

the limits imposed under the preceding paragraphs of this Article upon its discretion to increase quotas; and during the period of such suspension the Council shall have full discretion to increase quotas as it may think necessary and to cancel such increases when they are no longer required.

(5) All changes in quotas made under this Article shall be *pro rata* to the basic export tonnages, subject to the provisions of Article 14 C; and any references to percentages of quotas shall be construed as percentages of the basic export tonnages.

(6) Notwithstanding the provisions of paragraph (1) of this Article, if the export quota of any country has been reduced under Article 19(1)(i) such reduction shall be deemed to form part of the reductions made in the same quota year under the terms of paragraph (1) of this Article.

(7) The Council shall notify Participating Governments of each change made under this Article in the export quotas in effect.

(8) If any reduction made under the preceding paragraphs of this Article cannot be fully applied to the export quota in effect of any exporting country because, at the time the reduction is made, that country has already exported all or part of the amount of such reduction, a corresponding amount shall be deducted from the export quota in effect of that country in the following quota year.

#### Article 22

(1) During the first quota year of this Agreement, the Council shall consider, and make recommendations to interested participating Governments concerning the negotiation of arrangements for multilateral options drawn up in accordance with the provisions of this Article.

(2) Such arrangements shall be designed to secure that, if the prevailing price moves beyond the highest or lowest price of the range set out in Article 21, the Participating Governments concerned will have the right to exercise options for sale or purchase, as the case may be, in respect of such quantities of sugar as may be prescribed in the arrangements.

(3) The options shall be exercisable in accordance with such limits as to time and frequency, or otherwise, as may be prescribed in the arrangement.

(4) The arrangements shall take into account the traditional pattern of the trade in sugar.

(5) The Council may establish such Committees as it deems desirable to assist it in the examination of these questions and to formulate the recommendations provided for in paragraph (1) above.

### CHAPTER IX

#### GENERAL LIMITATION OF REDUCTIONS IN EXPORT QUOTAS

##### Article 23

(1) Except in respect of penalties imposed under Article 12 and reductions made under Article 19(1)(i), the export quota in effect of any participating exporting country listed in Article 14(1) shall not be reduced below 80 per cent of its basic export tonnage and all other provisions of this Agreement shall be construed accordingly; provided, however, that the export quota in effect of