



UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL

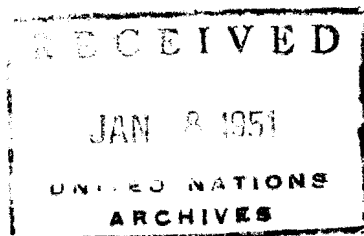


GENERAL

E/CN.7/215  
E/CN.7/AC.4/SR.17-28/Rev.1  
13 December 1950  
ORIGINAL: ENGLISH

COMMISSION ON NARCOTIC DRUGS  
Fifth Session

CONSOLIDATED SUMMARY RECORD OF THE SECOND PART OF THE FIRST SESSION  
OF THE JOINT COMMITTEE OF THE PRINCIPAL OPIUM-PRODUCING COUNTRIES  
AND OF THE PRINCIPAL DRUG-MANUFACTURING COUNTRIES HELD AT  
UNITED NATIONS HEADQUARTERS FROM TUESDAY, 14 NOVEMBER  
TO THURSDAY, 30 NOVEMBER 1950



/TABLE OF  
E/CN.7/215  
E/CN.7/AC.4/SR.17-28/Rev.1

## TABLE OF CONTENTS

	<u>Page</u>
LIST OF PERSONS PRESENT . . . . .	5
Seventeenth Meeting, Tuesday, 14 November 1950, at 11:00 a.m. . . . .	6
1. Resumption of the Session	
2. Adoption of the Agenda	
3. Establishment of the basic prices at which the International Opium Monopoly will buy and sell opium (E/CN.7/AC.4/2 - The Movement of Opium Prices during the Years 1930-1939 and 1946-1949)	
Eighteenth Meeting, Thursday, 16 November 1950, at 11:00 a.m. . . . .	8
4. Establishment of the basic prices at which the International Opium Monopoly will buy and sell opium (E/CN.7/AC.4/2 - The Movement of Opium Prices during the Years 1930-1939 and 1946-1949) (continued)	
Nineteenth Meeting, Friday, 17 November 1950, at 3:00 p.m. . . . .	12
5. Establishment of the basic prices at which the International Opium Monopoly will buy and sell opium (E/CN.7/AC.4/2 and Addendum 1 - The Movement of Opium Prices during the Years 1930-1939 and 1946-1949) (Continued)	
Twentieth Meeting, Monday, 20 November 1950, at 3:00 p.m. . . . .	16
6. Procedure to hasten the conclusion of the Interim Agreement to limit the production of opium to medical and scientific needs (Annex A to document E/CN.7/214: E/CN.7/ AC.4/3 (Report of the Joint Committee of the Principal Opium-producing Countries and of the Principal Drug-manufacturing Countries on the Second Part of the First Session))	

	<u>Page</u>
Twenty-First Meeting, Tuesday, 21 November 1950, at 10:00 a.m. . . . .	25
7. Draft of the Proposed Interim Agreement to Limit the Production of Opium to Medical and Scientific Needs (Second revision) (E/CN.7/199/Rev.1)	
8. Prohibition of Export of Opium Alkaloids from Producing Countries	
Twenty-Second Meeting, Tuesday, 21 November 1950, at 2:00 p.m. . . . .	33
9. Prohibition of Export of Opium Alkaloids from Producing Countries (Continued)	
Twenty-Third Meeting, Wednesday, 22 November 1950, at 3:00 p.m. . . . .	37
10. Procedure to hasten the conclusion of the Interim Agreement to limit the production of opium to medical and scientific needs (Annex A to document E/CN.7/214: E/CN.7/AC.4/3) and Explanatory Note by the Representative of India on the Amendments proposed by him to the Procedure suggested in the above-mentioned document.	
Twenty-Fourth Meeting, Friday, 24 November 1950, at 10:00 a.m. . . . .	42
11. Discussion on procedure (document E/CN.7/199/Rev.1, Draft of the Proposed Interim Agreement to limit the production of opium to medical and scientific needs; Procedure to hasten the conclusion of the Interim Agreement (Annex A to document E/CN.7/214: E/CN.7/AC.4/3) and the Amendments of the Representative of India to this procedure)	
Twenty-Fifth Meeting, Friday, 24 November 1950, at 3:00 p.m. . . . .	47
12. Discussion on procedure (document E/CN.7/199/Rev.1, Draft of the Proposed Interim Agreement to limit the production of opium to medical and scientific needs; Procedure to hasten the conclusion of the Interim Agreement (Annex A to document E/CN.7/214: E/CN.7/AC.4/3) and the Amendments of the Representative of India to this procedure)	

Page

Twenty-Sixth Meeting, Saturday, 25 November 1950, at 11:00 a.m. . . . . 53

13. Draft Text on the French Proposal for the establishment of an Opiates Monopoly for Inclusion in the Joint Committee's Report.
14. Draft resolution submitted by the Representative of Turkey.

Twenty-Seventh Meeting, Monday, 27 November 1950, at 11:00 a.m. . . . . 56

15. Draft Resolution submitted by the Representative of Turkey (Continued)

Twenty-Eighth and final Meeting, Wednesday, 29 November 1950,  
at 3:00 p.m. . . . . 62

16. Draft Report to the Commission on Narcotic Drugs

LIST OF PERSONS ATTENDING THE MEETING

Chairman: Mr. S. KRASOVEC, Chairman of the  
Commission on Narcotic  
Drugs

Delegations:

France Mr. G. BOURGOIS  
Mr. Ch. VAILLE  
Mr. Y. COMAR

India Mr. A. SATTANATHAN

Iran Mr. A. AMINI  
Mr. A. ARDAIAN

Netherlands Mr. A. KRUYSSSE

Turkey Mr. C. OR  
Mr. F. DIKER  
Mr. S. KAYIHAN

United Kingdom of  
Great Britain and  
Northern Ireland Mr. S. HOARE  
Mr. R. MATHEW

United States of America Mr. H. ANSLINGER  
Mr. G. MORLOCK

Yugoslavia Mr. D. NIKOLIC

Observers:

Belgium Mr. J. ERRERA

China Mr. H. WU

Switzerland Mr. B. SCHNEIDER  
Mr. C. VAN MUYDEN

Secretariat:

Mr. Steinig Representative of the Secretary-General,  
Director of the Division of Narcotic  
Drugs

Dr. Lande Legal Adviser, Division of Narcotic Drugs

Mr. Bolton Secretary to the Joint Committee

# SEVENTEENTH MEETING

held on Tuesday, 14 November 1950, at 11.00 a.m.

Chairman: Mr. STEINIG, Director of the Division of  
Narcotic Drugs

Attendance: As shown in the list of persons attending the  
session (page 5 above), with the exception of  
Mr. Vaille (France), Mr. Diker (Turkey).

## 1. OPENING OF THE SECOND PART OF THE FIRST SESSION

Mr. STEINIG (Representative of the Secretary-General) welcomed the representatives and observers on behalf of the Secretary-General and transmitted his wishes for the success of the Joint Committee's work. He informed the Committee that its Chairman, Mr. Kresovec, would arrive on Thursday, 16 November 1950, and suggested that the next meeting be held that morning. Meanwhile, the members of the Joint Committee might wish to study the documents that had been prepared and also meet informally if they so desired.

The Secretary-General had been notified that the Union of Soviet Socialist Republics would not be represented at the present session of the Joint Committee.

## 2. ADOPTION OF THE AGENDA

There was an exchange of views on whether item 3 of the provisional agenda would provide sufficient scope for comprehensive discussions with a view to obtaining agreement on basic opium prices. Mr. KRUYSSSE (Netherlands) suggested that a study of the costs of the Monopoly might precede the study of the prices. Mr. HOARE (United Kingdom) felt that the problem of prices could not be discussed without considering simultaneously the operating costs of the International Opium Monopoly, and by whom such costs were to be borne. Mr. MIKOLIC (Yugoslavia) considered, however, that the Joint Committee should, at that stage, guard against involving itself too deeply in related matters and that it was essential to achieve agreement on prices before proceeding further. Mr. ANSLINGER (United States of America) pointed out that the cost of operating the International Monopoly was still uncertain since it would be to some extent determined by such factors as the size of the opium stocks to be

/maintained.

maintained and the types of inspections to be undertaken.

The Committee then discussed in some detail whether it would hold a general debate or divide immediately into sub-committees. Mr. ERHARA (Belgium) suggested that two sub-committees should be established, one of which would deal with basic prices, while the other would consider the cost of operating the International Monopoly and affiliated problems. That suggestion was modified by Mr. SATTANATHAN (India) who pointed out that the Committee had to take many decisions which were not directly connected with prices; consequently he proposed that the second sub-committee should also study the other provisions of the Interim Agreement not agreed upon at Geneva. The representatives of the United Kingdom and Yugoslavia were not in favour of the proposal for sub-committees since all the matters to be discussed were of vital concern to each Government. All Governments could not be represented on each sub-committee and any conclusion arrived at in a sub-committee would have to be debated again in the Joint Committee. Mr. KRUYSSSE (Netherlands), supported by Mr. ANSLINGER (United States of America) preferred that the division into sub-committees should be postponed until there had been an opportunity for a general debate.

It was then decided that the opium-producing countries and the drug-manufacturing countries would separately hold informal meetings before the Joint Committee met again on Thursday, 16 November.

The provisional agenda was adopted.

The meeting rose at 12:45 p.m.

**EIGHTEENTH MEETING**

held on Thursday, 16 November 1950, at 11.00 a.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting.

The CHAIRMAN apologized to the members of the Committee for having been unable to attend the previous meeting and said that he had been unavoidably detained in Washington by official duties in connexion with the recent conference of the Food and Agricultural Organization. He suggested that for the remainder of the second part of its first session, the Committee should sit from 10.30 a.m. to 1.00 p.m. five mornings a week and from 3.00 to 6.00 p.m. on two afternoons. He added that since the General Assembly and the Economic and Social Council were both in session, the Secretariat could not furnish interpreters for additional meetings.

It was so agreed.

4. ESTABLISHMENT OF THE BASIC PRICES AT WHICH THE INTERNATIONAL OPIUM MONOPOLY WILL BUY AND SELL OPIUM (E/CN.7/AC.4/2 - THE MOVEMENT OF OPIUM PRICES DURING THE YEARS 1930-1939 AND 1946-1947) (Continued)

Dr. AMINI (Iran) opened the general debate on opium prices by stating that he could not accept pre-war prices as the basis for discussion. He pointed out that the Government of Iran was already purchasing opium from farmers at a price exceeding what it would fetch in the export markets. An average of 1947-1949 prices would, in his opinion, furnish the Joint Committee with a more realistic approach to the problem.

Mr. HOARE (United Kingdom of Great Britain and Northern Ireland) replied that in such circumstances the manufacturing countries would lose their export markets. The competition from countries which produced morphine from poppy straw had become intense, and new factories in Germany would soon begin production. He wondered why opium prices had tripled since 1937, whereas general wholesale prices had only doubled. Perhaps those wholesale prices might enable the Joint Committee to obtain a less inflated figure for the value of opium.

Mr. NIKOLIC (Yugoslavia) urged the manufacturing countries to approach the problem realistically, and stressed that prices could not be lowered arbitrarily.

/Mr. ANSLINGER



Mr. ANSLINGER (United States of America) wondered why the producers now had to pay their farmers four or five times as much for producing opium as for growing other crops, such as wheat and similar agricultural commodities. He pointed out that the price of opium had risen from 200 to 300 per cent, whereas the price of its alkaloids had increased only 15 per cent - an increase far less than that of the wholesale price index.

Mr. NIKOLIC (Yugoslavia) replied that the price of opium alkaloids had in the past always fluctuated much less than that of opium, and added that opium prices were not conditioned by general world wholesale prices but were determined by independent factors.

Mr. AMINI (Iran), in reply to the representative of the United States of America, said that unless the price paid to farmers for their opium remained relatively high, they would be tempted to sell it on the illicit market. Although he too recognized that morphine produced from poppy straw constituted a problem, he was unwilling to accept the suggestion of the representative of the United Kingdom that general wholesale prices should be used as a basis for discussion.

The representatives of Iran, the Netherlands, Turkey and Yugoslavia considered that the statistics submitted in document E/CN.7/AC.4/2 were, in their present limited form, inconclusive. During the ensuing discussion, Mr. SCHNEIDER (Switzerland) offered to furnish the Committee with figures which would prove that there was a direct connexion between the prices of opium and opium alkaloids.

The CHAIRMAN urged members to confine themselves to a general discussion of the principles on which agreement on basic opium prices might be reached.

Mr. SATTANATHAN (India), alluding to the discussion on the high price of opium, pointed out that that commodity differed from other agricultural commodities in that it required considerable processing before being placed on the market, not to mention related expenses of labour, transportation and inspection.

In India those handling charges amounted to as much as 50 per cent of the price paid to the cultivators. In addition to covering the actual cost of production, that price had to be adjusted to cover two other factors, namely (a) the opium price must not be less than the price for competitive commercial /or food crops

or food crops and (b) there had to be an additional element of profit to keep the average cultivator contented and enable him to resist the demands of illicit traffickers. Though no Government monopoly could afford to pay the price that the illicit market could offer, it could not expect the farmer to be contented with bare cost of production. To reduce the farmers' price would be to throw him into the arms of the illicit trafficker.

Mr. OR (Turkey) agreed with the remarks of the representative of Iran, and added that as farmers received a much higher price for their opium on the illicit market, the Government of Turkey would be obliged to conduct inspections as often as three or four times a year, the cost of which would have to be borne by the national monopoly.

Mr. AMINI (Iran) concluded that the Committee was still in disagreement on the establishment of basic opium prices. He therefore proposed that a sub-committee should be appointed to study the problem.

Mr. ANSLINGER (United States of America) drew the attention of the members to the fact that two synthetic drugs - demerol and dolophine - were rapidly replacing the use of morphine in the United States due to the fact that they sold for \$4 an ounce, compared with \$12 an ounce for morphine alkaloids. Furthermore, there was only one more stage lacking in the method for the production of synthetic morphine. That represented a formidable competition which the drug manufacturers of opiates would have to face. Although he personally opposed the too rapid spread of synthetic drugs and the Government of the United States had taken certain measures to minimize it, the members would have to take that factor into consideration.

Mr. SATTANATHAN (India) did not underestimate the importance of the situation outlined by the representative of the United States of America. There was, however, a certain basic price below which producing countries could not afford to go. If they did, farmers would turn to other crops or sell their opium in the illicit market. If Mr. Anslinger's information were correct, no producer would be able to compete with synthetic drugs, and raw opium would soon be driven out of world markets. In point of fact, however, it would seem that at the present time the demand for raw opium was increasing rather than decreasing.

If, however, the threat from synthetic drugs and from poppy straw was so

severe, and the manufacture of alkaloids from opium at present prices uneconomic, there was little value in retaining the present conditions of opium cultivation and drug manufacture. The problem would have to be examined carefully from a different angle, since neither uneconomic cultivation nor unprofitable manufacture could be maintained indefinitely by temporary expedients; and the abandonment of the cultivation of opium and the placing of the drug industry on a different basis would have to be foreseen.

At the suggestion of the CHAIRMAN, a sub-committee consisting of the representatives of Turkey, the United Kingdom, the United States of America and Yugoslavia was appointed for the purpose of reaching agreement on the question of basic opium prices. The sub-committee would meet that afternoon and, if necessary, the following morning.

The meeting rose at 1:30 p.m.

NINETEENTH MEETING

held on Friday, 17 November 1950, at 3.00 p.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting.

5. ESTABLISHMENT OF THE BASIC PRICES AT WHICH THE INTERNATIONAL OPIUM MONOPOLY WILL BUY AND SELL OPIUM (E/CN.7/AC.4/2 and Add.1 - THE MOVEMENT OF OPIUM PRICES DURING THE YEARS 1930-1939 and 1946-1947) (Continued)

The CHAIRMAN, having noted that the sub-committee had asked the representative of the Secretary-General to submit an account on its proceedings the day before, requested him to report to the Joint Committee accordingly.

Mr. STEINIG (representative of the Secretary-General) stated that in the sub-committee views were expressed that, owing to an unpropitious world situation in which the demand for opium was being temporarily stimulated, there seemed little possibility of now establishing the basic prices at which the International Monopoly would deal in opium while the Interim Agreement was in operation. The European countries manufacturing opiates were encountering serious competition from those manufacturing morphine from poppy straw, and indeed were in danger of losing their export markets completely. Furthermore, synthetic drugs were making great inroads into the domestic market of the United States. Consequently, the sub-committee considered that it might be desirable if the price of opium were at present only to be fixed for a period of two years.

The sub-committee had been aware of the fact that the goal of the Interim Agreement was not commercial but humanitarian; it therefore aimed primarily at reducing overproduction of opium and the consequent leakage into the illicit market. Since there appeared to be no possibility of unanimity on all provisions of the Interim Agreement at the present time, the Secretary-General had submitted to the sub-committee a suggestion that it might be possible to bring the Interim Agreement into force in two stages. The first stage might take the form of a protocol, to be signed simultaneously with the Interim Agreement, which would embody all the provisions of that instrument except those which were concerned with prices and affiliated features, such as quotas and requisitions. The

/International

International Monopoly would then be established as a clearing house to which manufacturing countries would submit estimates after negotiating an order with the national opium monopoly of their choice. The International Monopoly would then authorize the transaction provided it were within the estimates; thus a free market system would be retained. Such a protocol would not have to be ratified by Governments, but could come into force immediately upon signature.

It would be understood that the second and final stage would be achieved when the Interim Agreement became operative.

The representative of the Secretary-General then proceeded to outline the details of the proposals which were afterwards included in the Joint Committee's Report to the Commission on Narcotic Drugs (document E/CN.7/214: E/CN.7/AC.4/3) as Annex A, "Procedure to Hasten the Conclusion of the Interim Agreement to Limit the Production of Opium to Medical and Scientific Needs".

The CHAIRMAN said he thought that the Joint Committee had reached a turning point in its work.

Mr. AMINI (Iran) pointed out that the proposals had altered the situation entirely and contained many implications which could not be discerned at once. Some problems appeared to be settled, but others remained. He, therefore, requested sufficient time to consult the Government of Iran regarding the legal and technical issues involved. Mr. KRUYSSSE (Netherlands) also indicated that time would be required for a study of the document.

Mr. STEINIG (representative of the Secretary-General) drew the Joint Committee's attention to the fact that the proposals were not intended to alter the principles on which the Interim Agreement would be based. The suggested procedure was designed solely to gain time, during which all controversial questions, particularly that of basic prices, could be settled. In that way, certain provisions of the Interim Agreement could, in effect, be put into operation almost at once while the two years required for ratification would not be wasted. During that period the producing countries would be designated as the sole suppliers of opium to the consumers party to the Protocol, although the quota system agreed upon at Ankara could not function immediately.

The Interim Agreement would be signed with blank spaces in the sections on which agreement had not been reached, and those spaces would only be filled in after all Parties had unanimously concurred. Meanwhile the Protocol would be in force.

/The CHAIRMAN

The CHAIRMAN stressed that the Secretary-General's proposal should not prevent negotiations from being continued on all controversial issues.

Mr. HOARE (United Kingdom of Great Britain and Northern Ireland), without wishing to enter into a general discussion, addressed three questions to the representative of the Secretary-General: (1) Would it be possible for manufacturing countries to submit supplementary estimates; (2) Would the clearing house acquire stocks; and (3) Was the Secretariat satisfied that a commission of one per cent would be sufficient to cover the cost of the interim functioning of the Regulating Committee and the clearing house?

Mr. ANSLINGER (United States of America) expressed the opinion that members should be able to make observations on the proposals within the framework of the instructions which they had brought from the Governments of their respective countries. It would not be necessary, therefore, for the Joint Committee to delay its work until additional instructions had been obtained. In regard to those proposals, he wondered if the Regulating Committee could not be simplified; perhaps its functions might be assumed by the Supervisory Body or by the Permanent Central Board. He hoped that it would be possible for the Joint Committee to report on the new scheme to the forthcoming session of the Commission on Narcotic Drugs.

Mr. STEINIG (representative of the Secretary-General), in reply to the representative of the United Kingdom, said that it would be possible for manufacturing countries to submit supplementary estimates, that the clearing house would not acquire stocks, and that preliminary calculations indicated that a commission of one per cent would cover the expenses of both the Regulating Committee and the clearing house. It would not meet inspection costs considering that it had been proposed at Geneva that the latter should be borne by the United Nations.

He went on to point out that the regime to be established by the Protocol would not be without its shortcomings and that it could not replace the Interim Agreement except as a temporary measure. There would be limitation of production but it would not be possible to distinguish automatically between licit and contraband opium. In the second place, producing countries would not have the economic security which they would enjoy under the terms of the Interim Agreement since manufacturers would have only a moral obligation to

/honour

honour their estimates. Thirdly, it was far easier to control the output of some 50 drug factories located in accessible parts of the world than the opium produced by thousands of peasants scattered over wide and remote areas. For those reasons the stricter control provided for under the Interim Agreement was essential.

With regard to the Regulating Committee, its tasks initially would be limited but important, since it would, inter alia, strive to reduce the areas of disagreement which would prevent the operation of the Interim Agreement and to prepare, in every way possible, for the full operation of the International Opium Monopoly under that instrument.

At the suggestion of the CHAIRMAN, the meeting was adjourned until 2.00 p.m. on Monday, 20 November 1950.

The meeting rose at 4.50 p.m.

TWENTIETH MEETING

held on Monday, 20 November 1950, at 3.00 p.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting, with the  
addition of Mr. DIKER (Turkey).  
Mr. WU, Chinese observer, was not present.

6. PROCEDURE TO HASTEN THE CONCLUSION OF THE INTERIM AGREEMENT TO LIMIT THE PRODUCTION OF OPIUM TO MEDICAL AND SCIENTIFIC NEEDS (ANNEX A TO DOCUMENT E/CN.7/214: E/CN.7/AC.4/3 (REPORT OF THE JOINT COMMITTEE OF THE PRINCIPAL OPIUM-PRODUCING COUNTRIES AND OF THE PRINCIPAL DRUG-MANUFACTURING COUNTRIES ON THE SECOND PART OF THE FIRST SESSION))

Mr. NIKOLIC (Yugoslavia) informed the Joint Committee that all the producing countries had studied the Secretary-General's proposals carefully and had arrived at similar conclusions, which the representative of Iran would report to the members. Before that was done, however, he wished to bring to the Joint Committee's attention the fact that certain important details contained in one of his statements during the first meeting had not been mentioned in the summary record. The representative of India was, he believed, in a similar position. Consequently, he would ask that the remarks to be made by the representative of Iran be inserted in full in the summary record.

Mr. STEINIG (representative of the Secretary-General) explained that the Joint Committee was meeting in exceptional circumstances and was being serviced by a limited staff. There were no verbatim reporters available to record Mr. Amini's speech, but if he were able to furnish the text it would be included in the summary record.

Mr. AMINI (Iran), before expressing an opinion on the draft Protocol reviewed the efforts the producing countries had made towards finding a method for limiting the production of opium to medical and scientific needs.

In November 1949 when the Principal Opium-producing Countries met at Ankara, everybody had recognized how difficult it would be to devise a mutually satisfactory scheme for dividing the world opium production into shares and to create an international monopoly which would necessarily impose many restrictions upon them.

/The representative



The representative of Iran then cited certain remarks made by Mr. Steinig at the third meeting of the Ad Hoc Committee to illustrate the spirit which had prevailed at Ankara. Mr. Steinig had stressed that the time seemed to have come for man to wrest the initiative from events in bringing about, by direct and well conceived action, the limitation of the production and the distribution of opium to medical and scientific needs.

Whenever Government representatives came together to discuss the limitation of the production and export of opium, they naturally complained that such limitation would entail sacrifice and hardship for their countries. That was true, but was it not the price which must be paid for the suppression of the illicit traffic and the abolition of the evil of addiction?

The drug manufacturing countries had already consented to accept sacrifices and limitations of their activities in acceding to the 1931 Convention. It was time for the producing countries to follow suit. There should, of course, be no unilateral sacrifice, but a just distribution of burdens between all the countries interested in the opium trade. Mr. Steinig also reminded representatives that, should the work of the Committee prove fruitful, the manufacturing countries, in order to make the new instrument workable, would have to consent to accept further obligations.

The representative of Iran went on to say that the Opium-producing Countries, mindful of the humanitarian issues at stake, had overcome innumerable economic and technical difficulties, and had finally reconciled their rival interests by agreeing on how the limited opium production should be shared. Thus, their duty had been discharged and it remained for the Drug-manufacturing Countries to assume their responsibilities.

The Joint Committee's discussions at Geneva in August had revealed several divergencies of view, the most important of which concerned the basic price of opium. It was now the task of the Joint Committee to find a solution to that problem. Although in such negotiations humanitarian rather than commercial considerations should have taken precedence, the reverse had been the case; the Joint Committee as a result now found itself in an impasse.

Mr. Amini then emphasized that it would be regrettable if the Interim Agreement project had to be abandoned because of a demand that the price of opium be slightly lowered, especially at a time when concerted efforts were being made to assist countries which were underdeveloped economically. He

/appealed to

appealed to the Manufacturing Countries to make the necessary effort to reach a price agreement, however short-term it might be.

As regards the draft Protocol submitted to the Joint Committee, he considered that it would not solve the problem of the limitation of the production of opium. To do that effectively, opium transactions must be centralized in an international organ and competition eliminated among both Manufacturing and Producing Countries. But the present draft, while apparently retaining the general outlines of the Interim Agreement in the matter of estimates and the International Monopoly, permitted the Manufacturing Countries to negotiate the price of their opium requirements with the Producing Countries.

Thus, the Producing Countries would be faced with the prospect of price instability and an uncertain market - a situation which produces competition and the consequent overproduction which it had been hoped to avoid.

It would seem, therefore, that though the draft Protocol seemed to be a step towards the limitation of the production of opium, that was not actually the case. Hence, it would be necessary either to lay aside selfish considerations and agree on a basic price, or to apply strictly those provisions of the existing conventions which regulated the opium trade.

The Producing Countries were of the opinion that the Joint Committee must break the present deadlock and proposed accordingly that the Manufacturing Countries accept the average of prices paid for opium during the years 1947-1949 as a basic price to rule two years. At the end of that period it would be seen what changes were necessary. The Producing Countries were convinced that the importance of the goal warranted such a concession.

Mr. SATTANATHAN (India) supported the views of the representative of Iran and reiterated his opinion that further efforts should be made to bridge the gulf which separated Producers and the Manufacturers. He had been surprised by the speed with which the representative of the Secretary-General had produced the new proposals, and in his opinion they were beset with difficulties. Indeed, they would render the conclusion of the Interim Agreement almost impossible.

Unfortunately the Joint Committee had apparently lost sight of the ideal which had animated the proceedings at Ankara. The willingness to make sacrifices had been replaced by a spirit of commercialism, and the present proposals seemed to indicate a desire to achieve agreement at any cost, however

/inadequate

inadequate that agreement might be. The Producing Countries had made their sacrifices at Ankara, but the Manufacturing Countries had shown little willingness to offer similar concessions. The Producing Countries sought no more than an economic price for their opium, in point of fact the price now being realised on the world markets; the Manufacturing Countries, however, considered that price too high. If indeed the Manufacturing Countries were suffering competition from synthetic drugs and morphine made from poppy straw, it was surprising that their demand for opium was increasing.

It appeared that Producing Countries would be called upon to accept lower prices, inspections and restrictions, while Manufacturing Countries would not have to make any sacrifices. The United Nations had embarked on a programme to aid under-developed areas and were spending millions of dollars on rehabilitation; any price concessions on the part of the Manufacturing Countries would assist that programme. The task before the Joint Committee was a relatively small one, yet its successful completion would actively encourage United Nations organs engaged in greater tasks. Its failure, on the other hand, would constitute a serious setback to international co-operation.

The proposals of the Secretary-General were unsatisfactory and represented a negative approach; for example, it had been decided at Geneva that the commission to be charged by the International Monopoly for its services would be in the neighbourhood of ten per cent, yet now that figure was suddenly reduced to one per cent. Furthermore, as time passed economic conditions would change and the agreement on sales shares reached at Ankara would become obsolete. If the proposals of the Secretary-General were adopted, what guarantee would there be that the manufacturing countries would actually purchase all the opium for which they had submitted estimates?

For those reasons, the Joint Committee should once again attempt to obtain agreement on basic prices, even if that agreement were only for one year. Should that prove to be impossible, other solutions should be contemplated.

Mr. OR (Turkey) agreed with the representatives of India and Iran. Though the differences between the producing and manufacturing countries seemed slight, they represented considerations of vital concern to the farmers in his country; to impose additional burdens upon those producers would be unjustifiable.

Mr. HOARE (United Kingdom of Great Britain and Northern Ireland), in reply to the representative of India, pointed out that the manufacturing countries were attending the present session solely to further humanitarian aims, but  
/those aims

those aims could not be realized without a discussion of the technical and economic means. Those technical and economic problems had to be faced and solved, and he did not think that their solution would be advanced by appeals for sacrifices on one side or the other. He regretted that the representative of India had doubts concerning the keenness of the competition faced by the manufacturing countries; he had in his possession evidence which testified to the serious nature of that threat to their markets. If prices were fixed at a high level, the production of alkaloids from other material than opium would be immeasurably encouraged. The Secretary-General's proposals had been brought forward in an effort to break the impasse which had been reached in the discussions of the sub-committee. It had been agreed in the sub-committee that the present moment was clearly unpropitious for reaching an agreement on basic prices; in two or three years' time additional experience might point the way to an acceptable solution. However, if other members wished, he would have no objection to reopening price discussions, even on the basis of fixing the price for one year only.

Mr. ANSLINGER (United States of America) pointed out that according to paragraph 1 of Section I of the proposed Protocol, the Interim Agreement could not come into force before December 1952. For two years therefore prices would seek their own level on a free market. During that period, moreover, Germany and Japan would recommence the manufacture of opium alkaloids. The proposals of the Secretary-General were concerned solely with the period before the Interim Agreement could come into force and would provide for partial control during those months.

In reply to the representative of India, he wished to emphasize that the Government of the United States would consider itself under a moral obligation to honour its estimates.

As regards the financing of the International Monopoly, he drew attention to the fact that when it was operating the producing countries would be relieved of such expenses as warehousing, insurance, assaying and brokerage. In spite of this they seemed unwilling to pay any part of the necessary commission on opium sales.

Mr. NIKOLIC (Yugoslavia), replying to the representative of the United Kingdom, resubmitted figures showing that the price of opium had not risen disproportionately; wool, for example, in 1934-38 cost 27.27 pence per lb,

/whereas in

whereas in 1950 it cost 221 pence per lb; cotton in 1934-38 sold for 8.75 cents per lb. and in 1950 it had risen to 42.07 cents per lb; and rubber in 1934-38 was quoted at 32.09 Malayan cents per lb. and in 1950 at 205 Malayan cents per lb. Those statistics showed that opium had increased in price somewhat less than many other raw commodities, and producing countries were obliged to purchase such commodities at the prevailing prices. For that reason they could not lower the price which they asked for their opium.

He wondered why the present situation was no longer so propitious as it had been at Geneva for the negotiation of basic prices. He did not agree with the remarks of the representative of the United Kingdom that further efforts in that direction would be fruitless merely because the producing countries had refused to lower their opium prices by 25 per cent. If there were good will on both sides, agreement might be reached.

Mr. SATTANATHAN (India) wished to emphasize that he had not been asking for charity but only that his country should receive a fair price for its opium. Manufacturing countries were not being asked to pay a higher price for opium but merely to continue at the present rates.

Mr. HOARE (United Kingdom) replied to the representative of Yugoslavia that the prices of the commodities which he had isolated were incorporated in the wholesale commodity price indices where they were offset by other commodities which had risen much less than the average. These indices had been used in the study on the movement of opium prices which the Joint Committee had before it.

Mr. STEINIG (representative of the Secretary-General), referring to the remarks on the proposed Protocol, observed that when serious differences of opinion developed, it was the duty of the Secretariat to act as conciliator, although that task often involved adverse criticism from both sides. He hoped that members would consider the proposals in the spirit in which they had been submitted.

As regards the figure of one per cent for the financing of the clearing house machinery and the Regulating Committee, the cost of maintaining opium stocks financed by borrowed funds, together with warehousing and insurance of such stocks, would be eliminated, and other costs might be sharply reduced.

The representative of India had been surprised at the rapidity with which the Secretary-General's new proposals had been produced. It should be emphasized,

/however,

however, that it was incumbent upon the Secretariat to anticipate developments and to have on hand numerous compromised schemes which might be introduced into the debate at opportune moments. He was heartened by the fact that all speakers had strongly supported the conception of the International Opium Monopoly. The Protocol was designed merely to provide a partial control in the interval before the Interim Agreement came into operation. If the Protocol were rejected, there would be no control during that period. The producing countries would realize two advantages from its adoption: 1) the manufacturing countries would be obliged to purchase all their opium from them, and 2) the manufacturing countries would have to state publicly in their estimates the quantities of opium which they proposed to purchase. A provision might also be inserted that in case of failure to honour its obligations, a manufacturing country would have to furnish a satisfactory explanation.

Mr. NIKOLIC (Yugoslavia) wondered why administrative difficulties had now suddenly sprung into prominence, while at Geneva they had not even been mentioned. In his opinion the chief remaining problem was that of prices.

The CHAIRMAN said that the Joint Committee should now decide whether the sub-committee should meet again the next day.

The meeting was suspended from 4:45 p.m. to 5:00 p.m.

Mr. AMINI (Iran) said that he had heard no explanation of the reasons for the disagreement of the sub-committee and suggested that it resume its discussion on prices with a view to shortening the period for which they should be fixed to one or two years.

Mr. HOARE (United Kingdom) said that that would be a difficult task in view of the fact that the prices would not come into force for at least two years.

Mr. ANSLINGER (United States) added that in his opinion the discussion of prices would have to be postponed until the Interim Agreement had become operative. In the meantime, the Joint Committee might explore the areas of agreement which could be embodied in the Protocol.

/Mr. NIKOLIC

Mr. NIKOLIC (Yugoslavia) and Mr. AMINI (Iran) were surprised that any price agreement which might be reached at the present session could not come into force before two or three years. That was a new factor which altered the situation completely. Mr. AMINI was unable to discuss the proposals of the Secretary-General without obtaining new instructions from the Government of Iran.

Mr. KRUYSE (Netherlands) observed that the situation was not so difficult as it seemed. Since the sub-committee had been unable to reach agreement on prices, it would be better to leave that subject, and to concentrate on the other provisions of the Interim Agreement which might be incorporated in the Protocol. The Joint Committee would have to reconvene in April to approve the final texts of both the Interim Agreement and the Protocol.

The CHAIRMAN summarized the debate as follows: The producing countries wanted to continue consideration of the Interim Agreement, with a view to fixing prices for a shorter period, say, one year, while the manufacturing countries considered that no purpose would be served by continuing price negotiations. The producing countries had replied that they could not discuss a Protocol which did not provide for price control without consulting the Governments of their respective countries.

Mr. ERRERA (Belgium) had two questions, the first of which he addressed to the representative of the Secretary-General; and the second to the members of the Joint Committee: (1) What would have been the outcome had the sub-committee been able to agree on a basic price for raw opium, and (2) what was the actual difference in dollars and cents per kilogramme between the prices desired by the manufacturers and producers respectively.

Mr. NIKOLIC (Yugoslavia) pointed out that even had the sub-committee been able to agree on prices, their decision could not have been put into effect three years hence since by that time economic conditions would be completely altered. That situation would always prevail, and accordingly the Joint Committee would never find itself in a position to establish prices.

Mr. STEINIC (representative of the Secretary-General), in reply to the Belgian observer, stated that if the outstanding problems such as prices and inspection were solved, the draft Interim Agreement could be submitted for approval to the Commission on Narcotic Drugs in December 1950 and subsequently to the Economic and Social Council in the early spring of 1951. If those organs so decided, the Joint Committee could reconvene in April 1951 to examine the

/draft

draft instrument article by article. It would then have to be approved successively by the Commission, the Council and the General Assembly in May, July and October 1951 respectively. If all went well, the Agreement could then be opened for signature in November 1951. The formalities of ratification would then require about 18 months before the Agreement would come into force.

He reminded the Joint Committee that at Geneva it had adopted a resolution requesting the Secretary-General to ask the General Assembly to appropriate funds to enable preparatory work for the International Monopoly to begin immediately after the Interim Agreement was signed. The conception of a preparatory period was thus not entirely novel, and the Joint Committee had itself foreseen the necessity for it during its Geneva session.

The CHAIRMAN asserted that it seemed to be the consensus of the Joint Committee that it should continue to hold plenary meetings and that for the time being no further work should be entrusted to the sub-committee. The Joint Committee would therefore meet at 10 a.m. the following morning.

The meeting rose at 6:00 p.m.



TWENTY-FIRST MEETING

held on Tuesday, 21 November 1950, at 10 a.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting, with the  
addition of Mr. DIKER (Turkey)

7. DRAFT OF THE PROPOSED INTERIM AGREEMENT TO LIMIT THE PRODUCTION OF  
OPIUM TO MEDICAL AND SCIENTIFIC NEEDS (SECOND REVISION) (E/CN.7/199/Rev.1)

After a brief exchange of views, the Joint Committee decided to continue the examination of those provisions of the Interim Agreement on which decisions had not been taken and to which it had referred in its report on the first part of its first session (E/CN.7/201; E/CN.7/AC.4/1): voting procedure in the Opium Regulating Committee, international inspection of the opium trade, currency to be used in opium transactions, and prohibition of the export of opium alkaloids from opium-producing countries. The problem of international assay would also be discussed.

Currency to be used in opium transactions

Referring to section 15 of the Joint Committee's report, the representative of the United Kingdom wondered whether any further advance was immediately possible in the question of currencies to be used for payment. The position was clearly stated in the Joint Committee's Report and he did not think that further discussion of it by the Joint Committee could reach more definite conclusions.

In reply to a question on the progress of consultations with the European Payments Union by the representative of Yugoslavia, Mr. STEINIG (representative of the Secretary-General) reported that the text of the Interim Agreement had been sent to the European Payments Union to ascertain if its provisions would be in conformity with the E.P.U. Agreement, but a reply had not yet been received. He referred members to the footnote to paragraph reference number 447 in the Interim Agreement providing for any necessary re-drafting of that paragraph to ensure its accord with the E.P.U. Agreement.

Mr. KRUYSSSE (Netherlands) considered that payment for opium should be made either in national currencies or in currencies used at the present time; the provision (paragraph reference number 445) that an importing country should pay in its own currency could be amended to that effect. In fact, the proposed

/Interim

Interim Agreement would in his opinion be unacceptable if it provided for payments in U.S. dollars or convertible currency. It was clear that the time was not propitious for reaching agreement on that question and a decision should be postponed.

Mr. NIKOLIC (Yugoslavia) referred to certain statements he had made at Geneva that Yugoslavia would require payment for its opium in convertible currency. She had always conducted her trade on that basis or on the basis of bilateral agreements, in which case she received merchandise that was normally only obtainable against convertible currency.

Mr. SCHNEIDER (Switzerland) recalled that at Geneva he had asked if a clause could be inserted in the Interim Agreement to provide for the continued operation of existing bilateral agreements. Switzerland had since become a Party to the European Payments Union Agreement as had the other European manufacturing countries. He accordingly suggested that no decision should be taken before the consultations with the European Payments Union had been concluded.

Mr. AMINI (Iran) assured the Joint Committee that the producing countries were not insisting on payment in dollars or in convertible currency; they only wanted an assurance that from their opium trade they would receive currency which would purchase essential commodities on the world markets. Flexibility in the currency provisions was essential, and he wondered whether the Secretariat could not devise a formula to cover that aspect of the problem.

The CHAIRMAN stated that though at Ankara and Geneva the currency question had seemed insurmountable, he now considered that a formula such as that suggested by the representative of Iran could be found on which all members could agree. If the Joint Committee agreed, he would adjourn discussion of the problem and ask the Secretariat, in consultation with representatives of those Governments who were primarily concerned, to draft a suitable provision for eventual incorporation into the Interim Agreement.

It was so agreed.

Mr. NIKOLIC (Yugoslavia) wishing to clarify his previous statement, explained that he had not intended to imply that Yugoslavia would withdraw from existing bilateral agreements should agreement be reached on payment in convertible currency, but that if Yugoslavia were to sell opium outside bilateral agreements she would require payment in convertible currency.

/Mr. DIKER

Mr. DIKER (Turkey) said that if Turkey had a bilateral agreement, payment was made in accordance with the terms thereof; but if no agreement existed settlement was made in convertible currency. In view of the satisfactory results that procedure had given, he hoped that a similar provision could be incorporated in the Interim Agreement.

Mr. STEINIG (representative of the Secretary-General) considered that the existing draft of the proposed Interim Agreement (paragraph reference number 447) covered most of the questions raised so far.

Mr. NIKOLIC (Yugoslavia), supported by the representative of Iran, wished to raise a point of principle. He had already studied the paragraph in question carefully and had found that it provided no solution to the problem he had raised previously: the necessity for payment in convertible currency for use in purchasing those commodities which could not be supplied by the countries with whom Yugoslavia had bilateral agreements.

Mr. HOARE (United Kingdom) declared that as he had already expressed his views on the question at Geneva, he had not wished to repeat himself. However, he wished to make it quite clear that if the Interim Agreement were to provide that all payments must be made in convertible currency, the Government of the United Kingdom would have to reserve its position.

#### Discussion on international assaying

Mr. ANSLINGER (United States of America) emphasized the importance of the International Monopoly having a standardized system of packaging, weighing, sampling and assaying its opium, and considered that the four processes should be considered simultaneously by the Joint Committee. By adopting a standardized method for each, the expenses of the International Monopoly could be substantially reduced; for example, different methods of packaging opium could affect the cost of drugs made from it by as much as five per cent. Methods of sampling and weighing varied in different countries. There was now in use a secret method for assaying opium which, when compared with the public method, invariably gave a higher morphine content. The standardization of assay methods had been studied by a body of experts in Copenhagen, but no conclusions had been reached, and law suits and arbitration over opium analyses often lasting a year or more, continued. It was probable that once the International Monopoly had been established that unsatisfactory situation would be corrected; but in the meantime  
/he would

he would like to propose that an expert committee from both the manufacturing and the producing countries be appointed to establish a United Nations method of assay (methods of packaging, weighing, sampling, etc. would also be explored) which would be acceptable to all Parties to the Interim Agreement.

General agreement was expressed on Mr. Anslinger's proposal, the implications of which were considered in the ensuing discussion.

Mr. KRUYSSSE (Netherlands) suggested that when the proposed expert committee was appointed, assistance might be asked of the Secretariat, where already a chemist was in charge of the analysis of opium, and the statistical department of which could give advice in the matter of sampling. Exhaustive research had already been carried out on the extremely difficult question of opium analysis and it would certainly be some time before a solution was found. Furthermore, the experts would be obliged to review their work at frequent intervals to keep it in line with scientific progress. When a method of analysis had finally been agreed upon by the expert committee, it would have to be accepted by the Regulating Committee.

Mr. DIKER (Turkey), while supporting the views of the Netherlands representative, considered that it would be preferable to wait until the International Monopoly was in operation before establishing the expert committee.

Mr. SATTANATHAN (India), although agreeing with the remarks of the representative of Turkey, fully shared the views of the representative of the United States of America. It was essential that such details as consistency, weight, form and size of the opium brick should be standardized, and the innumerable methods of analysis discarded in favour of one universally acceptable test. He inquired whether it would be possible for the manufacturing countries to communicate to the producing countries their views on consistency, packaging, weighing, etc. and on their preferred methods for analysing opium. Such a memorandum could be studied by experts in the producing countries and a discussion subsequently held at the next session of the Joint Committee.

Mr. STEINIG (representative of the Secretary-General) declared that the existence of the International Monopoly would enhance the possibility of achieving a general standardization of all features of the opium trade.

The question of a reliable method of analysis of the alkaloid contents of  
/opium

opium had already been explored by the Opium Advisory Committee of the League of Nations. The work had proved exceptionally difficult and a universally acceptable method of analysis had not been discovered. That failure, however, did not prejudice future studies and, in fact, the Secretariat was already working on the problem of methods for establishing the origin of opium. It might therefore be possible to propose a method which could be submitted to all Governments represented on the Joint Committee for their consideration; a decision could be taken later on the desirability of establishing an expert committee. Mr. Steinig accordingly suggested that the Commission on Narcotic Drugs might request the Secretary-General to evolve a tentative method of analysis which might be based on the work done under the League of Nations.

Mr. HOARE (United Kingdom) supported the proposal of the representative of India so far as related to packing, weighing and volume, but thought that the question of assay ought to be studied by experts and that it would not be profitable for the manufacturing countries to express their opinions on that question; Mr. KRUYSSSE (Netherlands) proposed that the method of analysis to be studied should be limited to the analysis of morphine and codeine. He wondered if the World Health Organization should be consulted since that Organization was working on an international pharmacopoeia which would include in the section on opium a method of its assay.

Mr. ANSLINGER (United States of America) informed the Committee that after the League of Nations had ceased work on the question, some experts had continued the study and were, in fact, on the point of publishing a paper on the question of assay. A copy would be made available to the Secretariat. In addition, the International Committee of Pharmacists could be asked to keep the subject to the fore.

The CHAIRMAN summarized the views of the Committee as follows:

- (1) There was agreement in principle on the establishment of an expert committee to examine standardized methods of packaging, weighing, sampling and assaying opium;
- (2) The manufacturing countries should communicate their views on those matters for the information of the producing countries;
- (3) The Secretary-General after obtaining the views of the manufacturing /countries

countries and correlating them with the findings of the Secretariat research group, should, if possible, circulate to the Governments represented on the Joint Committee a proposal for a standardized method of analysis; and

(4) An expert committee should be set up provided that the Economic and Social Council so agreed.

In reply to an inquiry by the Chairman, Mr. AMINI (Iran) stated that he did not consider it necessary for the producing countries to communicate their views on the question at the present stage. It would be better to wait until the memoranda from the manufacturing countries had been received.

It was agreed that the manufacturing countries should first send their memoranda to the Secretary-General. A comparison should be then made of the various points of view in which the findings of the Secretariat research group would be incorporated. Subsequently a consolidated document should be transmitted to the Producing Countries.

#### 8. PROHIBITION OF EXPORT OF OPIUM ALKALOIDS FROM PRODUCING COUNTRIES

Referring to paragraph reference number 43/Rev.1 in the draft Interim Agreement, Mr. NIKOLIC (Yugoslavia) repeated his statement at Geneva that the Government of Yugoslavia would find great difficulty in accepting a clause prohibiting the export of opium alkaloids. A delicate situation was created by asking a country not to export a product made within its own borders; in fact, it could be compared with asking a country producing rubber to prohibit its export in manufactured form.

Mr. HOARE (United Kingdom) observed that a question of principle was involved - should the suppliers of opium compete with the manufacturers of drugs from that substance? If the producing countries were assured of a stable market for their opium under the Interim Agreement at a stable price, they should not compete with their clients selling drugs made from opium. As regards the comparison made by the representative of Yugoslavia, he could not imagine that a rubber producer would be allowed to transform his industry and compete at the same time on the manufacturer's market.

Mr. Hoare wished to point out that the export market in alkaloids was a closed market controlled by the 1931 Convention; it was therefore unreasonable to

/expect

expect manufacturers to buy opium from producing countries and at the same time agree to the producers underselling them on the drug market. The United Kingdom, for instance, could not hope to compete with India's prices for opium alkaloids, as quoted by the representative of the Netherlands.

Mr. OR (Turkey) had already made his reservations at Geneva. He reiterated, however, that although not a country at present manufacturing alkaloids, Turkey could not accept the principle contained in paragraph 43/Rev.1.

Associating himself with the views expressed by the representative of the United Kingdom, Mr. ERRERA (Belgium) inquired whether the provisions of that paragraph covered alkaloids manufactured from poppy straw. The representative of the Secretary-General confirmed that any opium-producing country deriving alkaloids from poppy straw would come within its scope.

Mr. NIKOLIC (Yugoslavia) regarded the restrictions imposed by the clause not only as an inroad into national sovereignty but as a discrimination against any attempt by a producing country to industrialize certain features of its economy.

In connexion with the question by the Belgian observer, he would like to know whether the clause would also apply to the export by manufacturing countries of alkaloids made from poppy straw.

Mr. ANSLINGER (United States of America), supported by the representatives of France, the Netherlands, Belgium and Switzerland, shared the surprise of the representative of the United Kingdom that the producing countries should consider engaging in the export of alkaloids. In such an event - and he had heard that Turkey, for example, was intending to open a factory - the Interim Agreement would be rendered useless. Consequently, the manufacturing countries might resort to poppy straw in an attempt to compete with the producing countries in the manufacture of alkaloids; with the aid of advanced agricultural methods they might well compete successfully.

Mr. HOARE (United Kingdom), replying to the representative of Yugoslavia, considered that there was no question of an infringement of national sovereignty; the producing countries were free to act as they wished and no such clause could be included in the Interim Agreement without its acceptance by all concerned.

Yugoslavia's interest in the export trade in drugs was understandable, but she could not at the same time ask the manufacturing countries to act as agents for the sale of her products.

/Mr. NIKOLIC

Mr. NIKOLIC (Yugoslavia) asserted that there was no question of manufacturing countries being asked to act as sales agents. It was surprising that an agreement intended to limit the production of opium should contain such a clause. He would like to know whether the manufacturing countries would in their turn be prepared to prohibit the export of synthetic narcotics.

Mr. ERRERA (Belgium), supporting an observation by the representative of France, stressed that the question of stable opium prices was closely linked with the problem of the export of alkaloids by the producing countries. Belgium could not become a Party to an agreement which did not prohibit such exports.

Mr. AMINI (Iran) suggested that a formula be elaborated to eliminate competition between the manufacturers and producers exporting alkaloids. The representatives of the two producing countries primarily concerned, India and Yugoslavia, should meet with the manufacturers and try to devise such a formula, perhaps one which omitted the word "prohibition".

The meeting rose at 1:00 p.m.



TWENTY-SECOND MEETING

held on Tuesday, 21 November 1950, at 2:00 p.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting, with the  
addition of Mr. VAILLE (France)  
and Mr. DIKER (Turkey)

9. DISCUSSION ON THE PROHIBITION OF THE EXPORT OF OPIUM ALKALOIDS  
FROM PRODUCING COUNTRIES (Continued)

Mr. AMINI (Iran) recalled that at the previous meeting he had offered a compromise solution and wondered if it had received any consideration.

Mr. NIKOLIC (Yugoslavia) doubted whether either India or his country would emerge as serious competitors of the manufacturing countries as exporters of opium alkaloids. If that were the case, the clause prohibiting producers from exporting such alkaloids was unnecessary.

Mr. HOARE (United Kingdom), in reply to the Representative of Yugoslavia, pointed out that while at present the export of opium alkaloids by producing countries might be small, it might in future expand enormously. Furthermore, if they offered their morphine on the world markets at a lower price than the manufacturing countries, the quantities which they had available for export did not matter; the manufacturing countries would be obliged to follow suit in order not to lose their export customers.

Mr. KRUYSSSE (Netherlands), said that the compromise proposed by the Representative of Iran, whereby the producing countries would agree not to undersell the manufacturing countries, would necessitate the establishment of a fixed price for the export of opium alkaloids. This would amount to a cartel and would be difficult to arrange.

Mr. SATTANATHAN (India) stated that the Joint Committee faced a problem of principle rather than economics. If a country possessed a raw material and the facilities for processing it, it had a natural advantage, yet the Government of India would not exploit this situation by trying to undersell the manufacturing countries. He wondered if the export markets could not be equitably divided between the producing and manufacturing countries.

Mr. VAILLE (France) denied that the Joint Committee was trying to slow down  
/the industrialization

the industrialization of producing countries and asked if India's large population could not absorb the opium alkaloids which she manufactured. He thought it desirable that direct competition between the producers and manufacturers should be avoided.

Mr. NIKOLIC (Yugoslavia) said that this goal might be achieved if the manufacturing countries on their part would ban the export of synthetic drugs.

Mr. KRUYSSSE (Netherlands) stated that synthetic drugs could not be compared to opiates. If synthetic drugs could not be exported, the scientific development of those drugs would be impeded. Whatever was done, they might eventually replace the opium alkaloids. The prohibition of the export of synthetic drugs could therefore not be anticipated.

Mr. VAILLE (France) did not consider that the proposal of the Representative of Yugoslavia fell within the scope of the present discussion. Synthetic drugs were certainly dangerous and were preferred by 30% of the addicts in France; nevertheless, he agreed with the Representative of the Netherlands that a ban on their export might be a setback to scientific research. Scientists would have to continue their search for a synthetic drug which would not give rise to addiction.

Mr. NIKOLIC (Yugoslavia) denied that he was attempting to impede scientific progress. In his opinion, however, the competition between opium alkaloids and synthetic drugs and the competition between opium alkaloids of the manufacturers and the opium alkaloids manufactured by the producers were intimately linked.

There followed a brief discussion on the virtues of synthetic drugs and the necessity for their strict control. Mr. ANSLINGER (United States) informed the Joint Committee that obstetricians often preferred demerol to morphine, and that dolophine had proved helpful in the cure of opiate addiction.

Mr. SATTANATHAN (India) suggested that a continuation of the discussion on synthetic drugs would seem to be out of order.

In reply to the Representative of France, he believed that a face-saving device would be useful. With this in mind, he had proposed that India should limit her export of opium alkaloids. The Representative of Iran had also presented a possible compromise.

After reviewing the progress achieved by the Joint Committee during its  
/last

last two meetings, he went on to say that he did not entirely oppose the proposed Protocol. He suggested, however, certain amendments: in the first place, the estimates of manufacturing countries should be made binding; secondly, the provisions for inspection should be dropped; and lastly, opium prices should not be permitted to fall below a prearranged figure.

The CHAIRMAN said that in his opinion the Joint Committee had made progress. The question of packaging and assaying had been settled; a solution to the currency problem seemed quite possible; and important concessions had been made regarding the export of opium alkaloids by producing countries. Perhaps the Representatives of India, Iran and Yugoslavia, all of whom had proposed solutions, might meet to find a generally acceptable formula.

The CHAIRMAN asked the Joint Committee whether it wished to study the proposals of the Representative of India at once or to proceed with the two items which were already on the agenda - inspection and voting procedures in the Regulating Committee.

It was agreed that the Representatives of India, Iran and Yugoslavia should form a sub-committee to consider the question of exportation of alkaloids and that Mr. VAILLE (France) should represent the manufacturers in their deliberations.

Mr. HOARE (United Kingdom) regarded the proposals of the Representative of India as one-sided, since they offered many advantages to the producers and none to the manufacturers.

Mr. NIKOLIC (Yugoslavia) observed that at present there was a free market, which would be partially retained under the proposals of the Representative of India. During a lengthy procedural debate, the Representatives of France and Yugoslavia suggested that the items already on the agenda should be taken first.

Mr. STEINIG (representative of the Secretary-General) noted that the Joint Committee had been exploring solutions to new difficulties, the existence of which had not been suspected at Geneva. If the suggestions of the Representative of India were accepted as an amendment to the proposals of the Secretary-General, a sub-committee might meet the following morning to consider both. In his opinion a short-term price agreement would be useful in facilitating a long-term agreement. He also wished to emphasize that the proposed Protocol was not a substitute for the Interim Agreement; it was merely

/a stop-gap

a stop-gap measure until that instrument could become operative.

It was decided that the Representative of India, with the assistance of the Secretariat, would put his amendments to the Protocol on paper in time for a meeting the following morning. The representatives of the manufacturing countries and the representatives of the producing countries would meet separately at that time, and the Joint Committee would sit in the afternoon.

The meeting rose at 6:45 p.m.

TWENTY-THIRD MEETING

held on Wednesday, 22 November 1950, at 3:00 p.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting with the  
addition of Mr. VAILLE (France)  
and Mr. DIKER (Turkey)

10. DISCUSSION ON ANNEX A TO DOCUMENT E/CN.7/214: E/CN.7/AC.4/3, ENTITLED "PROCEDURE TO HASTEN THE CONCLUSION OF THE INTERIM AGREEMENT TO LIMIT THE PRODUCTION OF OPIUM TO MEDICAL AND SCIENTIFIC NEEDS", AND EXPLANATORY NOTE BY THE REPRESENTATIVE OF INDIA ON THE AMENDMENTS PROPOSED BY HIM TO THE PROCEDURE SUGGESTED IN THE ABOVE-MENTIONED DOCUMENT

Mr. SATTANATHAN (India) said that he had conferred with the representatives of the other producing countries and that in the light of those discussions, he had modified somewhat the amendments which he had advanced orally at the previous meeting. He accepted, however, full responsibility for those modified amendments which were designed merely to serve as a basis for discussion.

Mr. HOARE (United Kingdom of Great Britain and Northern Ireland) stated that the representatives of the manufacturing countries had already agreed that the original amendments of the Representative of India would furnish such a basis and he did not think that the introduction of modifications would make any difference.

The representatives of the manufacturing countries had also considered the proposed Protocol and had expressed doubts as to whether that instrument could come into force without ratification. In his opinion, the obligations it would impose upon Governments would require legislative approval. For example, the Protocol required Governments to furnish estimates on their opium requirements; that involved the collection of statistics which might necessitate a small increase in staff in the Government department concerned; and funds for that purpose would have to be approved by national legislatures. It also laid obligations on manufacturers, and it was doubted whether those obligations could be imposed under existing powers relating to the issue of import and export licences.

Mr. AMINI (Iran) said that the representative of the United Kingdom had raised a question which ought to be settled before the Joint Committee considered the amendments of the representative of India.

/Mr. STEINIG

Mr. STEINIG (representative of the Secretary-General) stated that the proposal for the Protocol had been examined from the legal aspect and that it was the Secretariat's opinion that the Protocol would not require ratification. The proposal had indeed been drafted with that object in mind. In answer to the representative of the United Kingdom, he pointed out that, in accordance with article 21 of the 1925 Convention, Parties were under an obligation to furnish estimates of their opium imports for domestic consumption. Although that requirement had been partially superseded by the terms of the 1931 Convention, it might easily be revived for present purposes.

Mr. NIKOLIC (Yugoslavia) declared that although the manufacturing countries would undertake no new obligations under the Protocol, the producing countries would be obliged to establish national monopolies, to limit opium production, and to defray the operational costs of the clearing house.

Mr. AMINI (Iran) asserted that the Iranian Parliament had to ratify all international treaties of whatever type. Furthermore, the Government of Iran had never ratified the 1925 Convention.

Mr. VAILLE (France) said the manufacturing countries had merely desired to draw the attention of the Secretariat to this question. He wondered if the provisions of the 1931 Convention might not be extended to opium; in his opinion, an instrument embodying that principle would be readily approved by the national legislatures. He also proposed that the members consider the conclusion of a gentlemen's agreement on the amendments suggested by the representative of India.

Mr. SCHNEIDER (Switzerland) stated that since it contained a new commitment, the proposed Protocol would require ratification by the Swiss Parliament, even though Switzerland had ratified the 1925 and 1931 Conventions.

Mr. DIKER (Turkey) asked whether the proposed Protocol involved new obligations. If it did, it would have to be ratified; if it did not, it was a useless document.

Mr. STEINIG (representative of the Secretary-General) doubted that the Swiss constitution would prevent Switzerland from accepting the proposed Protocol without ratification and, in support of this view, quoted an article from that instrument and also the opinion of an eminent jurist, M. Rousseau, that international agreements of an administrative character do not always require ratification. In Yugoslavia, the constitution provided for the Presidium rather than full Parliament to ratify treaties. He had not examined every national

/constitution

constitution but, if the Joint Committee so desired, the Secretariat was prepared to make a comprehensive study of the ratification problem.

He recognized that the Government of Iran was not a Party to the 1925 Convention, but pointed out that its adherence to the 1931 Convention automatically obliged it to carry out certain provisions of the earlier instrument. In view of these facts, there were, in his opinion, no insuperable difficulties which would prevent the Government of Iran from accepting the Protocol without ratification.

In connexion with the remarks of the Representative of Yugoslavia, he stressed that the undertaking to limit opium production would not be new; it had been embodied in the 1912 and 1925 Conventions. Thus the proposed Protocol would amount to no more than a reaffirmation of this undertaking. Indeed, if all treaties now in force were strictly applied, there would be a limitation of production. The provision on national monopolies, moreover, had been inserted to protect the producing countries represented at the present session. They all had national monopolies, and other producing countries without such monopolies would be obliged to conform before they could become Parties to the Protocol.

The CHAIRMAN urged the members not to spend too much time on constitutional questions, and suggested that the Joint Committee now turn to the amendments of the Representative of India.

Mr. SCHNEIDER (Switzerland), in reply to the Representative of the Secretary-General, emphasized that important agreements had to be approved by the Swiss Parliament and that the proposed Protocol was an important Agreement. He added that the Government of Switzerland was involved at present in a lawsuit because the 1946 Protocol on narcotics had been accepted without Parliamentary ratification.

Mr. AMINI (Iran) asserted that the Representative of the Secretary-General apparently agreed with his view that the Protocol would have to be ratified by the Iranian Parliament.

Mr. NIKOLIC (Yugoslavia) pointed out that the Protocol would have to be ratified regardless of whether this was done by the Assembly or the Presidium. Furthermore, the limitation of production as proposed at Ankara, in his opinion, constituted a new obligation.

/Mr. VAILLE

Mr. VAILLE (France) declared that ratification was a formality that ought not to be overstressed; if it were, it would seem as if the members were resorting to legal technicalities to hinder progress. From the legal point of view, the Secretariat might be correct, but those charged with the practical application of the principles of laws in their country would certainly not agree. It was for that reason that he had proposed that the provisions of the 1931 Convention should be extended to opium.

He wished to inform the Joint Committee that if there were no agreement on the Protocol and the Interim Agreement, the manufacturing countries would in preference place their orders with those producers which did not export opium alkaloids.

He then suggested that it might prove desirable to establish an international monopoly for manufactured drugs as well as for opium.

Mr. KRUYSE (Netherlands) informed the representatives of the producing countries that the manufacturers would accept the Protocol, but that they expected that the Governments of their respective countries would raise difficulties in regard to ratification.

Mr. VAILLE (France), referring to a sentence about inspection in the modified amendments submitted by the Indian representative, under "Interference with National Sovereignty", said that the Government of France had not only authorized but had insisted upon inspection and had urged that it should be applied to all Parties. While he had no desire to criticise his colleague from India, he felt that a false impression was given in his proposals.

The CHAIRMAN said that so far as he could recall, the position of the representative of France was correct.

Mr. SATTANATHAN (India) recalled that he had been a member of the sub-committee which had considered the question of inspection at Geneva, and that the representative of the United States of America had suggested that the manufacturing countries should be liable to investigatory but not to routine inspections. He was, however, prepared to alter his amendments if manufacturing countries now accepted Mr. Vaillle's interpretation.

The CHAIRMAN asked the representatives of France and India to study the appropriate records jointly.

/Mr. STEINIG



Mr. STEINIG (representative of the Secretary-General) informed the Joint Committee that its report would have to be completed by Monday, 27 November 1950, since the Commission on Narcotic Drugs would convene on Friday, 1 December 1950.

A discussion ensued as to whether the proposals of the representative of India should be studied at a plenary meeting or in sub-committee. It was decided that the members would meet informally that evening or the following day and that the Joint Committee would reconvene on Friday morning.

The meeting rose at 5:30 p.m.

TWENTY-FOURTH MEETING

held on Friday, 24 November 1950, at 10:00 a.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting, with the following exceptions:

Mr. VAILLE (France) was present;  
Mr. DIKER (Turkey) was present;  
Mr. Anslinger (United States of America) was absent;  
Mr. Or (Turkey) was absent;  
Mr. Wu (China) was absent.

11. DISCUSSION ON PROCEDURE (DOCUMENT E/CN.7/199/Rev.1, DRAFT OF THE PROPOSED INTERIM AGREEMENT TO LIMIT THE PRODUCTION OF OPIUM TO MEDICAL AND SCIENTIFIC NEEDS; PROCEDURE TO HASTEN THE CONCLUSION OF THE INTERIM AGREEMENT TO LIMIT THE PRODUCTION OF OPIUM TO MEDICAL AND SCIENTIFIC NEEDS (ANNEX A TO DOCUMENT E/CN.7/214: E/CN.7/AC.4/3) AND THE AMENDMENTS OF THE REPRESENTATIVE OF INDIA THEREFO)

Mr. VAILLE (France) reported the results of an informal discussion which the representatives of the producing countries had held with the representative of the United Kingdom and himself on the previous day. He and the representative of the United Kingdom had offered to adopt as a basis of discussion the Indian proposals, but those proposals had not proved acceptable to other representatives; three proposals had then been considered: (1) That the provisions of the 1931 Convention should be extended to opium; all members present, except the representative of India who wanted to study that Convention further, had agreed to ask the Governments of their respective countries to accept that proposal; (2) That an opiates monopoly should be established; all members present, except the representative of the United Kingdom who requested additional time for study, had approved that proposal; and (3) that the basic price for opium should be reconsidered on the basis of current quotations for each producing country - a procedure which would automatically take into account the national factor; the members had taken no definite stand on that suggestion.

Mr. AMINI (Iran) thanked Mr. Vaillle for his clear report, but had one small correction: the producers had not agreed to ask the Governments of their respective countries to accept the plan whereby the provisions of the 1931 Convention should be extended to opium; they had undertaken merely to study the

idea and to refer it to their Governments.

Mr. NIKOLIC (Yugoslavia) supported the reservation of the representative of Iran. As regards the question of inspection, the producing countries favoured it in principle but considered that it should be deferred until the International Monopoly had been established. The problem of the export of opium alkaloids was linked with the proposed Opiates Monopoly.

Mr. SATTANATHAN (India) had examined in detail the 1931 Convention in the light of the suggestions made and had reached the conclusion that only the chapter on estimates could be applied to opium. If that were done, a double pattern would be required - the manufacturing countries would submit their estimates to the Supervisory Body who would transmit them to the producing countries; the latter would then produce only the opium stipulated in those estimates. He requested the representative of the Secretary-General for further details.

Mr. KRUYSE (Netherlands) expressed the opinion that now the proposed agreement could not be reached, the application of the 1931 Convention together with the 1925 Convention to opium seemed to be the only possible solution of the problem. If comprehensive statistics on opium were furnished, a firm control could be possible; however, even when those statistics were furnished, inspection would remain necessary. He considered that the proposal of the representative of India stressed the responsibilities of the manufacturers rather than those of the producers. The Joint Committee had, however, no time to study all the different proposals. It would therefore be more appropriate to discuss first the Protocol procedure suggested by the Secretary-General, and either accept or reject it. The remaining time should be devoted to the study of the original Agreement, and, if necessary, those problems should be set aside on which no accord was possible at present. The Committee should provide for machinery to solve those problems after the body of the Agreement had been accepted. In his opinion, the French proposal involved too many difficult problems for immediate discussion.

Mr. DIKER (Turkey) called upon the members to turn their attention from the Protocol to the Interim Agreement, with the understanding that the price question would be postponed for three to six months. If agreement were reached on all

/other points,

other points, the instrument might be submitted to Governments for signature and ratification. A clause might be inserted in the Interim Agreement to ensure that the International Monopoly would not be established so long as the disagreement on prices persisted.

Mr. VAILLE (France) agreed that the discussion on the Protocol should be discontinued for the time being. He would support the suggestion by the representative of Turkey if a solution could be found to the questions of the export of opium alkaloids and of their manufacture from poppy straw.

The Commission on Narcotic Drugs should assign the problem of synthetic drugs either to the Joint Committee or to some other body for an independent study.

Mr. HOARE (United Kingdom) also regarded the Turkish proposal as the only course the Committee could take in the present circumstances. World opinion would be aroused if there were a period of from two to three years before the Interim Agreement came into force. Since the Protocol was unsatisfactory to certain members, however, he had no other solution to offer.

He congratulated the French representative on his initiative in bringing forward his proposal, but considered that it would require further study. Action on the proposal could not, therefore, be taken in time for it to be utilised as a method of solving the present difficulties, and he felt also that to present it merely as such a solution might prejudice its chances of success. It was a far-reaching proposal which ought to be judged on its own merits and in relation to the overall question of international control.

Mr. VAILLE (France) remarked that since the illicit traffic was increasing, the time gained by the Turkish proposal would be most valuable. Members must realise how urgent it was for a solution to be reached; indeed, if there were a more constructive proposal, he would be willing to withdraw his scheme which had been hastily drafted and needed several modifications. The necessity for certain delegations to cable the Governments of their respective countries for instructions need not be an insuperable obstacle to the consideration of his plan.

The CHAIRMAN, after summarising the main points of the debate, concluded that the Turkish proposal was generally acceptable, provided that the provisions in the draft Interim Agreement regarding alkaloids and inspection were accepted. He suggested that the wording of the clause regarding inspection might be redrafted in such a way (possibly with the use of another term for "inspection") as to satisfy all members.

/Mr. MORLOCK

Mr. MORLOCK (United States of America) stated that at the present time he could not commit the Government of his country to the plan to extend the provisions of the 1931 Convention to opium. He reaffirmed that the United States Government was in favour of all measures, including inspection, which would help to solve the problem of the illicit traffic.

Mr. SATTANATHAN (India) outlined the two courses of action open to the Joint Committee: (1) to attempt, once again, to reach agreement on the disputed provisions of the Interim Agreement, with the exception of those related to prices, or (2) to consider either the proposed Protocol as amended by him or the plan for extending the provisions of the 1931 Convention to opium.

Mr. NIKOLIC (Yugoslavia), agreeing with the proposal by the Turkish representative, considered that public opinion would surely realise and understand the difficulties militating against any immediate action on the problem of the suppression of the illicit traffic.

Mr. STEINIG (representative of the Secretary-General), replying to the Indian representative, explained that the estimate system of the 1931 Convention was founded on the fact that the manufacture of drugs could be regulated at will by man. The application of the system had as a basic condition the quantitative and qualitative limitation of factory output of manufactured drugs to prescribed amounts. It was possible to combine with such a limitation, a system under which each importing country was empowered to order drugs for its legitimate internal consumption within the estimates allocated for such needs. Since the manufacturers could regulate their output at will, orders could be filled at any time.

The production of opium could not be regulated with the same accuracy as that of manufactured drugs. As producing countries had to be given advance notice of the amounts to be furnished, a modification of the system would be necessary whereby the manufacturing countries would name the producing country from which they wished to import their opium.

The provisions of the 1931 Convention had been extended to synthetic drugs

by means of a special Protocol; such a procedure would also be necessary for opium.

There was the further difficulty that the statistics currently being furnished by the producing countries were far from adequate. The representative of the Secretary-General then quoted from a report by the Permanent Central Board to the Economic and Social Council stating that the aim of the 1925 Convention had not been attained owing to the inability of the four producing countries to submit accurate statistics. It was imperative, therefore, that in order to enable the producing countries to carry out their obligation to limit the production of opium which they had assumed in principle under the 1912 and 1925 Conventions, additional measures should be contemplated to supplement the existing conventional provisions. Such measures had been incorporated in the proposed Interim Agreement and Protocol.

Referring to the proposal of the Turkish representative, Mr. Steinig considered that it would enable the Joint Committee to reach a partial solution. He considered that there was little difference between the procedure envisaged in the proposed Protocol and that of the Turkish proposal, except that the latter did not provide for stop-gap control. In that connexion he pointed out that if no action were taken to improve the situation during the interim period, it was possible that the General Assembly, following the precedent set by the League of Nations Assembly in 1928, might demand that immediate steps be taken to combat the increasing illicit traffic. To illustrate the interest in the work of the Joint Committee he pointed out that the Secretary-General in his report to the General Assembly had cited the proposed International Opium Monopoly as one of the major projects of the United Nations during the past year. It would be inadvisable to disappoint the expectations of success in the work of the Joint Committee.

In order to implement the Turkish proposal, it would be necessary to provide for machinery whereby unsolved questions might be settled at a later time and a date could be set on which the Interim Agreement might be put into operation after those questions had been settled.

The representative of the Secretary-General concluded by advising the Joint Committee to adopt the Turkish proposal with such modifications as might be desirable, and then to turn to the study of provisional measures which would tighten international control before the Interim Agreement came into force.

The discussion was adjourned until that afternoon.

The meeting rose at 1:00 p.m.

/TWENTY-FIFTH

TWENTY-FIFTH MEETING

held on Friday, 24 November 1950, at 3:00 p.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting, with the following exceptions:

Mr. VAILLE (France) was present;  
Mr. DIKER (Turkey) was present;  
Mr. Anslinger (United States of America) was absent;  
Mr. Or (Turkey) was absent;  
Mr. Wu (China) was absent.

12. DISCUSSION ON PROCEDURE (DOCUMENT E/CN.7/199/Rev.1, PROPOSED INTERIM AGREEMENT TO LIMIT THE PRODUCTION OF OPIUM TO MEDICAL AND SCIENTIFIC NEEDS; PROCEDURE TO HASTEN THE CONCLUSION OF THE INTERIM AGREEMENT TO LIMIT THE PRODUCTION OF OPIUM TO MEDICAL AND SCIENTIFIC NEEDS (ANNEX A TO DOCUMENT E/CN.7/214: E/CN.7/AC.4/3) AND THE AMENDMENTS OF THE REPRESENTATIVE OF INDIA TO THIS PROCEDURE).

Mr. NIKOLIC (Yugoslavia) remarked that the representative of the Secretary-General, in supporting the proposal of the representative of Turkey in the previous meeting, seemed to carry it one step further. He envisaged a regulating committee which the latter had not. The representative of Turkey had proposed that the Joint Committee should study the questions of inspection and the export of opium alkaloids by producing countries. The Interim Agreement would come into operation only after there had been general price agreement.

Mr. STEINIG (representative of the Secretary-General) said that if the Joint Committee reached agreement the dissatisfaction of public opinion would be diverted from the Committee to those Governments who delayed ratification.

The CHAIRMAN reviewed the proposal of the representative of Turkey and asked whether the Joint Committee would agree to the following programme:

(1) to accept the principle of the Interim Agreement; (2) to leave a blank space in the Agreement for the establishment of a basic price; (3) to adopt the Turkish proposal to insert a clause in the Agreement whereby the International Monopoly would not be established until there had been an agreement on prices; (4) to omit the word "inspection" and to replace it by a statement that the Secretary-General in co-operation with the interested Governments would ensure that the provisions of the Agreement were carried out and that the method of

/implementing

implementing that provision was to be determined by the Commission on Narcotic Drugs or the Regulating Committee; (5) to note that the manufacturing countries would not become Parties to the Agreement unless the producing countries agreed to prohibit the export of opium alkaloids; and (6) to submit the Interim Agreement to the Commission on Narcotic Drugs leaving blank spaces on all provisions on which decisions had not been reached, with the suggestion that a sub-committee be appointed to reconsider such provisions.

Mr. KRUYSSSE (Netherlands) pointed out that it would be difficult to accept the Interim Agreement in principle, as many details of it had not yet been discussed during the present session. He did not particularly care for the idea of forwarding the Joint Committee's unsolved problems to the Commission on Narcotic Drugs and disliked leaving blank spaces in an Agreement.

Mr. VAILLE (France) stated that in his opinion the Joint Committee should settle the question of the competition from countries which manufactured morphine from poppy straw and the problem of the export of opium alkaloids by producing countries, before submitting its report to the Commission. He thought that the questions of synthetic drugs and inspection details might be postponed for the time being.

Mr. ERRERA (Belgium) supported the Turkish proposal as amended by the representative of France. It was of importance to the United Nations that agreement should be reached. Economically the opium trade was very small, but nevertheless the establishment of a basic price was the chief obstacle to agreement.

Mr. NIKOLIC (Yugoslavia) proposed that the Joint Committee should report to the Commission on Narcotic Drugs the problems on which it could not agree, and that the Regulating Committee should be established as soon as possible to solve those problems.

Mr. SATTANATHAN (India) stated that the Regulating Committee could not be set up until agreement had been reached on the most important problems, with the exception of prices. He was also opposed to referring those problems to the Commission on Narcotic Drugs at the present stage.

Mr. DIKER (Turkey) wondered if the Joint Committee could not work on the problems which remained during the session of the Commission on Narcotic Drugs.

/Mr. AMINI (Iran)



Mr. AMINI (Iran) considered that the Turkish proposal as amended by the French representative would solve many problems, including the export of opium alkaloids, inspection and basic prices. He was impressed by the boldness of the French amendment which, in his opinion, deserved close study by the representatives of the manufacturing countries.

Mr. HOARE (United Kingdom) stated that the plan of the French representative could hardly be considered at that session of the Joint Committee because the representatives of the manufacturing countries were not in a position to commit themselves, to say nothing of the Governments of their respective countries. He also wondered if that plan was the best means of solving the present difficulties of the Committee.

Mr. VAILLE (France) asked the Committee whether it had any alternative proposal. It was easy to discuss problems, but he was interested in finding solutions. The Opiate Monopoly solved the problems of the export of opium alkaloids and of poppy straw. He urged the members to speak freely, even though they might be speaking without instructions.

Mr. KRUYSSSE (Netherlands) declared that he was unable to reach any decision on the French proposal at that time. He pointed out that the proposed solution of the problem of competition from poppy straw opiates was not a solution for a country like Hungary. The reservation of the export market to the existing factories and in proportion to their present exports could not be maintained when the requirements of narcotic drugs would rise in the future. An opiate monopoly would lead to a cartel and it could not be established without studies being undertaken by experts.

Mr. AMINI (Iran) suggested that the Joint Committee might content itself by agreeing in principle to the establishment of an Opiates Monopoly without going into details at this stage.

Mr. SCHNEIDER (Switzerland) pointed out that such a far-reaching proposal would have to be examined first by the Commission on Narcotic Drugs and by Governments, before the Joint Committee might consider it.

Mr. VAILLE (France) urged the Joint Committee not to be alarmed by the word "cartel"; if the Opiates Monopoly were a cartel, the International Opium Monopoly was too. As for the competition from countries manufacturing morphine from poppy straw, consumers Party to the proposed Agreement on opiates would agree to purchase their opium alkaloids from other Parties only. It was to be expected

/that many problems

that many problems would arise, but they might be solved one by one.

In so far as the synthetic drugs were concerned, no action could be taken at the present time. The Opiates Monopoly would not interfere with the manufacture of opium alkaloids for the domestic market; its operation would only cover exports.

Mr. MORLOCK (United States of America) suggested that the Commission on Narcotic Drugs might devise some approach for settling the outstanding problems.

Mr. SATTANATHAN (India) considered that the French proposal was outside the terms of reference of the Joint Committee and that it would raise as many new problems as the International Opium Monopoly. The Joint Committee could, however, recommend to the Commission that a solution to the unsolved problems might be found. He was willing to consider any formula for distributing the opiates export trade.

Mr. AMINI (Iran) pointed out that no one had opposed the French proposal and suggested that it should be mentioned in the Joint Committee's report. He asked the representatives of the manufacturing countries whether they contemplated a study of the plan and whether they thought it should be included in the report. He also proposed that a drafting committee be appointed to assist the Secretariat in the preparation of the report.

Mr. VAILLE (France) insisted that his proposal had been put forward merely as a solution to the problems which now confronted the Joint Committee. In his opinion, the Commission was not in a position to solve them. The Government of the United States had taken the initiative in bringing the question of the International Opium Monopoly to the attention of other Governments; the Joint Committee should now make a similar energetic effort to bring it into being. At least one step towards that goal should be taken at the present session.

Mr. STEINIG (representative of the Secretary-General) suggested that in view of the lack of time it might be wiser for the Committee to appoint a rapporteur rather than a drafting committee.

In his opinion, the area of disagreement which remained was much less than most members realised. As regards prices, the representatives had agreed that nothing could be done at that time. The problems of poppy straw and of the principle of inspection had been solved in paragraphs 35a and 264/Rev.3 of the Draft Interim Agreement. In so far as the export of opium alkaloids by producing countries was concerned, there had been no agreement on

paragraph 43/Rev.1 of the Agreement, and that question was the only one which had still to be settled.

The Joint Committee might therefore recommend to the Commission on Narcotic Drugs that it (the Committee) should reconvene in April to redraft the Interim Agreement in order to create treaty machinery whereby unsettled questions could be solved after that instrument had been signed or ratified. Even though the Interim Agreement came into force, it should not become operative until after all questions had been settled unanimously by the various producing and manufacturing countries represented in that Committee.

Turning to the proposal of the Representative of France, he desired that the scheme for an Opiates Monopoly should be considered on its own merits and not merely as a solution to present difficulties. If adopted, it would have the effect of placing an entire industry from the opium poppy to the manufactured drug under international control. In his opinion, however, the French proposal might be used by selfish interests to delay action. Perhaps the Joint Committee might mention the proposal prominently in its Report with a request that the Commission should either ask the Secretary-General to study it or appoint a sub-committee for that purpose.

Mr. VAILLE (France) considered that in those conditions he could only withdraw his proposal; in his opinion, however, the situation was not quite so clear as the representative of the Secretary-General had indicated. So far as he could see the inspection and poppy straw problems had not been solved, and other controversial problems remained.

Mr. AMINI (Iran) declared that the Turkish proposal should be included in the Report and pointed out that the methods by which the inspection clause would be implemented had not been decided upon.

Mr. HOARE (United Kingdom) agreed that the French proposal should be mentioned prominently in the Report. It could not be studied at the present session owing to a lack of time, technical knowledge, and manufacturers' opinions.

Mr. STEINIG (representative of the Secretary-General) announced that the European Customs Union had wired that the provisions of the Draft Interim Agreement were acceptable.

There followed a brief discussion on the Joint Committee's report. Mr. AMINI (Iran) proposed that the drafting committee which he had suggested

/should include one

should include one representative from the manufacturing countries and one from the producing countries. It was concluded that both the French and Turkish proposals should be mentioned in the Report, and drafts of the pertinent sections should be prepared for the next meeting, which would be held the next morning.

The meeting rose at 6.45 p.m.

**TWENTY-SIXTH MEETING**

held on Saturday, 25 November 1950, at 11.00 a.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting, with the following exceptions:

Mr. VAILLE (France) was present;  
Mr. DIKER (Turkey) was present;  
Mr. Anslinger (United States of America) was absent;  
Mr. Wu (China) was absent.

**13. DRAFT TEXT ON THE FRENCH PROPOSAL FOR THE ESTABLISHMENT OF AN OPIATES MONOPOLY FOR INCLUSION IN THE JOINT COMMITTEE'S REPORT**

On the invitation of the CHAIRMAN, Mr. AMINI (Iran) introduced the draft text which he had prepared in consultation with Mr. VAILLE (France). He pointed out that the Joint Committee had not been in a position to consider the proposal for the establishment of an Opiates Monopoly, because the members had not received the necessary instructions from the Governments of their respective countries.

Mr. OR (Turkey) declared that he had not studied the draft text in detail, but hoped that none of the members would find it necessary to make reservations.

Mr. HOARE (United Kingdom of Great Britain and Northern Ireland) stated that he had several drafting changes which would not alter the text substantially. These included a clarification which would indicate that the Joint Committee did not envisage the Opiates Monopoly as contained within the Opium Monopoly but as a complementary organ. He had also reworded the last two sentences of the draft text.

Mr. SATTANATHAN (India) considered that the text should include only two points: first, that the French proposal had not been formally studied by the Joint Committee, and second, that the proposal deserved careful study by a competent body.

Mr. KRUYSSSE (Netherlands) pointed out that an Opiates Monopoly would not necessarily solve the problem of drug addiction, since drugs manufactured licitly seldom reached the illicit market. He was prepared to accept the  
/drafting changes

drafting changes suggested by the Representative of the United Kingdom.

Mr. AMINI (Iran), in reply to the Representative of the Netherlands, stated that his remarks applied equally to the Opium Monopoly. He thanked Mr. HOARE (United Kingdom) for his drafting suggestions and agreed that the Opiates Monopoly should not be a part of the Opium Monopoly. He hoped that empty phrases, such as "wider aims", might be avoided.

Mr. VAILLE (France) preferred Mr. AMINI's draft to that of the Representative of the United Kingdom. He asked that the text should be permitted to stand as it was, and that members who disagreed should be allowed to enter reservations. He agreed that a phrase such as "wider aims" meant very little.

Mr. NIKOLIC (Yugoslavia) considered that the draft text might be approved without revisions. The changes proposed by the Representative of the United Kingdom did not take into account that the two monopolies would be the complementary parts of one integral whole.

Mr. HOARE (United Kingdom) insisted that he had made no changes of substance in the draft text. He pointed out that the control of drug addiction was a responsibility of national enforcement agencies which operated within the framework of international agreements.

Mr. SATTANATHAN (India) wondered whether the Joint Committee was considering substantive or drafting changes in the text.

Mr. KRUYSSIE (Netherlands) pointed out that the draft text referred to drug addiction in general and not merely to addiction to manufactured drugs. He proposed that the words "in general" should be added. His proposal was accepted by the Representative of Iran.

A discussion ensued as to whether the changes in the draft text proposed by the Representative of the United Kingdom constituted amendments; the Joint Committee decided that they did not and referred the draft text to the Secretariat for editing in accordance with the wishes expressed by the Committee.

The meeting was suspended from 1:05 p.m. to 1:25 p.m.

#### 14. DRAFT RESOLUTION SUBMITTED BY THE REPRESENTATIVE OF TURKEY

The CHAIRMAN invited the Representative of Turkey to introduce the draft resolution which he had prepared.

On the invitation of the CHAIRMAN, Mr. OR (Turkey) introduced his  
/resolution,

resolution, pointing out that the Joint Committee had not been able to reach any decision on such important questions as prices, the export of alkaloids by producing countries and competition in the export trade from drugs made from poppy straw. He was proposing the resolution in order that negotiations might be continued as soon as possible. A sub-committee might be appointed for this purpose during the forthcoming session of the Commission on Narcotic Drugs. If further negotiations were unsuccessful, the whole problem would have to be sent back to the Commission.

The CHAIRMAN doubted whether the Joint Committee would be able to appoint a sub-committee to work at the same time as the Commission.

Mr. NIKOLIC (Yugoslavia) regarded the Turkish resolution as the only solution to the procedural problem now confronting the Joint Committee, since no progress had been made in settling the price question. In his opinion, however, the word "inspection" should be replaced in the resolution by some other phraseology. He was not sure that a sub-committee would be able to accomplish anything substantial in the time that would be available to it. Perhaps the Regulating Committee might be set up for the purpose of settling problems which were still outstanding. He hoped that future sessions of the Joint Committee would be planned in such a way that members would not have again to complete their work within such restricted time limits.

Mr. AMINI (Iran) asserted that there were, in addition to the primary questions mentioned in the draft resolution, many secondary questions on which agreement had not yet been reached. He supported the remarks made by the Representative of Yugoslavia on the questions of prices, inspection, and the sub-committee.

The CHAIRMAN informed the Committee that it would have to postpone the remainder of its discussion on the Turkish proposal until Monday morning, owing to the fact that weather conditions made it necessary to adjourn the meeting.

The meeting rose at 1:45 p.m.

TWENTY-SEVENTH MEETING

held on Monday, 27 November 1950, at 11:00 a.m.

Chairman: Mr. KRASOVEC

Attendance: As at first meeting, with the following exceptions:

Mr. VAILLE (France) was present;  
Mr. ANSLINGER (United States of America) was absent  
Mr. SATTANATHAN (India) was absent.

15. DRAFT RESOLUTION PRESENTED BY THE REPRESENTATIVE OF TURKEY (Discussion continued)

The CHAIRMAN stated that the representative of India would be unable to attend the meeting and had asked him to inform the members that he supported the Turkish resolution. He then read a statement by the representative of France declaring that in his opinion the French Government would most probably not be in a position to sign the Interim Agreement, in the event that the following questions were not resolved: the export of opium alkaloids by the producing countries, the competition arising from the export of such alkaloids manufactured from poppy straw, and the form to be taken by inspection.

Mr. ERRERA (Belgium) associated himself with the views of the French representative.

Mr. KRUYSSSE (Netherlands), supporting the declaration of the French representative, considered that a false impression would be conveyed to the Commission on Narcotic Drugs if the wording of certain parts of the Turkish proposal were adopted. In his opinion, the Joint Committee was not in a position to state that agreement had been reached on the general principles when, in fact, it had not studied the Interim Agreement in detail during its meetings.

In connexion with paragraph 1 (c) he thought the word "unfair", which seemed to him to imply a dishonest competition, should be modified.

Mr. HOARE (United Kingdom of Great Britain and Northern Ireland) associated himself with the general sense of the French declaration, saying that it was unlikely that the Government of his country would be prepared to sign an Agreement in which those three fundamental questions were left unsolved.

/Mr. SCHNEIDER



Mr. SCHNEIDER (Switzerland) heartily supported the French statement and reserved the right of the Swiss Government to examine more closely the question of the Opiates Monopoly.

M. AMINI (Iran), agreeing with the Netherlands representative, suggested that any observations or proposals which were made on the Turkish proposal, or had been made, on prices, inspection and the export of alkaloids, should be incorporated in the Joint Committee's Report to the Commission.

M. NIKOLIC (Yugoslavia) supported the views of the French representative but added that it was not sufficient to enumerate the three outstanding differences to be resolved before accepting the Interim Agreement; such vital questions as basic prices, the export of synthetic drugs and the Opiates Monopoly should be regarded as interdependent parts of one overall problem. If that were impossible examination of the whole matter should be deferred to a later stage. The Government of Yugoslavia, in fact, would not be prepared to sign an Agreement which did not contain a solution to those questions.

It was true that, as the Turkish representative has said, full agreement had been reached on the general principles of the proposed Interim Agreement, but it had been fully realized at Geneva that many problems had not been solved satisfactorily and that a further examination followed by constructive proposals would be necessary.

M. VAILLE (France) urged the members not to re-open questions which had been solved at Geneva. All the items on which accord had been reached should be mentioned in the Report to the Commission, with a note of the reservations that had been made at that time. He reminded Members that they had unanimously agreed at Geneva to transmit to the Governments of their respective countries a text of the proposed Interim Agreement provided that they could agree upon a basic price for raw opium and a method for adjusting that price in accordance with certain rules to be decided upon.

In his opinion, the inclusion of the export of synthetic drugs in the Interim Agreement would make its adoption even more difficult, and he would prefer the Report to contain a recommendation that the problem be examined separately by the Commission at a later date.

Mr. NIKOLIC (Yugoslavia), in reply to the French representative, considered that there was no question of re-opening subjects, agreements on which had already been reached. Although questions discussed at Geneva had been accepted in

/principle, it had

principle, it had been understood that certain aspects would be left open for later revision if necessary, as for example in the case of voting in the Regulating Committee.

Mr. OR (Turkey) wished to clear up any misunderstanding as to the wording of his proposal. Although the actual drafting of the Interim Agreement had not been decided upon at Geneva, it was quite correct to say that agreement had been reached on general principles; he enumerated the questions studied at Geneva on which such agreement had been obtained.

He would be prepared to accept the Iranian suggestion that the word "basic" should be omitted in the references to prices in his proposal. As regards the word "inspection", he did not agree with the representatives of Iran and Yugoslavia that it should be amended to "control of implementation of the Agreement". Such a phrase would imply all the control measures for the implementation of the Interim Agreement contained therein, whereas inspection was only one of those measures. Referring to the Netherlands representative's observation, he explained that "unfair competition" was a strictly legal term and did not imply any dishonest practice.

As regards the Opiates Monopoly, in his opinion it was essential that it be included within the general framework of the International Monopoly, whose function it would be to control all operations connected with opium.

Mr. OR shared the view that the export of synthetic drugs should be referred to the Commission for study.

Mr. STEINIG (Representative of the Secretary-General) urged the members not to re-examine the decisions that had been made at Ankara and Geneva. There was a danger that, if the Joint Committee created the impression in its Report that no accord had been possible and that the agreements reached at Ankara and Geneva had been rejected, the Commission would recommend to the Economic and Social Council either that the whole question be abandoned or that another body should be appointed to deal with the matter.

He pointed out that the Turkish and French proposals differed only in degree, the French proposal leaving only the question of prices to be settled at a later date. It should be noted that the issues on which no decision had been reached would under the proposed provisions of the Interim Agreement be transferred to a special body where they could be resolved only by the unanimous vote of all the

manufacturing countries and producing countries represented on the Joint Committee; on the other hand, other countries not in agreement with the proposed solution would be free to withdraw from the Agreement even though they had ratified it.

Mr. AMINI (Iran) supported by the United Kingdom representative, recalled that the present session of the Joint Committee had been called to try to solve the problems left in suspense at Geneva, and he emphasized that there was no desire on the part of representatives to re-open those questions that had already been settled there or at Ankara. That fact should be made clear in the Report to the Commission.

The meeting was suspended from 12:30 to 12:55 p.m.

The CHAIRMAN, in the light of the preceding discussion, suggested a method of procedure: the draft proposed by the representative of Turkey, with the various modifications suggested during its discussion, should be inserted in the Report, followed by the statement of the French representative concerning that proposal. In that way, all representatives would be in a position to agree to the Turkish proposal with only slight modifications. By adopting such a procedure the Joint Committee would endorse all the points on which agreement had been reached at Ankara and Geneva, and the appended opinion would serve as guidance to the Commission or any other body considering the Interim Agreement.

Mr. KRUYSSSE (Netherlands) drew the attention of members to the reservation contained in the Introduction to the First Report of the Joint Committee in which it was stated that members could not commit themselves in regard to a number of the more important provisions of the draft instrument before consulting the Governments of their respective countries; he suggested that a similar reservation be included in the Report to the Commission.

The CHAIRMAN reminded the Netherlands representative that only the United Kingdom representative had reserved his position at Geneva, and the attitude of the Joint Committee had been that such a reservation did not prevent the Committee from further work without committing Governments.

Mr. ERRERA (Belgium) asked that, when the French statement was incorporated into the Report, those delegations who had associated themselves with it should be mentioned.

/Mr. VAILLE

Mr. VAILLE (France) suggested that the phrase in the Turkish proposal "incorporated in the text of the proposed Interim Agreement" should be amended to read "on which the Agreement is based".

Mr. AMINI (Iran) favoured combining the Turkish and French proposals and stating in the Report that the Joint Committee had agreed that the Interim Agreement should be ratified only after the questions raised in those proposals had been settled.

As regards the suggested appointment of a sub-committee of the Joint Committee, he held the view that there would not be time for it to accomplish useful work; instead, it would perhaps be expedient for the Joint Committee to meet in two months' time to try to solve the outstanding matters.

A discussion ensued during which it was emphasized that, though agreement on general principles existed, it had to be made clear in the Report that there were a number of questions, in addition to those enumerated by the Turkish and French representatives, for which satisfactory solutions had still to be found.

The CHAIRMAN proposed that the representative of the Secretary-General, taking into consideration the views expressed during the debate and, in consultation with those representatives who had submitted reservations, should draft a text of the Turkish proposal and relevant statements for approval by the Joint Committee and inclusion in the Report.

As regards the future procedure on matters regarding which no decisions had been reached, he was of the opinion that the Joint Committee should make no specific recommendations but leave it to the discretion of the Commission.

Mr. HOARE (United Kingdom) agreed to the inclusion of a suitably amended version of the Turkish proposal in the Report, followed by a note on the reservations expressed by certain delegations. He did not believe that the nomination of a sub-committee, as suggested in the Turkish proposal, would be practical.

Mr. Hoare did not favour the substitution of the phrase "control of implementation" for the words "international inspection" in the Turkish proposal, because, among other things, that wording would include other measures than inspection, such as the sanctions for which the Agreement provided, and thus did not clearly reflect the differences of opinion which existed in the Joint Committee. It was important not to give the impression that the whole question of

/control, as

control, as distinct from the particular question of inspection, had been left in suspense.

The CHAIRMAN suggested that a discussion of the final wording should be deferred until the draft Report was placed before the Committee.

Mr. NIKOLIC (Yugoslavia) agreed that the Turkish proposal and the relevant statement of the French representative should be included in the Report; he requested that a note be inserted to the effect that the Government of Yugoslavia would also have great difficulty in signing the Interim Agreement if the problem of the export of synthetic drugs had not been solved.

It was agreed that the Joint Committee should meet on Wednesday afternoon to discuss the draft of its Report to the Commission on Narcotic Drugs.

The meeting rose at 1:45 p.m.

TWENTY-EIGHTH MEETING

held on Wednesday, 29 November 1950, at 3.00 p.m.

Chairman: Mr. KRASOVEC.

Attendance: As at first meeting, with  
the following exceptions:

Mr. VAILLE (France) was present,  
Mr. DIKER (Turkey) was present,  
Mr. Mathew (United Kingdom) was absent,  
Mr. Wu (China) was absent.

16. DISCUSSION ON THE DRAFT REPORT TO THE COMMISSION ON NARCOTIC DRUGS

The CHAIRMAN advised the members that certain portions of the Report would be discussed in substance, as had been decided at the last meeting. The remaining parts would be considered merely with a view to ensuring that they adequately reflected the debates.

It was agreed that the Report should be discussed section by section and that amendments should be presented, if possible, in draft form.

Section 1

Section 1 was approved.

Section 2

Section 2 with minor drafting changes was approved.

Sections 3 to 5

Sections 3 to 5 were approved.

Section 6

The Joint Committee agreed to a proposal by Mr. ANSLINGER (United States of America) that the following sentence be inserted at the end of the first paragraph: "Prices for 1950 were not available to the Joint Committee".

Mr. AMINI (Iran) considered that the arguments presented by the manufacturing countries in the second paragraph of section 6 had been given too much prominence in comparison with those made by the producing countries. At the suggestion of the representative of the Secretary-General, Mr. AMINI agreed to accept the following as the second sentence of the second paragraph: "The opium-producing countries, on the other hand, pointed out that prices of such commodities as cotton, wool and rubber had increased by considerably more than 200 per cent."

/Mr. KRUYSSSE

Mr. KRUYSSSE (Netherlands) proposed that the reply of the manufacturers to the argument which had just been inserted in the Report should also be included and submitted the following additional amendment: "It was, however, the opinion of the manufacturers that those increases had already been taken into account in the general wholesale price index."

The Iranian amendment was put to the vote and unanimously adopted.

The amendment of the representative of the Netherlands was rejected by a vote of 2 to 4, with 2 abstentions.

At the suggestion of the representative of Turkey, the Joint Committee agreed that the phrase "in the post-war years" which appeared in the second sentence of the third paragraph should be modified to read "in the years 1947, 1948 and 1949".

Mr. SATTANATHAN (India) considered that too many of the arguments heard in the plenary committee had been attributed to the sub-committee and proposed therefore that the third, fourth and fifth paragraphs be revised as follows: The following sentences should be added to the third paragraph: "The representatives of the producing countries stressed the need for paying the opium cultivator a price attractive enough to encourage him to cultivate opium for the legitimate trade. The manufacturers emphasized the ever-increasing competition from alkaloids made from poppy straw and the development of the use of synthetic drugs as a substitute for those derived from opium and expressed their inability to maintain opium prices at their present high levels. The producers, however, were doubtful whether those factors were really so serious". The fourth paragraph would then follow and the fifth paragraph should be amended to read: "The sub-committee heard the views of both the opium-producing and the drug-manufacturing countries. The latter again emphasized the importance they attached to the competition from synthetic drugs and poppy straw and urged that that competition would continue with ever-increasing speed if the prices of opium remained at their present level, alternatively, the manufacturing countries, particularly the United States, might be forced to abandon the import of opium and manufacture their opiates from poppy straw, which they could easily produce in large quantities. The difficulties to be resolved were made the greater by the uncertainties of the present political situation and members of the sub-committee concluded that, from an economic standpoint, the present time was not very propitious for the immediate conclusion of the proposed Interim Agreement."

/Mr. HOARE

Mr. HOARE (United Kingdom) believed that the Indian amendment would reduce the role of the sub-committee unduly. He therefore hoped that the draft text would not be modified. If, however, the Indian proposal were accepted, the sentences should be transferred without revision.

Mr. OR (Turkey) suggested that the last six words of the fifth paragraph should be altered to read "fixing of prices"; his amendment was accepted by the Joint Committee.

Mr. VAILLE (France) recommended that the following text should be inserted at the end of the third paragraph: "The French delegation in order to find a compromise solution has proposed as a basis of discussion the prices of 1950."

Mr. ANSLINGER (United States of America) proposed that the following addition should be made to the Indian amendment: "The manufacturing countries drew attention to the fact that to pay five to six times as much for opium as for other crops, must inevitably lead to overproduction." That addition would be voted on only if the Indian amendment were approved by the Committee.

The Indian amendment was adopted by a vote of 6 to 0 with two abstentions.

Mr. VAILLE (France) proposed that the problem of synthetic drugs and their addiction-forming properties be studied from the medical viewpoint; his proposal might be embodied in the Report as a separate section.

The CHAIRMAN suggested that a new section be inserted between sections 12 and 13 and that the discussion regarding that section might be postponed until the appropriate part of the Report had been reached.

Mr. AMINI (Iran) was unable to agree to the United States amendment, since the representative of India had already given an explanation to the Committee on that subject.

After further discussion, the amendment of the representative of the United States of America was adopted by the Committee. It was also decided that a complementary explanation furnished by the producing countries would follow that amendment. The Secretariat would redraft the entire section taking into account the amendments of India, the United States of America and Iran.

Mr. NIKOLIC (Yugoslavia), referring to the reasons why the opium-producing countries were unable to lower their prices which had been listed in paragraph 5, pointed out that the main reason why prices could not be reduced was that such a reduction would interfere with existing commercial arrangements.

/Mr. HOARE



Mr. HOARE (United Kingdom) observed that since the prices paid for opium during 1950 had not been available, it would hardly be appropriate for the producers to explain in the Report that they could not lower prices pertaining to 1947-1949 because of commercial arrangements in effect during 1950.

Mr. NIKOLIC (Yugoslavia) insisted that his point should be included either in the Report or in the summary records. In his opinion the prices of opium for 1950 were artificial in comparison with those for 1947, 1948 and 1949 which reflected the general situation more accurately.

Mr. STEINIG (Representative of the Secretary-General) agreed that free prices should be interfered with as little as possible or, in other words, that the fixed price should coincide as nearly as possible with that price which would prevail in a free market. In that connexion, however, future developments rather than past events had to be studied.

Mr. HOARE (United Kingdom) stated that if the Yugoslav proposal were accepted, he would bring forward an amendment to the effect that the manufacturing countries felt that the same argument applied equally to the arbitrary selection of an average of price paid for opium during 1947, 1948 and 1949.

Mr. NIKOLIC (Yugoslavia) objected that the United Kingdom amendment had not been discussed in the Joint Committee or its sub-committee, and desired that his proposal should be put to the vote.

The Yugoslav amendment was rejected by a vote of 3 to 4 with one abstention.

Mr. AMINI (Iran) suggested that the words "at its request" which appeared in the second and third lines of the sixth paragraph should be deleted.

After a brief discussion it was decided that the proposal of the representative of Iran would be accepted and that the words "at the request of the sub-committee" should be added after the phrase "which the Secretary-General had worked out".

Mr. HOARE (United Kingdom) proposed that the last half of the sixth paragraph of section 7 beginning with the words "The Joint Committee considered the possibility of fixing etc." should be moved to section 6.

Mr. SATTANATHAN (India) pointed out that the discussion referred to in that passage had been held in connexion with the Protocol and that therefore it should remain where it was.

Mr. HOARE (United Kingdom) replied that the passage which he wished to have moved did indeed concern the Interim Agreement.

/The United

The United Kingdom amendment was adopted by a vote of 6 to 2.

Mr. HOARE (United Kingdom) proposed that the words "remained at their present level" which appeared in the third sentence of the fifth paragraph should be altered to read "were fixed at the level proposed by the producing countries". That sentence had been incorporated in the Indian amendment which would have to be altered accordingly if his amendment were adopted.

Mr. AMINI (Iran) considered that that amendment did not reflect accurately the trend of the discussion.

The United Kingdom amendment was rejected by a vote of 4 to 4.

Mr. HOARE (United Kingdom) protested the Committee's decision and proposed a new wording whereby the words "remained at their present level" would be replaced by "fixed at a high level".

Mr. SATTANATHAN (India) pointed out that the manufacturing countries had attempted to lower prices whereas the producers had not tried to raise them.

Mr. VAILLE (France) remarked that the Joint Committee had already approved the United Kingdom proposal, but now seemed to be reversing itself.

Mr. NIKOLIC (Yugoslavia) objected to the word "high" being used in that connexion.

The United Kingdom amendment was rejected by a vote of 4 to 4.

Section 6, as amended, was then approved by the Joint Committee.

The meeting was suspended from 6:50 to 9:50 p.m.

The CHAIRMAN informed the members that Mr. Anslinger (United States of America) would not attend the evening session because he had no substantive comments on Sections 7 to 13 of the Draft Report.

#### Section 7

Mr. AMINI (Iran) declared that since the protocol had to be ratified, and since its primary purpose was to avoid the delay occasioned by that procedure, it seemed pointless to add further details regarding the opinions of the members towards that instrument. If Section 7 remained as it was, however, the producing countries would have to ask that additional arguments be inserted.

Mr. HOARE (United Kingdom) was unable to agree with the Iranian representative, pointing out that the Protocol had constituted an important part of their discussions, that brevity could be carried too far, that the draft Report reflected accurately the views expressed and that ratification difficulties had not been the sole reason for its rejection.

/Mr. NIKOLIC

Mr. NIKOLIC (Yugoslavia) considered that both producers and manufacturers had opposed the adoption of the Protocol, whereas the draft Report gave the impression that the producers had opposed it while the manufacturers had supported it. For that reason, Section 7 ought to be modified.

Mr. SATTANATHAN (India) stated that, if the Iranian proposal were adopted, the importance of the discussions on the Protocol would not be adequately reflected in the Report. He emphasized that that proposal was perhaps the most important that had been presented to the Committee during its present session.

Mr. KRUYSE (Netherlands) considered that the Committee's discussions on the Protocol should be reproduced in substance in the Report to serve as a guide for persons outside the Committee who might in future be assigned the task of solving the problems which remained unsettled. He, therefore, proposed that the Secretariat's draft should be left as it was.

Mr. NIKOLIC (Yugoslavia) insisted that the Report should indicate clearly that the manufacturing countries, as well as the producing countries, had deemed that the Protocol would require ratification.

Mr. AMINI (Iran) asserted that there were two courses of action open to the Committee: it might shorten Section 7, retaining only the first and second paragraphs concerning ratification, or it might expand the Section as was desired by the representatives of the United Kingdom and India.

Mr. STEINIG (representative of the Secretary-General) referring to the remarks of the representative of Yugoslavia, wondered if the Joint Committee were unanimous in opposing the Protocol. In his estimation the draft Report reflected the views that had been expressed during the course of the session. Indeed, that lack of unanimity on the substance of the Protocol had manifested itself in the present debate.

Mr. AMINI (Iran) declared that the Committee had agreed that the Protocol provided no solution to its difficulties. The Indian representative had said that it was unsatisfactory; the other producing countries had been unwilling to accept it, and manufacturing countries such as France, United Kingdom and Switzerland had all insisted that ratification would be necessary.

The CHAIRMAN suggested that the Iranian amendment to Section 7 should be put to the vote and invited Mr. Amini to furnish the Committee with a text.

Mr. AMINI (Iran) replied that paragraphs 2 through 6 of Section 7 might be replaced by the following: "This proposal was not accepted by the Committee

/because

because the majority of delegates and observers indicated that in their opinion this instrument could not be put into force without ratification so that it did not serve to reach the main goal which was proposed. Furthermore, producing countries believe that it would destroy the structure of the Interim Agreement".

The Iranian amendment was rejected by a vote of 3 to 3 with one abstention.

Mr. NIKOLIC (Yugoslavia) considered that there was one outstanding question concerning the Protocol - whether it would require ratification.

Mr. SATTANATHAN (India) wondered if the following wording would be satisfactory to the representative of Yugoslavia. The first sentence of the second paragraph would be concluded with the words "in some detail" and the rest of the paragraph would be replaced by the following text: "The Committee felt that the instrument could not come into force without ratification and several members and observers thought that the Protocol could not be brought into force without legislative action. In view of the delays involved in this process, it was doubted whether the procedure suggested by the Secretary-General would serve the primary purpose for which it was designed, namely to hasten the conclusion of the Interim Agreement".

Mr. NIKOLIC (Yugoslavia) agreed to that amendment.

The Yugoslav-Indian amendment was approved unanimously.

Mr. SATTANATHAN (India) proposed that the first sentence of the third paragraph should be modified to read as follows: "The representatives of the producing countries were not quite satisfied with the provisions contained in the instrument relating to the purchase of opium because they considered that it would place restrictions on their countries while leaving the manufacturing countries free of reciprocal obligations".

Mr. NIKOLIC (Yugoslavia) pointed out that the third and fourth paragraphs were not well balanced and might give a false impression. The fifth paragraph might be retained in its present form.

Mr. AMINI (Iran) considered that the main arguments of the producing countries had not been included in the draft Report.

Mr. STEINIG (representative of the Secretary-General) pointed out that the third paragraph, which conveyed the views that had been expressed by the producers, was considerably longer than the fourth paragraph, which was devoted to the opinions of the manufacturers. He proposed an amendment to the third paragraph which might make it more acceptable to the producing countries.

/Mr. AMINI

Mr. AMINI (Iran) suggested that Section 7 should be enlarged so that other arguments might be added. It had been stated in the Committee that the Protocol would destroy the structure and the balance of the Interim Agreement; that was an important argument which should not have been omitted from the draft Report.

Mr. SATTANATHAN (India) drew the Committee's attention to the fact that the draft text of the third paragraph recorded in full the views expressed by the producing countries and suggested that it should be accepted as it stood. He proposed that the sixth paragraph might be transferred to follow the third paragraph.

The meeting was suspended from 11:45 to 12:00 midnight.

Mr. AMINI (Iran) offered to help the Secretariat draft a new text for Section 7, and suggested that the representative of the United Kingdom might be willing to assist in that task. The drafting committee would begin its work after the present meeting had adjourned.

The Committee decided to accept the Iranian proposal despite the fact that the final text would have to be sent for reproduction within twelve hours' time and thus could not be formally approved.

#### Section 8

Mr. NIKOLIC (Yugoslavia) proposed that the word "control" which appeared in the last sentence of the Section be replaced by the phrase "for the control of the implementation of the Interim Agreement".

The Yugoslav amendment was unanimously accepted.

Section 8 was approved.

#### Section 9

Mr. VAILLE (France) suggested that the last sentence of the Section read as follows: "The only solution proposed that was acceptable to some delegations was provided by a proposal to which reference is made in the following paragraph".

After a short discussion as to the drafting of that sentence, it was decided to leave the final text to be revised by the Secretariat.

Section 9 as modified was approved.

#### Section 10

Mr. ERRERA (Belgium) proposed that the last sentence of the Section should be amended to read: "Owing to lack of time the Committee was itself unable to express a final opinion on the proposal or, indeed, to make a detailed study of it, although Belgian, French, Iranian, Swiss, Turkish and Yugoslav delegations

/approved

approved it in principle, and accordingly etc."

The Belgian amendment was unanimously adopted.

Mr. SATTANATHAN (India) proposed two amendments to the second paragraph of Section 10. In the first sentence the expression "(say) 5%" should be replaced by "a reasonable percentage"; he also desired that the following clause should be added to the penultimate sentence of that paragraph: "...although the representative of India was of the opinion that any discussion on the merits of this proposal was outside the competence of the Committee".

The Indian amendments were accepted.

Mr. KRUYSSSE (Netherlands) recommended that the French proposal should be attached as an Annex to the Report.

Mr. HOARE (United Kingdom) suggested that the second sentence of the second paragraph should read: "The manufacturing countries reserved their attitude towards this proposal; and with a view to facilitating etc."

The United Kingdom amendment was approved.

Mr. OR (Turkey) proposed that the last sentence of the first paragraph should be amended to read: "In the course of the debates at Geneva, as well as during the second part of the Joint Committee's session, the drug-manufacturing countries etc."

The Turkish amendment was approved.

Section 10 as amended was approved.

#### Section 11

Mr. KRUYSSSE (Netherlands) suggested that the phrase "an expert committee", which appeared in sub-paragraph (a) of the draft Report, be replaced by the word "experts", and the phrase "their opposite numbers in" in sub-paragraph (b) be deleted. He added that in his opinion there should be two expert committees, one of which would concern itself with finding standardized methods for packing and weighing opium, while the other would be concerned with sampling and assaying.

Mr. VAILLE (France) reported that in his country experiments on animals had been conducted with great success. He wondered if physiological methods could not be applied in the assaying of opium and proposed therefore that sub-paragraph (c) be revised to that effect.

Mr. STEINIG (representative of the Secretary-General) pointed out that the Economic and Social Council had authorized chemical and physical but not physiological experiments.

/Mr. HOARE

Mr. HOARE (United Kingdom) felt that the French proposal was outside the scope of the Joint Committee and that the Commission on Narcotic Drugs was the proper body to consider it.

He proposed that the following words be added to the last sentence of the first paragraph: "...and if in the meantime the standards which the manufacturers would like to see observed were communicated to the producing countries". He also suggested that in sub-paragraph (b) the words "these matters" should be replaced by "methods of packing, sampling and weighing opium" and that sub-paragraph (c) should be altered to read: "to request the Secretary-General, after obtaining the above-mentioned views, to study methods of assaying opium in the light of the Secretariat's etc."

The Netherlands and United Kingdom amendments were approved.

Mr. STEINIG (representative of the Secretary-General) considered that, in the light of the amendments which had been made, sub-paragraphs (a) and (d) were almost identical and the former, therefore, might be deleted.

Mr. SATTANATHAN (India) agreed and recommended that sub-paragraph (d) should be amended to read: "to recommend to the Commission on Narcotic Drugs, should the Economic and Social Council so agree, that one or more expert committees should subsequently be set up to study the establishment of standardized methods of assaying, and of packing, sampling and weighing opium, respectively."

The Indian amendment and the proposal to delete sub-paragraph (a) were adopted.

Section 11 as amended was approved.

## Section 12

Mr. HOARE (United Kingdom) proposed that the phrase "considerable difficulties", which appeared in the last sentence of the first paragraph, should be altered to "great difficulty", and that the word "accordingly" in the last paragraph should be deleted.

Mr. SATTANATHAN (India) suggested that the word "accordingly" might be replaced by "eventually".

The United Kingdom amendments, as altered by the representative of India, were adopted.

## Discussion on Synthetic Drugs

After a brief discussion on whether the question of synthetic drugs fell within the competence of the Committee, Mr. VAILLE (France) agreed that there  
/should be

should be no section in the body of the Report devoted to that subject, but that he would make a declaration to be inserted at the end of Section 14.

### Section 13

Mr. NIKOLIC (Yugoslavia) proposed that the words "measures to be adopted to solve" which appeared in sub-paragraph (c), paragraph 2 of the Turkish resolution should be replaced by "solution of".

The Yugoslav amendment was adopted.

Mr. VAILLE (France) did not favour the inclusion of the word "unfair" in sub-paragraph (d) of the same paragraph.

The Committee agreed to delete the word.

A proposed amendment by the Netherlands representative that the words "at an early date" should be omitted from paragraph 3 was rejected by a vote of 2 to 3 with two abstentions.

The Committee decided by a vote of 1 to 6 with one abstention that the phrase "a further session" appearing in paragraph 3 should not be altered to read "a final session".

Section 13 as amended was adopted.

### Reservations

Mr. VAILLE (France) desired to change the word "reservations" to "declarations" in the introductory sentence. He asked that the following declaration be inserted: "The representative of France reserved the position of the Government of France with regard to an agreement to limit the production of opium to medical and scientific needs which did not contain a resolution of the problems of the export of alkaloids by opium-producing countries, of competition arising from alkaloids extracted from poppy straw and of the form that international control of the opium trade should take."

Mr. SATTANATHAN (India) thought that reservations should not be entered at that stage.

Mr. HOARE (United Kingdom) agreed and considered that, in view of recent changes in the Turkish proposal, the French declaration was no longer necessary.

Mr. NIKOLIC (Yugoslavia) requested that his country be omitted from the list of those countries which accepted in principle the French declaration.

Mr. HOARE (United Kingdom) and Mr. VAILLE (France) asked that a joint statement be inserted at that point, which was subsequently reproduced as sub-paragraph (c) of Section 14.



A fourth sub-paragraph concerning synthetic drugs was presented by Mr. Vaille.

The declarations, with amendments and additions, were then approved.

The CHAIRMAN congratulated the members on finishing their work and thanked them for the patience and cooperation which they had shown him personally during the present session.

The meeting rose on Thursday, November 30 at 04:25 a.m.

-----