

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 30 days before the beginning of each quota year the Council shall consider the estimate of the net import requirements of the free market prepared in accordance with paragraph (1) of this Article. If the Council adopts that estimate, it shall forthwith assign an initial export quota for the free market for such year to each of the exporting countries listed in Article 14 (1) by distributing that estimate among the exporting countries *pro rata* to their basic export tonnages, subject to the provisions of Article 14 B, to such penalties as may be imposed in accordance with the provisions of Article 12 and to such reductions as may be made under Article 21 (3).

(3) If there is disagreement in the Council upon the estimate of the net import requirements of the free market prepared in accordance with paragraph (1) of this Article, the question shall be put to a Special Vote. If as a result of that vote, an estimate is adopted, the Council shall thereupon assign initial export quotas in accordance with paragraph (2) of this Article; but if an estimate is not so adopted, then the initial export quotas for the new quota year shall be fixed by distributing the total of the export quotas in effect at the end of the current quota year on the same basis and in the same manner as is provided in paragraph (2) of this Article.

(4) The Council shall have power by Special Vote to set aside in any quota year up to 20,000 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 B, 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 or export quota in effect will not be used, to reduce accordingly the export quota in effect of such country and to increase the export quotas in effect of other exporting countries by redistributing an amount of sugar equal to the part of the quota so renounced *pro rata* to their basic export tonnages. The Secretary of the Council shall forthwith notify Governments of exporting countries of such increases, and those Governments shall, within 10 days of receipt of such notification, inform the Secretary of the Council whether or not they are in a position to use the increase in quota allotted to them, and on receipt of such information, a subsequent redistribution of the quantity involved shall be made, and Governments of exporting countries concerned shall be notified forthwith by the Secretary of the Council of the increases made in their countries' export quotas in effect.

(ii) From time to time to take into account variations in the estimates of the quantities of sugar which the Council is notified will be imported from non-participating countries under Article 7; provided, however, that such quantities need not be redistributed until they reach a total of 5,000 tons. Redistributions under this sub-paragraph shall be made on the same basis and in the same manner as is provided in paragraph (1) (i) of this Article.

(2) Notwithstanding the provisions of Article 11, if the Council, after consultation with the Government of any participating exporting country, determines that such country will be unable to use all or part of its export