

Corrected  
by reprint under  
same T.S. number

RUBBER  
797



Treaty Series No. 74 (1938)

## DECLARATION

by His Majesty's Secretary of State for Foreign Affairs  
recording the Acceptance of a Recommendation by  
the International Rubber Regulation Committee by the  
States parties to the Agreement of May 7, 1934

regarding the

# Regulation of the Production and Export of Rubber

London, October 6, 1938

[With Revised Text of the Agreement]

*Presented by the Secretary of State for Foreign Affairs  
to Parliament by Command of His Majesty*

LONDON

PRINTED AND PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

To be purchased directly from H.M. STATIONERY OFFICE at the following addresses:

York House, Kingsway, London, W.C.2; 120 George Street, Edinburgh 2;

26 York Street, Manchester 1; 1 St. Andrew's Crescent, Cardiff;

80 Chichester Street, Belfast;

or through any bookseller

1938

Price 4d. net

Cmd. 5901

DECLARATION BY HIS MAJESTY'S SECRETARY OF STATE FOR  
FOREIGN AFFAIRS, RECORDING THE ACCEPTANCE OF A  
RECOMMENDATION BY THE INTERNATIONAL RUBBER  
REGULATION COMMITTEE BY THE STATES PARTIES TO THE  
AGREEMENT OF MAY 7, 1934, REGARDING THE REGULATION  
OF THE PRODUCTION AND EXPORT OF RUBBER.

London, October 6, 1938.

DECLARATION.

WHEREAS paragraphs (b), (c), (d) and (e) of Article 3 of the Agree-  
ment to regulate production and export of rubber, signed in London  
on the 7th May, 1934,<sup>(1)</sup> and amended by the Protocols signed in  
London on the 27th June, 1935,<sup>(2)</sup> and the 22nd May, 1936,<sup>(2)</sup>  
provide as follows:—

- and the  
6th Feb 7  
1937 (13)*
- (b) The said regulation shall come into operation on the 1st day  
of June, 1934, and shall remain in force until the  
31st December, 1938, as a minimum period.
  - (c) Not more than twelve calendar months and not less than nine  
calendar months prior to the 31st December, 1938, the  
International Rubber Regulation Committee shall make a  
recommendation to the contracting Governments as to the  
continuation or otherwise of the regulation. The recom-  
mendation, if in favour of continuation, may suggest  
amendments to the regulation and include proposals  
relating to the other provisions of this Agreement.
  - (d) Each contracting Government shall signify to the International  
Rubber Regulation Committee and to the other contracting  
Governments its acceptance or rejection of the recommen-  
dation referred to in the immediately preceding paragraph  
within three calendar months after the date of the receipt  
of such recommendation.
  - (e) If the said recommendation is accepted by all the contracting  
Governments, the contracting Governments undertake to  
take such measures as may be necessary to carry out the  
said recommendation. The Government of the United  
Kingdom shall in this event draw up and communicate to  
all the other contracting Governments a declaration  
certifying the terms of the said recommendation and its  
acceptance by all the contracting Governments.

(1) "Treaty Series No. 12 (1934)," Cmd. 4583.

(2) "Treaty Series No. 20 (1936)," Cmd. 5238.

(13) - ditto NO 11 (1937) Cmd 5384

● And whereas, at their meeting in London on the 29th March, 1938, in accordance with paragraph (c), the International Rubber Regulation Committee made a recommendation;

And whereas all the Governments parties to the said agreement—namely, the Governments of the French Republic, the United Kingdom of Great Britain and Northern Ireland, India, the Netherlands and Siam, have signified their acceptance of the recommendation:

Now, therefore, I, the Undersigned, Principal Secretary of State for Foreign Affairs of His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, in accordance with the provisions of paragraph (e) of Article 3 of the said Agreement, hereby declare that the terms of the said recommendation are those set forth in the Annex hereto and certify that the recommendation has been accepted by all the contracting Governments.

Witness my hand this 6th day of October, 1938.

Given at the Foreign Office, London.

HALIFAX.

---

*Recommendation of the International Rubber Regulation Committee  
as to the Continuation or otherwise of the Regulation.*

Whereas paragraphs (b), (c), (d), (e), (f) and (g) of Article 3 of the Agreement to regulate production and export of rubber signed at London on the 7th May, 1934, and amended by the Protocols signed at London on the 27th June, 1935, and the 22nd May, 1936, provide as follows :—

- and the  
5th Feb 7  
1937
- “(b) The said regulation shall come into operation on the 1st day of June, 1934, and shall remain in force until the 31st December, 1938, as a minimum period.
- (c) Not more than twelve calendar months and not less than nine calendar months prior to the 31st December, 1938, the International Rubber Regulation Committee shall make a recommendation to the contracting Governments as to the continuation or otherwise of the regulation. The recommendation, if in favour of continuation, may suggest amendments to the regulation and include proposals relating to the other provisions of this Agreement.
- (d) Each contracting Government shall signify to the International Rubber Regulation Committee and to the other contracting Governments its acceptance or rejection of the recommendation referred to in the immediately preceding paragraph within three calendar months after the date of the receipt of such recommendation.
- (e) If the said recommendation is accepted by all the contracting Governments, the contracting Governments undertake to take such measures as may be necessary to carry out the said recommendation. The Government of the United Kingdom shall in this event draw up and communicate to all the other contracting Governments a declaration certifying the terms of the said recommendation and its acceptance by all the contracting Governments;
- (f) If the said recommendation is not accepted by all the contracting Governments, the Government of the United Kingdom may of its own motion, and shall, if requested by any other contracting Government, convoke a conference of the contracting Governments to consider the situation.
- (g) Unless a recommendation to continue the regulation is accepted under paragraphs (d) and (e) above, or unless an agreement for continuation is concluded between the contracting Governments at the conference referred to in paragraph (f) above, the regulation and all the obligations arising out of this agreement shall terminate on the 31st December, 1938. If at the conference referred to in paragraph (f) above an agreement for continuation is concluded between some but not all of the contracting Governments, the regulation and all the obligations arising out of this Agreement shall

terminate on the 31st December, 1938, in respect of any contracting Government not a party to the agreement for continuation,"

and :

Whereas it is desirable that the International Rubber Regulation Committee shall make a recommendation to the Government parties to the said Agreement as provided in paragraph (c) of the said Article :

Therefore the said Committee at a meeting at London on the 29th day of March, 1938, adopts the following resolutions :—

(1) The Committee recommends that the regulations shall be continued until the 31st December, 1943, as a minimum period.

(2) In making this recommendation, the Committee suggests the amendments to the regulation and submits the proposals relating to the other provisions of the Agreement, which are set out in Annex I<sup>(3)</sup> to this resolution, and recommends that they should come into force on the 1st January, 1939. A copy of the Agreement, as amended in accordance with the amendments and proposals contained in Annex I is set out in Annex II.

(3) The Committee submits this recommendation, including the amendments and proposals set out in the Annexes to this resolution, to each of the contracting Governments with the request that they will, in accordance with paragraph (d) of Article 3 of the Agreement, signify to the Committee and to the other contracting Governments their acceptance or rejection of the recommendation within three calendar months after receipt of this recommendation.

(4) The Committee further requests the Government of the United Kingdom to take the action prescribed in paragraphs (e) or (f) of Article 3 of the Agreement in accordance with the circumstances.

(5) In view of the fact that, in the case of a conference having to be convened in accordance with paragraph (f), it is essential that the aforesaid conference should meet without delay, the Committee requests the Government of the United Kingdom to convoke the conference as soon as possible after the expiry of the three months referred to in paragraph (d), and requests all the contracting Governments to take the necessary steps to render it possible for their plenipotentiaries to attend a conference convoked at short notice.

---

(<sup>3</sup>) Not printed.

*Annex I to the Recommendation of the International Rubber Regulation Committee of March 29, 1938.*

[Not printed.]

*Annex II to the Recommendation of the International Rubber Regulation Committee of March 29, 1938.*

Revised Text, as recommended by the International Rubber Regulation Committee, of the Agreement between the Governments of France, the United Kingdom, India, the Netherlands and Siam to Regulate Production and Export of Rubber, signed in London, May 7, 1934, as amended by the Protocols of June 27, 1935, and May 22, 1936. *and Feb 5, 1937*

THE Governments of the French Republic, the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as the Government of the United Kingdom), India, the Kingdom of the Netherlands, and the Kingdom of Siam :

Considering that it is necessary and advisable that steps should be taken to regulate the production and export of rubber in and from producing countries with the object of keeping world stocks at a normal figure and adjusting in an orderly manner supply to demand, while at the same time making available all the rubber that may be required and maintaining a fair and equitable price level which will be reasonably remunerative to efficient producers, and being desirous of concluding an Agreement for this purpose :

Have accordingly agreed as follows :—

ARTICLE 1.

The obligations under this Agreement of the Government of the French Republic apply to French Indo-China; those of the Government of the United Kingdom to Burma, Ceylon, the Federated Malay States, the Unfederated Malay States, the Straits Settlements, the State of North Borneo, Brunei and Sarawak; those of the Government of India to India; those of the Government of the Kingdom of the Netherlands to the Netherlands Indies; and those of the Government of the Kingdom of Siam to Siam.

ARTICLE 2.

For the purposes of this Agreement—

- (a) "Basic quotas" means the quotas referred to in Article 4 (a).
- (b) "International Rubber Regulation Committee" means the Committee referred to in Article 15.

(c) "Control Year" means any calendar year during the continuance of this Agreement, or, in the case of the year 1934, the portion of that year between the date of the coming into force of the regulation under Article 3 (b) and the 31st December, 1934.

(d) "Rubber plant" means and includes plants, trees, shrubs or vines, and any leaves, flowers, seeds, buds, twigs, branches, roots or any living portion of them that may be used to propagate any of the following:—

- (A) *Hevea Braziliensis* (Para Rubber).
- (B) *Manihot Glaziovii* (Ceara Rubber).
- (C) *Castilloa elastica*.
- (D) *Ficus elastica* (Rambong).
- (E) Any other plant, tree, shrub or vine which the International Rubber Regulation Committee may decide is a rubber plant for the purpose of this Regulation.

(e) "Rubber" means (1) crude rubber, that is to say, rubber prepared from the leaves, bark or latex of any rubber plant, and the latex of any rubber plant, whether fluid or coagulated, in any stage of the treatment to which it is subjected during the process of conversion into rubber, and latex in any state of concentration; and (2) for the purposes of paragraph (i) of this Article and Articles 4, 5 and 6 includes the raw rubber content of all articles and things manufactured wholly or partly from crude rubber within a territory to which the present Agreement applies, which manufactured articles had not been previously imported.

(f) "New planting" means planting during the period of the Regulation rubber seeds or plants on an area which has not since the 7th May, 1934, borne such plants. If in an area already bearing two (or more) cultivations or other growths, one of which consists of rubber plants, the other cultivation(s) or growth(s) are being wholly or partly substituted by rubber plants, this substitution will also be regarded as new planting.

(g) "Replanting" or "replant" means planting during the period of the Regulation more than thirty plants on any acre (or more than seventy-five rubber plants on any hectare) of any area carrying rubber plants on the 7th May, 1934, so far as such planting cannot be considered to be new planting as defined under (f) of this Article.

(h) "Supplying" or "supply" means planting during the period of the Regulation thirty rubber plants or less on any acre, or seventy-five rubber plants or less on any hectare of any area carrying rubber plants on the 7th May, 1934, so far as such planting cannot be considered to be new planting as defined under (f) of this Article.

(i) "Net exports" means the difference between the total exports of rubber from a territory during a period, and the total imports of crude rubber into that territory during the same period.

(j) "Owner" means and includes the proprietor, occupier or person in the possession or in charge of a holding, or such person

as is, in the opinion of the Government concerned, the Manager or Agent of or entitled to act for or on behalf of such proprietor, occupier or person.

(k) "Holding" means land on which rubber plants are grown which is in the ownership, possession or occupation, or is being worked by or under the control of the owner.

(l) "Person," unless the context otherwise requires, includes a company, corporation, partnership or other body whether corporate or not.

(m) "Standard production" means the amount fixed by the Government of each territory or group of territories as the standard production of rubber of a holding for any control year.

### ARTICLE 3.

(a) The contracting Governments undertake to take such measures as may be necessary to maintain and enforce in their respective territories, as defined in Article 1, the regulation and control of the production, export and import of rubber as laid down in Articles 4, 5, 6, 8, 9, 10, 11, 12 and 13 of this Agreement, hereinafter referred to as "the Regulation."

(b) The said Regulation shall come into operation on the 1st June, 1934, and shall remain in force until the 31st December, 1943, as a minimum period.

(c) Not less than twelve calendar months prior to the 31st December, 1943, the International Rubber Regulation Committee shall make a recommendation to the contracting Governments as to the continuation or otherwise of the Regulation. The recommendation, if in favour of continuation, may suggest amendments to the Regulation and include proposals relating to the other provisions of this Agreement.

(d) Each contracting Government shall signify to the International Rubber Regulation Committee its acceptance or rejection of the recommendation referred to in the immediately preceding paragraph within three calendar months after the date of the receipt of such recommendation.

(e) If the said recommendation is accepted by all the contracting Governments, the contracting Governments undertake to take such measures as may be necessary to carry out the said recommendation. The International Rubber Regulation Committee shall inform the Government of the United Kingdom, which shall draw up a declaration certifying the terms of the said recommendation and its acceptance by all the contracting Governments, and the present Agreement shall be deemed to be amended in accordance with this declaration as from the date specified in that declaration. A certified copy of the declaration, together with a certified copy of the Agreement as amended, shall be communicated to all the other contracting Governments.



(f) If the said recommendation is not accepted by all the contracting Governments, the International Rubber Regulation Committee shall decide as soon as possible whether they desire to submit to the contracting Governments an amended recommendation. If the International Rubber Regulation Committee submits an amended recommendation, each contracting Government shall signify to the International Rubber Regulation Committee its acceptance or rejection of the amended recommendation within one month after the date of its receipt. If the amended recommendation is accepted by all the contracting Governments the provisions of paragraph (e) above shall apply.

(g) If the International Rubber Regulation Committee decides not to submit an amended recommendation, or if its amended recommendation is not accepted by all the contracting Governments, the International Rubber Regulation Committee shall so inform the Government of the United Kingdom which may of its own accord, and shall, if requested by any other contracting Government, convoke a conference of the contracting Governments to consider the situation.

(h) Unless a recommendation to continue the regulation is accepted under paragraphs (d), (e) and (f) above, or unless an agreement for continuation is concluded between the contracting Governments at the conference referred to in paragraph (g) above, the regulation and all the obligations arising out of this Agreement shall terminate on the 31st December, 1943. If at the conference referred to in paragraph (g) above an agreement for continuation is concluded between some but not all of the contracting Governments, the Regulation and all the obligations arising out of this Agreement shall terminate on the 31st December, 1943, in respect of any contracting Government not a party to the Agreement for continuation.

(i) Without prejudice to the provisions of paragraph (c) of this Article the International Rubber Regulation Committee may at any time make a recommendation to the contracting Governments for the amendment of any part of the Regulation or any of the other provisions of the present Agreement except the provisions of Articles 4 and 6 and of paragraphs (l) or (n) of Article 15. The recommendations of the Committee under this paragraph may include a recommendation that the present Agreement should be made open to the accession of a non-signatory Government, and proposals for such additions and amendments to the present Agreement (including additions to Article 4 and paragraph (l) or (n) of Article 15) as may be necessary to determine the conditions of the participation of such Government. The provisions of paragraphs (d) and (e) of this Article shall apply as regards any recommendation made under the provisions of this paragraph. Recommendations under this paragraph, if not accepted and put into force under paragraphs (d) and (e), shall fall, but without prejudice to the power of the International Rubber Regulation Committee to present all or any of them again under paragraph (c) at the appropriate time.

## ARTICLE 4.

In the case of the Straits Settlements, the Federated Malay States, and the Unfederated Malay States and Brunei (which shall be deemed to constitute a single group of territories for this purpose), and of the Netherlands Indies, Ceylon, India, Burma, the State of North Borneo, Sarawak and Siam, the exports of rubber from the territory shall be regulated in accordance with the following provisions :—

(a) The following annual quantities in tons of 2,240 English pounds dry rubber shall be adopted as basic quotas for each territory or group of territories for the control years specified :—

*Table of Basic Quotas (Long Tons).*

1934-1938.

—	1934.	1935.	1936.	1937.	1938.
	$\frac{2}{3}$ of				
Straits Settlements, F.M.S., U.M.S. and Brunei ... ..	504,000	538,000	569,000	589,000	602,000
Netherlands India ...	352,000	400,000	500,000 <sup>(*)</sup>	520,000 <sup>(*)</sup>	540,000 <sup>(*)</sup>
Ceylon ... ..	77,500	79,000	80,000	81,000	82,500
India ... ..	6,850	12,500	12,500	12,500	13,000
Burma ... ..	5,150	8,000	8,500	9,000	9,250
State of N. Borneo ...	12,000	13,000	14,000	15,500	16,500
Sarawak ... ..	24,000	28,000	30,000	31,500	32,000
Siam ... ..	15,000	40,000	40,000	40,000	40,000
Total ... ..	996,500	1,118,500	1,254,000	1,298,500	1,335,250

*Table of Basic Quotas (Long Tons).*

1939-1943.

—	1939.	1940.	1941.	1942.	1943.
Straits Settlements, F.M.S., U.M.S. and Brunei ... ..	632,000	642,500	648,000	651,000	651,500
Netherlands India ...	631,500	640,000	645,500	650,000	651,000
Ceylon ... ..	106,000	107,500	109,000	109,500	110,000
India ... ..	17,500	17,750	17,750	17,750	17,750
Burma ... ..	13,500	13,750	13,750	13,750	13,750
State of N. Borneo ...	21,000	21,000	21,000	21,000	21,000
Sarawak ... ..	43,000	43,750	44,000	44,000	44,000
Siam ... ..	54,500	55,300	55,700	56,000	60,000
Total ... ..	1,519,000	1,541,550	1,554,700	1,563,000	1,569,000

<sup>(\*)</sup> These figures were established by the Protocol of February 5, 1937 (see "Treaty Series, No. 11 (1937), Cmd. 5384).

(b) Burma shall be permitted to export rubber to India without debiting such exports against her "permissible exportable amount" as defined in paragraph (d) below and in paragraphs (1) and (2) of Article 5, so long as such exports are permitted by the Governments of India and Burma. In the event of such exports being absolutely prohibited, an addition at the rate of 3,000 tons per annum shall be made to the basic quotas allotted to Burma in paragraph (a) of this Article. If such exports are limited and the amount so limited is less than 3,000 tons, then an addition shall be made to the basic quotas for Burma at a rate per annum equivalent to the difference between such permitted annual exports and 3,000 tons, and if the amount permitted is equal to or greater than 3,000 tons, no addition shall be made to the basic quotas. An addition to the basic quotas made under the provisions of this paragraph at any time during a control year shall bear the same relation to the addition permitted for a full year as the remaining part of the control year calculated from the date on which the prohibition or limitation came into force bears to the whole control year. Such exports of rubber imported into India from Burma shall be deemed to be excluded from India's "total imports of crude rubber" and from Burma's "total exports of rubber" for the purposes of Article 2 (i).

(c) The International Rubber Regulation Committee shall fix from time to time for each territory or group of territories a percentage of the basic quota. The percentage of the basic quota fixed by the International Rubber Regulation Committee shall be the same for each territory or group of territories. In the case of Siam, the percentage of the basic quota for that territory shall not be less than 50 per cent. for the year 1934, than 75 per cent. for the year 1935, than 85 per cent. for the year 1936, than 90 per cent. for the year 1937, and 100 per cent. for the year 1938.

(d) In each control year the quantity of rubber, which is equivalent to the percentage so fixed of the basic quotas of each territory or group of territories, constitutes for that territory or group of territories the "permissible exportable amount" for such territory or group of territories. Provided that in the case of Siam the "permissible exportable amount" so constituted for that territory shall not in any of the control years 1939 to 1943 be less than 41,000 tons (of 2,240 English pounds).

#### ARTICLE 5.

The net exports of rubber from each territory or group of territories shall be limited to the "permissible exportable amount":

Provided that (1) in any control year the net exports may be permitted to exceed the "permissible exportable amount" by a quantity not greater than 5 per cent. of that amount, but, if the "permissible exportable amount" is exceeded in any year, the net exports for the immediately following control year shall be limited to the "permissible exportable amount" for such year less the amount of such excess for the previous year.

(2) If any territory or group of territories has exported in a control year less than its "permissible exportable amount," the net exports from such territory or group of territories for the immediately following year may be permitted to exceed the "permissible exportable amount" for such year by an amount equal to the deficiency below the "permissible exportable amount" for the previous year if such deficiency was not more than 10 per cent. of such "permissible exportable amount," or equal to 10 per cent. of such "permissible exportable amount" if the deficiency exceeded 10 per cent.

(3) In the case of the group of territories comprising the Straits Settlements, the Federated Malay States and the Unfederated Malay States and Brunei, the obligations arising under this Article may be executed (a) by controlling the actual production of rubber on the islands of Singapore and Penang (parts of the Straits Settlements), and (b) by controlling the exports of rubber from the remainder of this group of territories in such a manner that the total of the production of rubber during the control year in question in Singapore and Penang, together with the net exports of rubber during the said year from the remainder of the group of territories, shall not exceed the amount of the "permissible exportable amount" for the whole group of territories.

(4) For the purpose of the preceding proviso and of the provisions of Articles 9, 10 and 13 below, the entry of rubber from the remainder of the group into Singapore or Penang, or into such rubber storage places within the remainder of the group as may from time to time be sanctioned by the International Rubber Regulation Committee, or *vice versa*, shall be deemed to be an export or import as the case may be.

#### ARTICLE 6.

In the case of French Indo-China, the Administration (1) shall maintain a complete record of all rubber leaving the territory and will establish such control as is necessary for this purpose, and (2) on the happening of the events specified in paragraph (a) below, shall cause the quantities of rubber specified in that paragraph to be delivered to the order of the International Rubber Regulation Committee in accordance with the provisions of paragraph (b) below:—

(a) If in any control year the total quantity of rubber leaving French Indo-China for any part of the world shall exceed 60,000 tons (of 2,240 English pounds), and the permissible exportable amounts for the territories specified in Article 4 are less than the basic quotas, a quantity of rubber shall be delivered equal to a percentage of the amount by which the total quantity of rubber leaving French Indo-China exceeds 60,000 tons, such percentage being the average percentage of reduction of basic quotas which shall have been applied in that year in the territories specified in Article 4.

(b) The quantities of rubber referred to in paragraph (a) above shall be notified to and agreed with the International Rubber Regulation Committee, and delivered free of cost and all charges at warehouses in the United Kingdom or in France in the form of London standard quality sheets or London standard quality crepe, to the order of the International Rubber Regulation Committee, within six months after the expiration of the control year in question.

#### ARTICLE 7.

The International Rubber Regulation Committee may dispose of all rubber delivered in accordance with the provisions of the preceding Article in such manner as it shall deem to be most beneficial to the objects which are envisaged in the provisions of the present Agreement.

#### ARTICLE 8.

The provisions of Articles 9, 10, 11, 12, 13 and 14 below apply to all the territories specified in Article 1 unless the contrary is expressly stated.

#### ARTICLE 9.

The exportation of rubber from a territory or group of territories shall be prohibited under penalties that will be effectively deterrent, unless such rubber is accompanied by a certificate of origin duly authenticated by an official duly empowered for this purpose by the Administration of the territory or group. The penalties which may be imposed for this offence shall include (a) the destruction, and (b) the confiscation of the rubber. This Article does not apply to the islands of Singapore and Penang or to such rubber storage places as may be sanctioned by the International Rubber Regulation Committee under Article 5 hereof.

#### ARTICLE 10.

The importation of rubber into a territory or group of territories shall be prohibited, under penalties that will be effectively deterrent, unless such rubber is accompanied by a certificate of origin duly authenticated by a competent official of the Administration of the territory or group of origin. The penalties which may be imposed for this offence shall include (a) the destruction, and (b) the confiscation of the rubber.

#### ARTICLE 11.

(a) Every owner of a rubber estate not less than 100 acres in area shall be prohibited under penalties that shall be effectively deterrent from having in his possession at any time stocks of rubber exceeding one-quarter of the amount of the total standard production of that estate for the preceding Control Year.

(b) So far as estates of less than 100 acres and small holdings are concerned, the Governments of each of the territories or group of territories will ensure that the total of the stocks maintained by the owners of these estates and small holdings shall be kept within normal limits.

(c) The total of all other stocks of rubber in the territory shall be limited to a quantity not exceeding  $12\frac{1}{2}$  per cent. of its "permissible exportable amount" for the preceding control year.

(d) The preceding provisions of this Article do not apply to India, Burma, the islands of Singapore or Penang, Siam, or to the storage places sanctioned by the International Rubber Regulation Committee under paragraph 4 of Article 5, but in India, Burma and Siam the stocks of rubber shall be limited to normal proportions having regard to the amount of rubber internally consumed.

#### ARTICLE 12.

(a) Except as provided in the subsequent paragraphs of this Article, the planting of rubber plants during the period of the Regulation shall be prohibited under penalties that shall be effectively deterrent, such penalties including the compulsory eradication and destruction of the plants so planted at the expense of the owner.

(b) New planting shall be permitted during the period the 1st January, 1939, to the 31st December, 1940, in each territory or group of territories on an area not greater than 5 per cent. of the total planted area of that territory or group as specified in paragraph (e) of this Article. The International Rubber Regulation Committee shall have the power to, and may, if it so decides, permit additional new planting, during this period, on an area up to a maximum of 1 per cent. of the total planted area of all territories as specified in paragraph (e) of this Article. The Committee shall have the right to allocate all or part of this additional area among all or to any of the territories or group of territories specified in paragraph (e) of this Article in such a manner as it deems appropriate.

(c)—(1) New planting shall be permitted after the 31st December, 1940, in each territory or group of territories on areas not greater than the percentages of the total planted area of that territory or group which the International Rubber Regulation Committee shall fix from time to time for such periods as it shall determine. (2) The Committee shall have the power to, and may, if it so decides, permit additional new planting during the period the 1st January, 1941, to the 31st December, 1943, on an area up to a maximum of one-fifth of the area permitted to be new planted under sub-paragraph (1) of this paragraph. The Committee shall have the right to allocate all or part of this additional area among all or to any of the territories or group of territories specified in paragraph (e) of this Article in such a manner as it deems appropriate.

(d) The provisions of paragraphs (b) and (c) of this Article do not apply to Siam. In Siam new planting shall be permitted during

the period the 1st January, 1939, to the 31st December, 1943, on a percentage of the total planted area as given in paragraph (e) of this Article equivalent to the highest percentage which may be granted to any other territory or group of territories under paragraphs (b) and (c) of this Article, and in any case on an area not less than 31,000 acres.

(e) The total planted areas of the territories to which this Agreement applies shall for the purposes of this Article be deemed to be as follows:—

	<i>Total planted area. (In acres.)</i>
Straits Settlements, Federated Malay States, Unfederated Malay States and Brunei ... ..	3,273.100
Netherlands India ... ..	3,214.900
Ceylon ... ..	605.200
French Indo-China... ..	314.200
India ... ..	128,000
Burma ... ..	104.400
State of North Borneo ... ..	126.600
Sarawak ... ..	228,000
Siam ... ..	312.000

(f) New planting rights not used in the period referred to in paragraph (b) above or in any of the periods fixed by the International Rubber Regulation Committee under paragraph (c) shall be automatically cancelled.

(g) "Replanting" shall be permitted unconditionally, but the Committee shall have the power to review the position and limit replanting after the 31st December, 1940, if this should seem advisable.

(h) "Supplying" shall be permitted unconditionally.

(i) The contracting Governments undertake to furnish to the International Rubber Regulation Committee not later than the 1st May of each Control Year accurate statistics showing separately the total areas replanted and new-planted in the preceding Control Year divided into areas planted with bud-grafted rubber, high yielding clonal seed and seedling rubber.

#### ARTICLE 13.

(a) The exportation from a territory or group of territories of rubber plants shall be prohibited under penalties that shall be effectively deterrent, except to any other territory or group of territories to which this Agreement applies. In the case of territories to which this Agreement applies it is contemplated that except where commercial or administrative considerations in the territory of origin render this undesirable, export of rubber plants should be permitted

from any such territory or group of territories to any other such territories or group of territories.

(b) In the case of any such export to other territories to which this Agreement applies, a return showing the amount exported or imported during that Control Year, and the territories to which they were exported or from which they were imported, shall be sent by the Administrations of both the territory of export and the territory of import to the International Rubber Regulation Committee at the end of each Control Year.

#### ARTICLE 14.

The contracting Governments and the Administrations of the territories or group of territories to which the present Agreement applies will co-operate with each other to prevent smuggling evasions and other abuses of the Regulation.

#### ARTICLE 15.

(a) An International Committee to be designated "The International Rubber Regulation Committee" shall be constituted as soon as possible.

(b) The said Committee shall be composed of delegations representing the territories or group of territories to which the present Agreement applies, and the numbers of the respective delegations and the numbers of the persons who may be nominated as substitutes to replace members of delegations who are absent shall be as follows :—

	<i>Members.</i>	<i>Substitute Members.</i>
(1) Straits Settlements, Federated Malay States, Unfederated Malay States, Brunei ... ..	4	2
(2) Netherlands India ... ..	4	2
(3) Ceylon ... ..	2	1
(4) French Indo-China ... ..	2	1
(5) India ... ..	1	1
(6) Burma ... ..	1	1
(7) State of North Borneo ... ..	1	1
(8) Sarawak ... ..	1	1
(9) Siam ... ..	1	1

(c) The Government of the United Kingdom shall be informed as soon as possible by the other contracting Governments of the persons first designated as members of delegations representing their respective territories. All subsequent changes in the membership of delegations shall be notified by communications addressed to the Chairman of the Committee.

(d) The Government of the United Kingdom will convoke the first Meeting of the Committee as soon as possible, and may do so when the members of six delegations have been designated.



(e) The principal office of the Committee shall be in London. The Committee shall make such arrangements as may be necessary for office accommodation, and may appoint and pay such officers and staff as may be required. The remuneration and expenses of members of delegations shall be defrayed by the Governments by whom they are designated.

(f) The proceedings of the Committee shall be conducted in English.

(g) The Committee shall at its first meeting elect its Chairman and Vice-Chairman.

(h) The Chairman and Vice-Chairman shall not be members of the same delegation.

(i) Meetings shall be convened by the Chairman, or in his absence by the Vice-Chairman. Not more than three calendar months shall elapse between any two consecutive meetings. An extraordinary meeting shall be convened at any time at the request of any delegation within fourteen days of the receipt of the request by the Chairman.

(j) The Committee shall perform the functions specifically entrusted to it under the subsequent paragraphs of this Article and Articles 3 (c), (e), (f), (g) and (i), 4 (c), 5 (4), 6, 7, 12 (c), 17, 18 and 19 of this Agreement, and shall, in addition, collect and publish such statistical information and make such other recommendations to Governments relevant to the subject-matter of this Agreement as may seem desirable, in particular, with reference to the disposal of any rubber which may come into the ownership of any Government as the result of the carrying out of Articles 9 and 10 of this Agreement. The Committee shall do all such other lawful things as may be necessary, incidental or conducive to the carrying out of its functions, and give such publicity to its actions as it may deem necessary or desirable.

(k) Each delegation shall vote as one unit. In case of delegations composed of more than one member, the name of the member entitled to exercise the vote shall be communicated in case of the first meeting to the Government of the United Kingdom and thereafter to the Chairman of the Committee. The voting member may in case of absence, by communication to the Chairman, nominate another member to act for him.

(l) Each delegation shall possess a number of votes calculated on the basis of one vote for every complete 1,000 tons of the basic quota of the control year for the time being for the territory or group of territories represented by that delegation, and for the purpose of voting the territory of French Indo-China shall be deemed to have a basic quota of 80,000 tons for each of the control years 1939-1943.

(m) The presence of voting members of at least four delegations shall be necessary to constitute a quorum at any meeting: provided that if within an hour of the time appointed for any meeting a quorum as above defined is not present, the meeting may be adjourned by the Chairman to the same day, time and place in the

next week, and if at such adjourned meeting a quorum as defined above is not present, those delegations who are present at the adjourned meeting shall constitute a quorum.

(n) Decisions shall be taken by a majority of the votes cast: provided that—

(1) A decision recommending amendments to the present Agreement under paragraph (i) of Article 3, or fixing or varying the permissible exportable percentage of the basic quotas under Article 4, or fixing the percentage of the permissible new planting area, or limiting replanting under Article 12, or varying the rate of the uniform cess under Article 19, or making or modifying or abrogating the rules of procedure, shall require a three-fourths majority of the total votes which could be cast by all the delegations entitled to vote whether such delegations are present or not.

(2) The delegation representing French Indo-China shall only be entitled to participate in any discussion or vote on the permissible exportable percentage of the basic quotas if and so long as exports from this territory exceed 60,000 tons (of 2,240 English pounds) in a control year.

(o) The Committee shall at the beginning of each control year draw up its budget for the forthcoming year. The budget shall show under appropriate headings and in reasonable detail the estimate of the Committee of its expenses for that year. The budget shall be communicated to the contracting Governments and to the Administrations of the territories or group of territories to which the present Agreement applies, and shall show the share of the expenses falling upon each territory or group of territories in accordance with the provisions of Article 16.

As soon as possible after the end of each control year the Committee shall cause to be drawn up and audited by a duly qualified chartered accountant a statement of account showing the money received and expended during such years. The statement of account shall be communicated to the contracting Governments and to the Administrations of all territories or groups of territories to which the present Agreement applies.

(p) The Committee may draw up, put into force, modify or abrogate rules for the conduct of its business and procedure as may from time to time be necessary, provided that its rules of procedure shall be at all times in conformity with the preceding provisions of this Article.

#### ARTICLE 16.

The expenses of the International Rubber Regulation Committee shall be defrayed by the Administrations of all territories or group of territories to which the present Agreement applies. One-half of the contribution for the whole year of each territory or group of territories, as shown in the budget drawn up by the Committee, shall be paid immediately on receipt of the budget by the contracting

Governments, and the balance of such contribution not later than six months after this date. The contribution of each territory or group of territories shall be proportionate to their respective basic quotas for the control year to which the budget relates. The basic quotas of French Indo-China for this purpose shall be those specified in Article 15 (l).

#### ARTICLE 17.

(a) The Administrations of each of the territories or group of territories to which the present Agreement applies shall, not later than the 1st January, 1935, communicate to the International Rubber Regulation Committee a declaration showing the total ascertained area in the territory or group planted with rubber on the 1st June, 1934.

(b) Each Administration will furnish to the International Rubber Regulation Committee all reasonable assistance to enable the Committee properly and efficiently to discharge its duties. Such assistance shall include annual reports on the working of the Regulation in the territory or group of territories and all necessary statistical information, including information as to costs of production collected by the organised associations of rubber producers. Each Administration shall grant ample facilities to duly accredited agents of the Committee for the investigation of the manner in which the regulation is being carried out in the territory.

#### ARTICLE 18.

The International Rubber Regulation Committee shall be empowered to, and shall within one month after the date of its first meeting, arrange for the nomination of four persons representative of the consumers of rubber, of whom two shall be representative of such consumers in America, and such representatives shall form a panel who will be invited to tender advice from time to time to the International Rubber Regulation Committee as to world stocks, the fixing and varying of the permissible exportable percentage of the basic quotas, new planting, replanting and cognate matters affecting the interests of rubber consumers.

#### ARTICLE 19.

(1) As from the 1st October, 1936, a uniform cess shall be levied and collected by the Governments concerned on the net exports from each of the territories or group of territories to which this Agreement applies at the approximate rate of 1d. per 100 lbs., or at such other higher rate as the Governments concerned may decide from time to time on the recommendation of the International Rubber Regulation Committee, provided that: (a) in the case of Singapore and Penang, this provision applies to rubber produced in these territories and

included in the permissible exportable amount as defined in paragraph 3 of Article 5; (b) this provision does not apply to exports from Sarawak prior to the 1st January, 1939; (c) in the case of Siam, this provision is not obligatory but may be accepted at any time without retrospective effect by the Government of Siam.

(2) That part of the proceeds of the levy of the above-mentioned cess which comes from British (including India), Dutch and French territories respectively shall be paid to the British Rubber Research Board, the Crisis Rubber Centrale, and by way of subvention to the Institut français du Caoutchouc, and devoted to research with a view to the development of new applications of rubber and to propaganda for the extended use of rubber which may be conducted through national propaganda institutions.

If the Government of Siam decides to levy the above-mentioned cess, it may levy it at whatever rate it decides, and the distribution of the proceeds of the levy in Siamese territory shall be left to the decision of the Siamese Government.

(3) The Governments of the French Republic, the United Kingdom and the Kingdom of the Netherlands agree that the national rubber research institutions will co-operate in the constitution and maintenance of an International Rubber Research Board and an International Propaganda Committee to co-ordinate the research and propaganda work of the three national research institutions and the national propaganda institutions.

#### ARTICLE 20.

(a) If, as the result of a recommendation of the International Rubber Regulation Committee under paragraphs (c) or (i) of Article 3 and the acceptance of such recommendation by the contracting Governments under paragraphs (d) or (f) of that Article, a non-signatory Government is invited to accede to the present Agreement, the Government of the United Kingdom shall communicate to the Government invited to accede a copy of the present Agreement as amended in accordance with all declarations issued under paragraph (e) of Article 3 up to date.

(b) The Government so invited may then accede by the deposit with the Government of the United Kingdom of an instrument of accession accepting this Agreement as set out in the copy thereof communicated by the Government of the United Kingdom.

(c) The Government of the United Kingdom shall communicate to the other contracting Governments and to the International Rubber Regulation Committee copies of the instrument of accession.

#### ARTICLE 21.

(a) any contracting Government may at any time, if it considers that its national security is endangered and that the continuance of its obligations under this Agreement would be inconsistent with the

requirements of its national security, give notice to the Government of the United Kingdom that it desires the suspension for the period of the emergency of all its rights and obligations under the Agreement (except those set out in Articles 12 and 13 in regard to new planting and the export of planting material respectively), and all such rights and obligations shall thereupon be suspended until the Government which has given notice informs the Government of the United Kingdom of the termination of the emergency.

(b) The Government of the United Kingdom shall immediately inform all the other contracting Governments on receipt of any notice of suspension under the first paragraph of this Article, and each of the other contracting Governments shall have the right to notify the Government of the United Kingdom within one month of the receipt of this information that, in the circumstances, it desires to suspend its rights and obligations (other than those set out in Articles 12 and 13).

(c) If notifications of suspension are received under paragraph (b) from two or more contracting Governments, the Agreement shall be suspended (except for Articles 12 and 13) in respect of all contracting Governments until the suspension is terminated by the Government which first gave notice under paragraph (a). Otherwise the Agreement will remain in full force between the contracting Governments who have not given notice of suspension.

#### ARTICLE 22.

All declarations drawn up by the Government of the United Kingdom certifying the terms of a recommendation under Article 3 (c), and all copies of the present Agreement communicated by the Government of the United Kingdom under Article 20 (a), shall be in English and French, both texts being equally authentic.