

The Organization for Trade Cooperation

The Contracting Parties have drawn up an Agreement which, when it comes into force, will establish the Organization for Trade Cooperation. The Agreement contains the basic provisions relating to the structure and functions of the Organization. There would be an Assembly, an Executive Committee and a secretariat headed by a Director General.

The main function of the Organization would be to administer the General Agreement. In addition, the Organization would be able to sponsor international trade negotiations and to serve as an intergovernmental forum for the discussion and solution of other questions relating to international trade.

The Agreement will enter into force, among the governments that have accepted it, after it has been accepted by governments whose territories account for 85 percent of the total external trade of the territories of the governments which comprise the Contracting Parties.

Legal Status

Most of the proposed amendments to the text of the Agreement have been embodied in Protocols which are now open for acceptance, a distinction being made between amendments which require unanimous approval under the terms of the existing Agreement and those which can enter into force with a two-thirds majority.

In addition the following instruments have been opened for signature:

The Agreement on the Organization for Trade Cooperation, which requires - as stated above - acceptance by contracting parties accounting for a high percentage of world trade.

A Declaration extending the assured life of the tariff schedules from 1 July 1955 to 31 December 1957.

A Protocol of Organizational Amendments which amends the existing General Agreement to take account of the functions of the Organization, when it comes into existence.