

**MEMORANDUM OF UNDERSTANDING ON THE APPLICATION OF ARTICLE 15 OF
THE CONVENTION ON THE ORGANISATION FOR ECONOMIC CO-OPERATION
AND DEVELOPMENT**

Article 15 of the Convention on the Organisation for Economic Co-operation and Development (hereinafter called the "Convention") provides that decisions, recommendations and resolutions (hereinafter called "acts") of the Organisation for European Economic Co-operation shall require approval of the Council of the Organisation for Economic Co-operation and Development (hereinafter called the "Council") to be effective after the coming into force of the Convention.

Pursuant to a Resolution adopted at the Ministerial Meeting of 22nd-23rd July, 1960, a Preparatory Committee has been established and instructed to carry further the review of the acts of the Organisation for European Economic Co-operation, to determine which acts should be recommended to the Council for approval, and to recommend, where necessary, the modifications required in order to adjust these acts to the functions of the Organisation for Economic Co-operation and Development.

At the said Ministerial Meeting it was agreed that there should be the maximum possible degree of certainty as regards approval by the Council of acts of the Organisation for European Economic Co-operation in accordance with the recommendations of the Preparatory Committee; it was also agreed that Canada and the United States, not being Members of the Organisation for European Economic Co-operation, should have a certain latitude with respect to the said recommendations.

Therefore the Signatories of the Convention have agreed as follows:

1. The representatives of the Signatories on the Council shall vote for approval of acts of the Organisation for European Economic Co-operation in accordance with the recommendations of the Preparatory Committee, except as otherwise provided hereinafter.

2. Any Signatory which has not been a Member of the Organisation for European Economic Co-operation shall be released from the commitment set out in paragraph 1 with respect to any recommendation or part thereof of the Preparatory Committee which it specifies in a notice to the Preparatory Committee no later than ten days after the deposit of its instrument of ratification or acceptance of the Convention.

3. If any Signatory gives notice pursuant to paragraph 2, any other Signatory, if in its view such notice changes the situation in regard to the recommendation or part thereof in question in an important respect, shall have the right to request, within fourteen days of such notice, that the Preparatory Committee reconsider such recommendation or part thereof.

4. (a) If a Signatory gives notice pursuant to paragraph 2 and no request is made pursuant to paragraph 3, or, if such a request having been made, the reconsideration by the Preparatory Committee does not result in any modification of the recommendation or part thereof in question, the representative on