

## CHAPTER VI.—INTER-GOVERNMENTAL COMMODITY AGREEMENTS

### SECTION A.—INTRODUCTORY CONSIDERATIONS

#### Article 52

##### *Difficulties relating to Primary Commodities*

The Members recognize that the conditions under which some primary commodities are produced, exchanged and consumed are such that international trade in these commodities may be affected by special difficulties such as the tendency towards persistent disequilibrium between production and consumption, the accumulation of burdensome stocks and pronounced fluctuations in prices. These special difficulties may have serious adverse effects on the interests of producers and consumers, as well as widespread repercussions jeopardising the general policy of economic expansion. The Members recognize that such difficulties may, at times, necessitate special treatment of the international trade in such commodities through inter-governmental agreement.

#### Article 53

##### *Primary and Related Commodities*

1. For the purposes of this Chapter, the term "primary commodity" means any product of farm, forest or fishery or any mineral, in its natural form or which has undergone such processing as is customarily required to prepare it for marketing in substantial volume in international trade.

2. The term shall also cover a group of commodities, of which one is a primary commodity as defined in paragraph 1 of this Article and the others are commodities (whether primary or non-primary) which are so closely related, as regards conditions of production or utilization, to the other commodities in the group, that it is appropriate to deal with them in a single agreement.

3. If, in exceptional circumstances, the Organization finds that the conditions set forth in Article 59 exist in the case of a commodity which does not fall precisely under paragraphs 1 or 2 of this Article, the Organization may decide that the provisions of this Chapter, together with any other requirements it may establish, shall apply to inter-governmental agreements regarding that commodity.

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#### Article 52.

Reference to the need to adopt "special treatment of the international trade in such commodities" merely means that international trade is the aspect of a particular commodity problem directly appropriate for international treatment. Agreement regarding the treatment of the international trade in a commodity might, of course, involve agreement regarding production or consumption of the commodity.