

sideration shall be given by the Council to the efforts made by that importing country to maintain adequate stocks as required by paragraph 3 of this Article before it decides in favour of such an appeal.

ARTICLE VIII

Information to be supplied to the Council

The exporting and importing countries shall report to the Council, within the time prescribed by it, such information as the Council may request in connection with the administration of this Agreement.

PART 3—ADJUSTMENT OF GUARANTEED QUANTITIES

ARTICLE IX

Adjustments in Case of Nonparticipation or Withdrawal of Countries

1. In the event of any difference occurring between the total of the guaranteed purchases in Annex A to Article III and the total of the guaranteed sales in Annex B to Article III as a result of any country or countries listed in Annex A or Annex B (a) not signing or (b) not depositing an instrument of acceptance of or (c) withdrawing under paragraph 5, 6, or 7 of Article XXII from or (d) being expelled under Article XIX from or (e) being found by the Council under Article XIX to be in default of the whole or part of its guaranteed quantities under this Agreement, the Council shall, without prejudice to the right of any country to withdraw from this Agreement under paragraph 6 of Article XXII, adjust the remaining guaranteed quantities so as to make the total in the one Annex equal to the total in the other Annex.

2. The adjustment under this Article shall, unless the Council decides otherwise by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries, be made by reducing pro rata the guaranteed quantities in Annex A or Annex B, as the case may be, by the amount necessary to make the total in the one Annex equal to the total in the other Annex.

3. In making adjustments under this Article, the Council shall keep in mind the general desirability of maintaining the total guaranteed purchases and the total guaranteed sales at the highest possible level.

ARTICLE X

Adjustment in Case of Short Crop or Necessity to Safeguard Balance of Payments or Monetary Reserves

1. Any exporting or importing country which fears that it may be prevented, by a short crop in the case of an exporting country

or the necessity to safeguard its balance of payments or monetary reserves in the case of an importing country, from carrying out its obligations under this Agreement in respect of a particular crop-year shall report the matter to the Council.

2. If the matter reported relates to balance of payments or monetary reserves, the Council shall seek and take into account, together with all facts which it considers relevant, the opinion of the International Monetary Fund, as far as the matter concerns a country which is a member of the Fund, on the existence and extent of the necessity referred to in paragraph 1 of this Article.

3. The Council shall discuss with the reporting country the matter reported under paragraph 1 of this Article and shall decide whether such country's representations are well founded. If it finds that they are well founded, it shall decide whether and to what extent and on what conditions the reporting country shall be relieved of its guaranteed quantity for the crop-year concerned. The Council shall inform the reporting country of its decision.

4. If the Council decides that the reporting country shall be relieved of the whole or part of its guaranteed quantity for the crop-year concerned, the following procedure shall apply:

(a) The Council shall, if the reporting country is an importing country, invite the other importing countries, or, if the reporting country is an exporting country, invite the other exporting countries, to increase their guaranteed quantities for the crop-year concerned up to the amount of the guaranteed quantity of which the reporting country is relieved; provided that an increase in the guaranteed quantities of an exporting country shall require approval by the Council by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries if any importing country, within such period as the Council shall prescribe, objects to such increase on the ground that it will have the effect of making the balance of payments problems of that importing country more difficult.

(b) If the amount of which the importing country is relieved cannot be fully offset in the manner provided in (a) of this paragraph, the Council shall invite the exporting countries, if the reporting country is an importing country, or the importing countries, if the reporting country is an exporting country, to accept a reduction of their guaranteed quantities for the crop-year concerned up to the amount of the guaranteed quantity of which the reporting country is relieved, after taking account of any adjustments made under (a) of this paragraph.