

By paragraph 6 the approval of the budget of the Organization is especially reserved to the Conference itself. The apportionment of the budget among Members will be made according to principles similar to those adopted by the United Nations.

Paragraph 7 provides for the determination by the Conference itself of the seat of the Organization.

SECTION C.—THE EXECUTIVE BOARD

Many of the matters coming within the purview of I.T.O. will require urgent attention, and it will not be possible to defer action until the annual session of the Conference. Provision is therefore made for an Executive Board to carry into effect the policies laid down by the Conference in the day to day work of the Organization.

Article 78: Composition of the Executive Board

The Executive Board will have eighteen Members, each representative of one Member of the Organization.

In the election of the Executive Board the Conference shall ensure that the Board is representative of all geographic areas.

In the Executive Board a Customs Union may if it so desires be represented by one member of the Board. At the same time the Board should include a certain proportion of Members of the Organization of chief economic importance, and be representative of the diverse types and stages of development of the economies existing within the membership of the Organization.

Paragraph 3 of this Article lays down certain rules for the election of the Executive Board and for the fulfilment of the criterion of chief economic importance. This paragraph provides that the eight Members or Customs Union of chief economic importance as determined by the Conference shall be declared members of the Executive Board. The remaining ten seats will be filled by election among the Members of the Organization so as to fulfil the other two criteria of wide geographic representation and representation of diversity of economies. A two-thirds majority vote is required for appointments to the Executive Board, but this requirement will lapse in the event of a deadlock.

After the first election, Members of the Executive Board shall be elected for periods of three years.

Special rules for procedure at the first election are laid down in Annex L, referred to herein later.

Article 79: Voting

Decisions of the Executive Board will be taken by a simple majority of the votes cast, each Member of the Board having one vote.