

for sugar from exporting countries listed in Article 14(1). In the preparation of this estimate, there shall be taken into account among other factors the total amount of sugar which the Council is notified could be imported from non-participating countries under the provisions of Article 7(4).

(2) At least thirty days before the beginning of each quota year the Council shall consider the estimate prepared in accordance with paragraph (1) of this Article. After considering that estimate and all other factors affecting the supply and demand for sugar on the free market the Council shall forthwith assign a provisional initial export quota for the free market for such year to each of the exporting countries listed in Article 14(1) *pro rata* to their basic export tonnages, subject to the provisions of Article 14 C, and to such charges and deductions as may be required under Article 8(1) and Article 12, provided that if at the time of fixing provisional initial export quotas the prevailing price is not less than 3.15 cents the total of the provisional initial export quotas shall, unless the Council otherwise decides by Special Vote, be not less than 90 per cent of the basic export tonnages, the distribution among exporting countries being made in the same manner provided in this paragraph.

(3) Prior to 1 April in each quota year, the Council shall make a further estimate of free market requirements in the manner provided in paragraph (1) of this Article. After considering that estimate and all other factors affecting the supply and demand for sugar on the free market, the Council shall, not later than 1 April and in the manner provided in paragraph (2) of this Article, make a final determination of initial export quotas. Thereafter, any references to initial export quotas in other Articles of this Agreement shall be deemed to be references to the initial export quotas as finally determined.

(4) As soon as the final determination of initial export quotas has been made, export quotas in effect shall immediately be adjusted as if the provisional initial export quotas had been the same as those finally determined, due account thus being taken of any variations in those provisional quotas made by the Council under other Articles of this Agreement prior to the final determination. Adjustment of export quotas in effect in accordance with this paragraph shall be without prejudice to such powers or duties to vary quotas in effect as are possessed by the Council under other Articles of this Agreement.

(5) At the time of the adjustment of export quotas in effect in accordance with paragraph (4) of this Article, the Council shall also review the supplies of sugar available for the free market for that quota year and shall consider the variation of export quotas in effect of particular countries by the exercise of its powers under Article 19(2) of this Agreement.

(6) The Council shall have power by Special Vote to set aside in any quota year up to 40,000 tons of the net import requirements of the free market as a reserve from which it may allot additional export quotas to meet proved cases of special hardship.

#### Article 19

(1) The Council shall cause export quotas in effect for participating countries listed in Article 14(1) to be adjusted, subject to the provisions of Article 14 C, as follows:

(i) Within 10 days after the Government of any exporting country has given notice pursuant to Article 11 that a part of the initial export quota of