3. In any case in which a maximum import duty is not negotiated under paragraph 2 (*a*) of this Article, the Member maintaining the import monopoly shall make public or notify the Organization of the maximum import duty which it will apply in respect of the product concerned.

4. The price charged by the import monopoly for the imported product in the home market shall not exceed the landed cost plus the maximum import duty negotiated under paragraph 2 of this Article or made public or notified to the Organization under paragraph 3 of this Article, after due allowance for internal taxes, transportation, distribution and other expenses incident to the purchase, sale or further processing, and for a reasonable margin of profit ; *Provided* that regard may be had to average landed costs and selling prices over recent periods ; and *Provided* further that, where the product concerned is a primary product and the subject of a domestic price stabilization arrangement, provision may be made for adjustment to take account of wide fluctuations or variations in world prices subject, where a maximum duty has been negotiated, to agreement between the countries parties to the negotiation.

5. With regard to any product to which the provisions of this Article apply the monopoly shall, wherever this principle can be effectively applied and subject to the other provisions of this Charter, import and

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Article 31.

The Preparatory Committee deleted Article 33, as given in the Report of the First Session.

In revising the text of Article 32 (now Article 31), of the New York draft, the Preparatory Committee aimed at producing a text sufficiently flexible to permit any appropriate negotiations with a Member which maintains a complete or substantially complete monopoly of its external trade. However, since no representative of such a country attended the sessions of the Preparatory Committee, the question whether the present Article 31 provides an adequate basis for participation by such a country in the rights and obligations of the Charter remains open for discussion at the World Conference.

Arising out of a proposal by the New Zealand Delegation to make an addition to the previous text of Article 33, the Preparatory Committee considered the special problems that might be created for Members which, as a result of their programmes of full employment, maintenance of high and rising levels of demand and economic development, find themselves faced with a high level of demand for imports, and in consequence maintain quantitative regulation of their foreign trade. In the opinion of the Preparatory Committee the present text of Article 21, together with the provision for export controls in certain parts of the Charter, *e.g.*, in Article 43, fully meet the position of these economies.

The Delegation of New Zealand reserved the position of its Government on this question.

Paragraph 3.

If the maximum import duty is not bound by negotiations according to sub-paragraph 2 (*a*) the Member is free to change at any time the declared maximum import duty, provided such change is made public or notified to the Organization.

Paragraph 4.

With reference to the second proviso, the method and degree of adjustment to be permitted in the case of a primary product that is the subject of a domestic price stabilization arrangement should normally be a matter for agreement at the time of the negotiations under sub-paragraph (*a*) of paragraph 2.