

CHAPTER V

SPECIAL OBLIGATIONS OF GOVERNMENTS OF PARTICIPATING EXPORTING COUNTRIES

Article 8

(1) The Government of each participating exporting country agrees that exports from its country to the free market will be so regulated that net exports to that market will not exceed the quantities which such country may export each quota year in accordance with the export quotas established for it under the provisions of this Agreement. Subject to such tolerances as the Council may prescribe, any amount by which total net exports of an exporting country in any quota year exceeds its export quota in effect at the end of that year shall be charged to the export quota in effect of that country for the next following quota year.

(2) The Council may, if it deems necessary because of exceptional circumstances, limit the proportion of their quotas which participating exporting countries having basic tonnages in excess of 75,000 tons may export during any part of a quota year, provided that no such limitations shall prevent the participating exporting countries from exporting, during the first eight months of any quota year, 80 per cent of their initial export quotas and provided further that the Council may at any time modify or remove any such limitation which it may have imposed.

Article 9

The Government of each participating exporting country agrees that it will take all practicable action to ensure that the demands of participating countries which import sugar are met at all times. To this end, if the Council should determine that the state of demand is such that, notwithstanding the provisions of this Agreement, participating countries which import sugar are threatened with difficulties in meeting their requirements, it shall recommend to participating exporting countries measures designed to give effective priority to those requirements. The Government of each participating exporting country agrees that, on equal terms of sale, priority in the supply of available sugar, in accordance with the recommendations of the Council, will be given to participating countries which import sugar.

Article 10

The Government of each participating exporting country agrees to adjust the production of sugar in its country during the term of this Agreement and in so far as practicable in each quota year of such term, by regulating the manufacture of sugar or, when this is not possible, the acreage or plantings, so that the production shall result in such amount of sugar as may be needed to provide for domestic consumption, exports permitted under this Agreement and stocks specified in Article 13.

Article 11

(1) The Government of each participating exporting country agrees to notify the Council, as soon as possible, but not later than 15 May whether or not it expects that its country's export quota in effect at the time of notification will be used and, if not, of such part of its country's export quota in effect as it expects will not be used, and on receipt of such advice, the Council shall take action in accordance with Article 19 (1) (i).