

No. 8840

HUNGARY, POLAND and CZECHOSLOVAKIA

**Agreement concerning the establishment of an organization
for co-operation in the iron and steel industry (with
annexed Charter). Signed at Moscow, on 15 July 1964**

Official text: Russian.

Registered by Hungary on 22 November 1967.

HONGRIE, POLOGNE et TCHÉCOSLOVAQUIE

**Accord portant création d'une organisation de coopération
dans le domaine de la sidérurgie (avec Charte en annexe).
Signé à Moscou, le 15 juillet 1964**

Texte officiel russe.

Enregistré par la Hongrie le 22 novembre 1967.

[TRANSLATION — TRADUCTION]

No. 8840. AGREEMENT¹ BETWEEN THE GOVERNMENTS OF THE HUNGARIAN PEOPLE'S REPUBLIC, THE POLISH PEOPLE'S REPUBLIC AND THE CZECHOSLOVAK SOCIALIST REPUBLIC CONCERNING THE ESTABLISHMENT OF AN ORGANIZATION FOR CO-OPERATION IN THE IRON AND STEEL INDUSTRY. SIGNED IN MOSCOW, ON 15 JULY 1964

The Governments of the Hungarian People's Republic, the Polish People's Republic and the Czechoslovak Socialist Republic,

Being guided by the principles of the international socialist division of labour,

Desiring to ensure that the economic requirements of iron and steel production are more adequately satisfied by means of new and more effective forms of co-operation conducive to the rational utilization and development of the productive capacities of the Contracting Parties and to an improvement in the technical and economic level of production,

Taking into account that close co-operation on a basis of equality, mutual advantage and comradely mutual aid will create conditions for the further development of production,

Have decided to conclude the following Agreement.

Article I

1. The Contracting Parties shall establish by virtue of this Agreement an organization, to be known as "Intermetall", for the purpose of co-ordinating production, development and co-operation in the iron and steel industry.

2. The seat of Intermetall shall be at Budapest.

¹ Came into force on 2 November 1964, thirty days after the deposit of the last instrument of approval on behalf of the signatory States, in accordance with article XII. The instruments of approval were deposited with the Government of Hungary on the dates indicated:

Hungary	30 July	1964
Czechoslovakia	9 September	1964
Poland	2 October	1964

Accessions

<i>State</i>	<i>Date of Deposit</i>	<i>Date of entry into force</i>
Union of Soviet Socialist Republics	24 August	1964
Democratic Republic of Germany	10 September	1964
Bulgaria	5 November	1964
		27 October 1964
		18 November 1964
		16 January 1965

Article II

The activities of Intermetall shall be based on this Agreement and on the Charter constituting an integral part thereof.

Article III

The activities of Intermetall shall comprise the co-ordination of production, development and co-operation in the manufacture of rolling-mill products, steel tubes and other iron and steel products according to an agreed schedule.

Article IV

The basic functions of Intermetall shall be :

1. To draft proposals for specialization in the iron and steel industry and measures for carrying them out;
2. To draft proposals for co-ordinating the itemized schedules of products included in the production plans of the iron and steel industries of the Contracting Parties;
3. To develop a joint procedure for co-ordinating the quarterly programming of production and to use this procedure in its activities;
4. To draft and carry out proposals for the unification of standards and specifications and of the means for putting them into effect;
5. To review and analyse proposed capital investments and to draft proposals for the co-ordination thereof;
6. To prepare a uniform classification of the products of the iron and steel industry and other material necessary for the activities of Intermetall.
7. To take measures for the utilization of temporarily idle productive capacity in the iron and steel industry;
8. To promote the introduction and expanded output of types of products which are in short supply in the iron and steel industry;
9. To organize the utilization of reserve productive capacity in the iron and steel industry;
10. To improve the principles and procedures for production exchange arrangements in the iron and steel industry.

The aforementioned functions shall be carried out gradually as conditions allow.

Article V

Intermetall shall be a body corporate.

Article VI

1. The work of Intermetall shall be directed by a Council. The Contracting Parties shall be represented in the Council by delegations consisting of three representatives, one of whom shall be the head of the delegation. Each delegation shall have one vote.

2. The Council shall be presided over by a Chairman selected by the Council from among the heads of the delegations of the Contracting Parties.

3. The Council shall discuss questions related to the activities of Intermetall; its decisions and recommendations shall require the assent of the heads of all the delegations of the Contracting Parties.

4. Decisions shall be taken on the substance of the questions discussed and on procedural matters. Decisions shall take effect, unless otherwise provided therein, on the date on which the meeting record of the Council is signed.

5. Recommendations shall be carried out by the Contracting Parties in accordance with the decision of the competent authorities of the various countries.

6. The Council shall approve the annual and long-term plans of Intermetall and shall keep under review the progress being made in the implementation thereof.

7. The Council shall establish the regulations and the rules of procedure of the organs of Intermetall.

8. The heads of the delegations of the Contracting Parties shall inform the Council of the progress being made in the implementation of the decisions and recommendations adopted by the Council.

Article VII

1. The permanent executive organ of Intermetall shall be the Bureau.

2. The Bureau shall consist of a director, his deputies, the required number of experts, and administrative and technical staff, all of whom shall be citizens of the Contracting Parties. The administrative and technical staff shall ordinarily be recruited from among citizens of the country in which Intermetall has its seat.

3. The Bureau shall be headed by a director. Appointments to the posts of director or deputy or as an expert shall be made and terminated by the Council. The director shall be responsible to the Council for carrying out its instructions and for all the activities of the Bureau.

4. The director shall represent Intermetall within the limits established by the Charter.

5. The organizational structure, manning table, working conditions and salaries of the staff of the Bureau shall be determined by the Council.

Article VIII

The Contracting Parties agree that Intermetall shall be provided with appropriate premises and necessary equipment by the Government of the Hungarian People's Republic.

Article IX

1. The costs of the activities of Intermetall shall be borne by the Contracting Parties on an equal basis.

2. Contributions to the financing of Intermetall shall be in the form of non-commercial payments and shall be made by the Contracting Parties at half-yearly intervals on the basis of the payments agreements in force between the Contracting Parties.

3. The subsistence of participants in meetings and conventions held in conjunction with the activities of Intermetall shall be provided by the country sending its representatives to such meetings and conventions. The cost of providing premises and technical facilities for such meetings and conventions shall be borne by the country in which the meetings or conventions are held.

4. The activities of Intermetall shall be financed from a budget drawn up for a period of one year.

5. The budget and the statement of budgetary expenditure and income shall be approved by the Council.

6. The financial regulations of Intermetall shall be established by the Council.

7. The financial activities of the Bureau shall be examined by a Board of Auditors established by the Council. Regulations governing the Board of Auditors shall be made by the Council.

Article X

The present Agreement shall not affect the rights and obligations arising out of agreements concluded by the Contracting Parties among themselves or with other States.

Article XI

The official languages of Intermetall shall be the languages of the Contracting Parties. The working language of Intermetall shall be Russian.

Article XII

This Agreement shall be subject to approval by the Government of each of the Contracting Parties and shall enter into force upon the expiry of thirty days from the date of deposit with the depositary of the final instrument concerning the approval of the Agreement; the depositary shall inform all the Contracting Parties of the deposit of such instrument.

Article XIII

This Agreement shall be deposited with the Government of the Hungarian People's Republic, which shall act as the depositary thereof.

Article XIV

1. This Agreement is concluded for an indefinite period.
2. The Agreement may be modified only with the consent of all the Contracting Parties.
3. Other States may accede to this Agreement with the consent of all the Contracting Parties. A State desiring to accede to the Agreement shall so inform the depositary.
4. Any Contracting Party may withdraw from the Agreement by giving notice to that effect to the other Contracting Parties through the depositary by the end of February of any year. Withdrawal from the Agreement shall take effect from 1 January of the following year.

Article XV

This Agreement has been drawn up in a single copy in the Russian language. Certified copies of the Agreement shall be transmitted to all the Contracting Parties by the depositary.

IN WITNESS WHEREOF the duly authorized representatives of the Contracting Parties have signed the present Agreement.

DONE in Moscow, on 15 July 1964.

For the Government of the Hungarian People's Republic :
Antal APRO

For the Government of the Polish People's Republic :
Piotr JAROSZEWICZ

For the Government of the Czechoslovak Socialist Republic :
Otakar SIMUNEK

CHARTER OF THE ORGANIZATION FOR CO-OPERATION
IN THE IRON AND STEEL INDUSTRY (INTERMETALL)

I. GENERAL PROVISIONS

1. The functions of Intermetall shall be determined by the Agreement signed in Moscow concerning the establishment of an organization for co-operation in the iron and steel industry.

2. Intermetall shall perform its functions through the following organs: the Council, the Bureau and the Board of Auditors.

3. Intermetall, as a body corporate, may acquire such rights and assume such obligations as are necessary for the performance of its functions.

II. THE COUNCIL

4. It shall be the function of the Council, as the governing body of Intermetall, to :
- (a) Determine the direction of the activities necessary for the performance of the functions of Intermetall and the methods of carrying them out;
 - (b) Approve the annual and long-term programmes of work and the annual progress report of Intermetall;
 - (c) Approve the annual budget and the statement of budgetary expenditure and income;
 - (d) Approve the rules of procedure of the Council and the regulations of the Bureau and the Board of Auditors;
 - (e) Appoint and terminate the appointment of the director of the Bureau and his deputies, define their competence and responsibilities, appoint and terminate the appointment of experts, and establish the working conditions and salaries of the staff;
 - (f) Determine the organizational structure and manning table of the Bureau. The manning table shall indicate the allocation of staff among the countries;
 - (g) Appoint, on the proposal of the heads of delegations the Chairman and members of the Board of Auditors, and approve the auditors' report.

5. The delegations, consisting of a head of delegation and two other members, and the deputy heads of the delegations shall be appointed by the Governments of the Contracting Parties. The Contracting Parties shall inform the Chairman of the Council of the appointment or termination of appointment of a head of delegation, a deputy head or other representative.

6. The Chairman of the Council shall call the Council into session, come to an agreement with the heads of delegations on the agenda of the Council's meetings, preside over the meetings of the Council and exercise general supervision over the work of the Bureau. At Council meetings, the Chairman shall also act as head of his country's delegation.

7. The chairmanship of the Council shall rotate among the heads of delegation in such order and for such periods as determined by the Council. If the Chairman of the Council is temporarily unable to perform his duties, he shall be replaced by his deputy on the delegation.

8. The Council shall meet as necessary, but not less than once every six months. Meetings of the Council shall be convened by the Chairman in accordance with the

programme of work, by decision of the Council or on the proposal of one of the delegations. Meetings may also be convened on the proposal of the director of the Bureau.

9. Decisions and recommendations shall be adopted by the Council with the participation of all delegations and, ordinarily, at Council meetings. In exceptional cases they may be made *ad hoc* by written consultation.

10. The record of a Council meeting shall be signed by the heads of delegation. The original copy of the record shall be kept by the Bureau. Certified copies of the record shall be sent to the heads of the delegations to the Council.

11. The director of the Bureau and his deputy shall participate in Council meetings.

III. THE BUREAU

12. The Bureau, as the permanent executive organ of Intermetall, shall perform the technical, economic and administrative activities necessary for carrying out the instructions of the Council, namely :

- The day-to-day operations connected with the preparation and implementation of measures of a technical and economic character;
- The preparation of documents for Council meetings;
- The organization of Council meetings;
- The recording of Council decisions and recommendations and the implementation thereof;
- The preparation on its own initiative of proposals on matters relating to the activities of Intermetall.

13. The activities of the Bureau shall be administered by a director, who shall be responsible to the Council. The director shall be assisted by deputies who shall, if necessary, replace him to the full extent of his rights and obligations and shall at the same time be responsible for specific areas of the Bureau's activities.

14. Appointments as director, deputy or expert shall be made, as a rule for a period of three years, by the Council on the proposal of the Contracting Parties.

15. During the periods between meetings of the Council, the director of the Bureau shall, within the limits of his authority, carry out the day-to-day operations of Intermetall in accordance with the decisions of the Council and the programme of work and shall keep the Chairman of the Council informed of the progress being made.

16. The director of the Bureau shall :

- Request information and documents required for the work of Intermetall from the authorities or organizations designated by the heads of delegations;
- As the need arises, call meetings of experts for the purpose of elaborating or discussing specific matters;
- Administer the financial resources of Intermetall in accordance with the approved budget and the financial regulations of Intermetall;
- Appoint and terminate the appointment of members of the administrative and technical staff of the Bureau in accordance with the approved manning table and determine the salaries of such staff.

17. The director shall represent Intermetall in dealings with officials and official organizations of the Contracting Parties and other countries, in dealings with international organizations and in situations in which Intermetall acts as a body corporate.

IV. FINANCIAL MATTERS

18. The annual budget of Intermetall shall consist, in particular, of the following types of expenditure :

- (a) Administrative expenditure, including staff costs of the Bureau, payments for services and payments for work carried out by order of Intermetall by other organizations;
- (b) Depreciation allowances for the provision by the Government of the Hungarian People's Republic of appropriate premises and equipment.

V. THE BOARD OF AUDITORS

19. The Board of Auditors shall be established by the Council; its members, one from each country, shall be appointed by the Council on the proposal of the heads of the delegations of the Contracting Parties for terms of three years. The chairmanship shall rotate from year to year in the Russian alphabetical order of the names of the countries.

20. The Board of Auditors shall be responsible to the Council.

21. The Board of Auditors shall verify, in particular, the regularity of the expenditure of financial resources, of the management of other assets, of the keeping of accounts, and of cash transactions and accounting statements.

22. Membership of the Board of Auditors shall be incompatible with the holding of any other office in Intermetall.

23. The Bureau shall provide suitable working conditions for the Board of Auditors and shall place at its disposal all the documents and material necessary for conducting the audit.

24. Expenses arising out of the activities of the Board of Auditors shall be met from the budget of Intermetall.

DONE in Moscow, on 15 July 1964.

For the Government of the Hungarian People's Republic :
Antal APRO

For the Government of the Polish People's Republic :
Piotr JAROSZEWICZ

For the Government of the Czechoslovak Socialist Republic :
Otakar SIMUNEK