

ECONOMIC COMMISSION FOR EUROPE.TIMBER COMMITTEEREPORT OF THE SECRETARIAT ON THE RECONVENED
THIRD SESSION OF THE COMMITTEE.

1. The reconvened meeting of the Timber Committee met in Geneva from September 13th, to September 15th, 1948 under the Chairmanship of Mr. Bernard Dufay. It was attended by representatives of sixteen countries, and in addition by representatives of the International Bank for Reconstruction and Development, and the Food and Agriculture Organization. Most of the three days were taken up by individual consultations and very little time was left for deliberations of the Committee in Plenary Session. It was, therefore, not possible to draw up a report on the meeting and submit it as usual to the Committee for approval. The Secretariat has undertaken to summarize the main conclusions reached by the Committee in the present document on its own responsibility.
2. The meeting was called to give further consideration to the timber equipment programme, on the basis of the secretariat's proposals contained in Document E/ECE/TIM/18. It adopted the agenda; (document E/ECE/TIM/19, Rev.1).
3. An introductory statement was made by the representative of the International Bank expressing the continued interest of that organization in the proposal and explaining that the draft document of various agreements drawn up by the Bank and distributed among the delegates were only to be regarded as a basis for further discussion and not as committing the Bank in any way.
4. A Working Party was set up to examine and coordinate the equipment requests and availabilities of interested countries. It drew up the report attached to this document which was subsequently adopted by the Committee, Annex I.
5. Most of the available time was devoted to consultations of the Chairman with individual delegations held in the presence of the officials of the International Bank. The results of these conversations were summarized by the Chairman in a statement and subsequently amended by the Committee. The final text of that statement with appendices is reproduced in Annex II.
6. The Committee was unanimous in agreeing that some price clause will be needed in connection with the timber contracts to be concluded under Tranche B (See page 2 of the statement by the Chairman) Although differing from the proposal suggested by the Bank it was the consensus of the Committee members that if

satisfactory to the Bank they would prefer a provision merely requiring the seller to sell and the buyer to buy enough timber to provide a stated amount of dollars, the sale to take place at a price to be agreed upon between the buyer and seller. The discussion, further, brought out the fact that the conditions under which timber contracts for Tranche B will be concluded are so different from country to country that it would be difficult to devise a satisfactory price formula to cover all cases. It was also agreed that whatever price clause would be adopted should be so designed as to avoid prejudicing the normal establishment of timber prices during 1949 and 50. Accordingly, the Committee suggested that the final text of the price clause be drafted in connection with the individual loan agreements to be concluded between the Bank and each borrowing country.

7. Further Procedure. The Committee agreed with the Chairman that a number of points, and especially those listed on page 3 of the Chairman's statement (E/ECE/TIM/21, Appendix II), still remain to be settled, and felt that this could be more usefully done in individual negotiations. The Committee therefore requested the Chairman in cooperation with the Bank and with the assistance of the secretariat, to follow these negotiations on behalf of the Committee, and to keep governments informed of the progress achieved. In view of the possible need for further discussion of the timber equipment programme by the Committee, it was decided that the session should not be adjourned but merely recessed subject to recall. It was hoped, however, that the individual negotiations would soon lead to final agreement in which case governments would be so advised and would regard the third session as concluded.