from 1 September to 31 December 1960 on behalf of Governments represented at the session of the United Nations Tin Conference held in 1960.

2. This Agreement shall be subject to ratification or acceptance on behalf of the signatory Governments in accordance with their respective constitutional procedures. Instruments of ratification or acceptance shall be deposited with the Government of the United Kingdom of Great Britain and Northern Ireland.

3. Subject to the provisions of paragraphs 4 and 5 of this Article:

- (a) this Agreement shall enter into force definitively if instruments of ratification or acceptance have been deposited on or before 30 June 1961 on behalf of Governments representing at least nine consuming countries as set out in column (1) of Annex B holding together at least 500 of the votes set out in column (5) of that Annex and at least six producing countries holding together at least 950 of the votes set out in column (5) of Annex A. Provided that the foregoing conditions have been satisfied, this Agreement shall enter into force definitively on 1 July 1961 for the Governments which have ratified or accepted it;
- (b) this Agreement shall enter into force definitively, for each signatory Government ratifying or accepting it on or after 1 July 1961, on the date of the deposit of its instrument of ratification or acceptance.

4. If the conditions laid down in sub-paragraph (a) of paragraph 3 of this Article for the definitive entry into force of this Agreement have not been satisfied, but instruments of ratification or acceptance or notification of intention to ratify or accept have been deposited with the Government of the United Kingdom of Great Britain and Northern Ireland on or before 30 June 1961, on behalf of Governments representing countries, satisfying the conditions laid down in sub-paragraph (a) of paragraph 3 of this Article, this Agreement shall enter into force provisionally on 1 July 1961, for those Governments and thereafter for any other signatory Government on the date of the deposit on its behalf of an instrument as aforesaid.

5. If this Agreement has entered into force provisionally under paragraph 4 of this Article, then as soon as instruments of ratification or acceptance have been deposited on behalf of Governments representing countries satisfying the conditions laid down in sub-paragraph (a) of paragraph 3 of this Article it shall enter into force definitively for those Governments and thereafter for any other signatory Government on the date of the deposit of its instrument of ratification or acceptance.

6. If this Agreement has entered into force provisionally under paragraph 4 of this Article, but has not entered into force definitively under paragraph 5 thereof on or before 31 December 1961, the Chairman shall as soon as possible convene a meeting of the Council. The Council may decide either to terminate this Agreement on such date as it shall fix or to review on such date or dates as it deems appropriate the question whether this Agreement shall be terminated. Unless, however, this Agreement enters into force definitively it shall be terminated not later than 30 June 1962.

7. If this Agreement has entered into force definitively under sub-paragraph (a) of paragraph 3 or paragraph 5 of this Article, and if any Government which has given a notification of intention to ratify or accept, has failed to deposit an instrument of ratification or acceptance within a period of ninety days from the date of definitive entry into force, that Government shall cease to participate in this Agreement, provided that the Council may extend the period aforesaid if so requested by that Government, and further provided that that Government may withdraw from the Agreement before the expiry of the period aforesaid or any extension thereof by giving to the Government of the United Kingdom of Great Britain and Northern Ireland at least thirty days' notice of withdrawal.

8. As soon as possible after the entry into force of this Agreement, the Government of the United Kingdom of Great Britain and Northern Ireland shall send a certified copy of this Agreement to the Secretary-General of the United Nations for its registration in accordance with Article 102 of the Charter of the United Nations. Any amendments to this Agreement shall likewise be communicated.

9. The Government of the United Kingdom of Great Britain and Northern Ireland shall in respect of this Agreement:

- (a) notify interested Governments of each ratification, acceptance or notification of intention to ratify or accept; and
- (b) summon the first meeting of the Council in London for 3 July 1961.

ARTICLE XXII

Accession

1. Any Government, whether represented at the session of the United Nations Tin Conference held in 1960 or not, may, with the consent of and upon conditions to be determined by the Council, accede to this Agreement.

2. A Contracting Government may, with the consent of and upon conditions to be determined by the Council, declare the separate participation of any country or territory or countries or territories which may be entitled under Article III to separate participation and the separate participation of which was not declared in the instrument of ratification, acceptance, notification or accession of the Contracting Government and the provisions of this Agreement shall accordingly apply to such country or territory or countries or territories.

3.—(a) The conditions laid down by the Council shall be equitable, in respect of voting rights and financial obligations, as between the countries seeking to accede or participate and other countries already participating.

(b) Upon the accession of a producing country to this Agreement, the Council shall with the consent of such country fix the amount to be shown against that country in Annex E and may fix the additional amount of tin permitted to be stocked if won unavoidably in the course of mining for certain other minerals to be shown in Annex F and the amounts so fixed shall have effect as though they were included in such Annexes.

4. Accession shall be effected by the deposit of an instrument of accession with the Government of the United Kingdom of Great Britain and Northern Ireland which shall notify all interested Governments and the Council of such accession.

5. A Contracting Government which declares the separate participation of any country or territory or countries or territories under paragraph 2 of this Article shall do so by notification given to the Government of the United Kingdom of Great Britain and Northern Ireland which shall notify all interested Governments and the Council of such separate participation.

6. A country or territory, the separate participation of which has been declared under Article III or paragraph 2 of this Article by any Contracting Government, shall, when it becomes an independent State, be deemed to be a Contracting Government and the provisions of this Agreement shall apply to the Government of such State as if it were an original Contracting Government already participating in this Agreement.

In witness whereof the undersigned, having been duly authorized to this effect by their respective Governments, have signed this Agreement on the dates appearing opposite their signatures.

The texts of this Agreement in the English, French and Spanish languages are all equally authentic, the originals being deposited with the Government of the United Kingdom of Great Britain and Northern Ireland, which shall transmit certified copies thereof to each signatory and acceding Government.

Done at London the first day of September, one thousand nine hundred and sixty.

For Australia:

E. J. HARRISON
21/12/60

For Austria:

DR. SCHWARZENBERG
December 30th 1960

For the Kingdom of Belgium:

R. L. van MEERBEKE
21. X. 60.

Cette signature vaut pour le Royaume de Belgique et pour le Ruanda-Urundi⁽³⁾.

For Bolivia:

M. BARRAU
Dic. 29, 1960

For Canada:

GEORGE A. DREW
December 2nd, 1960

For the Republic of the Congo (Leopoldville):

EV. LOLIKI
25 novembre 1960

For Denmark:

STEENSON-LETH
Dec. 23rd 1960

For the Federation of Malaya:

YA'ACOB
16. 12. 60

For the Federation of Nigeria:

ALHAJI ABDULMALIKI
December 2nd 1960

For France:

J. CHAUVEL
le 30 novembre 1960

For India:

VIJAYA LAKSHMI PANDIT
29th December 1960

For the Republic of Indonesia:

ISHAK
(ISHAK ZAHIR)
30-XII-60

For Italy:

VITTORIO ZOPPI
5th of December 1960

For Japan:

KATSUMI OHNO
Dec. 29. 1960

For Mexico:

A. ARMENDARIZ
Dec. 22, 1960

For the Kingdom of the Netherlands:⁽⁴⁾

C. W. BOETZELAER
Dec. 22, 1960

For Spain:

SANTA CRUZ.
30th Dec^{ber} 1960

For the Kingdom of Thailand:

M. L. P. MALAKUL.
27th September 1960

For Turkey:

FERIDUM C. ERKIN
29th September 1960

For the United Kingdom of Great Britain and Northern Ireland:

HOME
November 3rd 1960

⁽³⁾ This signature is for the Kingdom of Belgium and for Ruanda-Urundi.

⁽⁴⁾ With the declaration that the signing of this Agreement in the name of the Government of the Netherlands does not imply that that Government abandon their objections against the absence of any form of taxation on salaries of the officials of international organisations in general.

ANNEX A

	Percentage	Number of Votes		
		Initial Vote	Additional Vote	Total
(1)	(2)	(3)	(4)	(5)
Belgian Congo	9·25	5	90	95
Ruanda-Urundi				
Bolivia	18·00	5	175	180
Indonesia	19·50	5	189	194
Federation of Malaya ...	38·00	5	368	373
Federation of Nigeria ...	6·25	5	61	66
Thailand	9·00	5	87	92
Totals	100	30	970	1,000

The percentage attributed to the Belgian Congo and Ruanda-Urundi may be divided between those two countries after notification made to the Council by the Government of Belgium.

The votes in the Annex shall thereupon be adjusted accordingly.

	Tons	Number of Votes		
		Initial Vote	Additional Vote	Total
(1)	(2)	(3)	(4)	(5)
Australia	3,135	5	35	40
Belgium	2,188	5	25	30
Canada	3,714	5	42	47
Denmark	5,100	5	57	62
Federal Republic of Germany	11,946	5	134	139
France	11,043	5	124	129
Guinea	20	5	1	6
India	3,930	5	44	49
Italy	3,617	5	41	46
Japan	9,849	5	110	115
Mexico	992	5	11	16
Netherlands	2,855	5	32	37
Republic of Korea ...	195	5	2	7
Spain	733	5	8	13
Turkey	567	5	6	11
United Arab Republic ...	867	5	10	15
United Kingdom ...	20,823	5	233	238
Total	81,574	85	915	1,000



ANNEX C

PART ONE

Circumstances in which Tin shall be Deemed to have been Exported for the Purpose of Export Control

<i>Column 1</i>	<i>Column 2</i>
Belgian Congo ... } Ruanda-Urundi ... }	Tin shall be deemed to have been exported when a through bill of lading has been delivered by a carrier affiliated to the Comité intérieur des Transports du Congo Belge acknowledging the delivery of the tin to that carrier. If, for any reason, no such document has been delivered for a particular consignment, the tonnage of tin in that consignment shall be deemed to have been exported for the purposes of the Agreement when export documents have been delivered by the Customs Administration of the Belgian Congo or of Ruanda-Urundi.
Bolivia	Tin shall be deemed to have been exported when it has passed the control of the Customs Authorities of Bolivia for payment of export duty.
Indonesia 	Tin shall be deemed to have been exported, if mined in the customs territory, as soon as it has passed the Customs; and, if mined in free trade areas, as soon as the tin has been loaded on board of carrying steamer as proved by bill of lading.
Federation of Malaya...	Tin shall be deemed to have been exported from the Federation of Malaya at the time at which the concentrates have, or, where the concentrates have been smelted before the payment of export duty, the metal has been weighed by the Customs Department of the Federation of Malaya for the payment of such export duty.
Federation of Nigeria ...	Tin shall be deemed to have been exported when a waybill has been delivered by the Nigerian Railway Corporation acknowledging the delivery for export of the tin to that Corporation: provided that any tin for export which is not consigned to the Nigerian Railway Corporation shall be deemed to have been exported at the time at which the tin has been passed by the Customs Department of the Federation of Nigeria for the payment of export duty.
Thailand 	Tin shall be deemed to have been exported when the concentrates have been passed by the Customs Department of the Government of Thailand for the payment of royalty.

Imports into Producing Countries

For the purpose of determining net exports of tin under Article VII, imports deductible from exports during a control period shall be the net amount imported into the producing country concerned during the quarter immediately preceding the declaration of the control period in question.

ANNEX D

The conditions referred to are as follows:

- (i) that the proposed special export is destined to form part of a governmental stockpile, and
- (ii) that the proposed special export is unlikely to be used for any commercial or industrial purpose during the currency of this Agreement.

ANNEX E

Country	Amount, tons
Belgian Congo	14,983
Ruanda-Urundi	2,180
Bolivia	27,622
Indonesia	27,738
Federation of Malaya	59,503
Federation of Nigeria	10,094
Thailand	13,577



ANNEX F

Additional stocks permitted if won unavoidably in the course of mining for certain other minerals

Country	Other mineral	Tons of cassiterite that may be stocked for each ton of other mineral exported
(1)	(2)	(3)
Nigeria	Columbite	Two

ANNEX G

Rule 1

The first redetermination of the percentages of the producing countries shall be made when four consecutive quarters (beginning on or after 1 October 1960) have not been declared to be control periods under this Agreement or the First Agreement. The redetermination shall be made as soon as figures of the production of tin in each of the producing countries in the four quarters in question are available.

Rule 2

Further redetermination of the percentages shall be made at yearly intervals following the first redetermination, provided that no quarter subsequent to the quarters referred to in Rule 1 shall have been declared to be a control period.

Rule 3

Should any quarter be declared to be a control period, no further redetermination of the percentages shall be made until a further four consecutive quarters have not been declared to be control periods; a further redetermination shall then be made as soon as figures for the production of tin in each of the producing countries in such four consecutive quarters are available; and subsequent redeterminations shall be made at yearly intervals thereafter for so long as no quarter is declared to be a control period. A similar procedure shall be followed if any subsequent quarter is declared to be a control period.

Rule 4

For the purpose of Rules 2 and 3 redeterminations shall be deemed to have been made at yearly intervals if they are made in the same quarter of the calendar year as were the preceding redeterminations.

Rule 5

At the first redetermination, made under Rule 1, new percentages for the producing countries shall be determined in direct proportion to the production of tin in each of them during the four quarters referred to in Rule 1.

Rule 6

In subsequent redeterminations, made under Rule 2, the new percentages shall be calculated as follows:

- (i) the percentages in the second redetermination shall be in direct proportion to the production of tin in each of the producing countries in the latest 24 months for which figures are available; and
- (ii) the percentages in the third redetermination, and all later redeterminations, shall be in direct proportion to the production of tin in each of the producing countries in the latest 36 months for which figures are available.

Rule 7

In subsequent redeterminations, made under Rule 3, the new percentages shall be calculated as follows:

- (i) the percentages in the first subsequent redetermination shall be in direct proportion to the sum of the production of tin in each of the producing countries in the latest 12 months for which figures are available and in the four quarters immediately preceding that control period; and
- (ii) the percentages in the next following redeterminations, provided that no quarter shall have been declared to be a control period, shall be in direct proportion to the production of tin in each of the producing countries in the latest periods of 24 months and of 36 months respectively for which figures are available.

Rule 8

For the purposes of the foregoing rules, if any producing country has failed to make available to the Council its production figures for any period of 12 months within one month of the date by which four producing countries have made their figures available, the production of that country for such period of twelve months shall be calculated by multiplying by 12 the average monthly rate of production during the period as shown by such figures as are available and deducting 5 per cent. from the amount so calculated.

Rule 9

Figures of the production of tin in any producing country for any period earlier than forty-two months before the date of any redetermination shall not be employed in that redetermination.

Rule 10

Notwithstanding the provisions of the foregoing rules, the Council may reduce the percentage of any producing country which has failed to export the whole of its permissible export amount as determined under paragraph 4

of Article VII or any greater amount accepted by it under paragraph 7 of that Article. In considering its decision, the Council shall regard as mitigating circumstances that the producing country concerned surrendered under paragraph 7 of Article VII a part of its permissible export amount in time for effective steps to be taken by the other producing countries to make good the deficit or that the producing country concerned which has failed to export the amount determined under paragraph 8 of Article VII has exported the whole of its permissible export amount as determined under paragraph 4 or paragraph 7 of Article VII.

Rule 11

If a reduction in the percentage of any producing country is made in accordance with Rule 10, the percentage so made available shall be distributed among the other producing countries in proportion to their percentages current at the date of the decision to make the reduction.

Rule 12

If, by the application of the foregoing rules, the percentage of a producing country is reduced to less than the minimum figure permitted by the operation of the proviso to sub-paragraph (a) of paragraph 6 of Article VII, then the percentage of that country shall be restored to such minimum figure and the percentages of the other producing countries shall be proportionately reduced so that the total of the percentages is restored to one hundred.

Rule 13

In any action which it may propose to take under these rules, the Council shall give due consideration to any circumstances stated by any producing country as being exceptional and may by a two-thirds distributed majority waive or modify the full application of these rules. The following circumstances *inter alia* may be regarded as exceptional: a national disaster, a major strike which has paralysed the tin mining industry for a substantial period, a major breakdown of power supplies or (in the case of Bolivia) of the main line of transport to the coast.

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