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SECOND COMMITTEE: ECONOMIC DEVELOPMENT

SUB-COMMITTEE C ON ARTICLES 13 AND 14

PAKISTAN: SUGGESTED AMENDMENTS TO ARTICLE 13

The following amendments are proposed by the Pakistan delegation to the latest text of Article 13 contained in document E/CONF.2/45/Rev.1.

1. Substitute the word "shall" for the word "may" in the last sentence of paragraph 2 (a) (i) on page 3.

REASON:

Once the organization decides that there is "substantial" agreement among the Members "materially affected", the organization should release the applicant Member from the obligation referred to in this paragraph.

In the corresponding case under paragraph 4 (c) (i) and (ii) (page 6 of document E/CONF.2/45/Rev.1) when there is complete or substantial agreement among the Members "materially affected" the word used is "shall" and not "may" in both these sub-paragraphs.

2. In the third line of the first sentence of paragraph 4 (b) (iii), substitute the words "based on domestic production" for the words "for the processing" and substitute "a" for "an indigenous"; and delete the words "for the processing" occurring in line 4 of paragraph 4 (b) (iii) so that the amended part of the sentence will read as follows:

"... to promote the establishment or development of a branch of industry (for the processing) based on the domestic production of (an indigenous) a primary commodity or (for the processing) of a by-product of such a branch of industry . . ."

REASONS:

- (i) Under Article 54 (b) one of the objectives of the Inter-governmental commodity agreements is the development of industries based upon domestic production of primary commodities, in appropriate cases.

/Our amendment

Our amendment aims at importing this accepted text in paragraph 4 (b) (iii) of Article 13.

- (ii) In Article 53, the words "Primary Commodity" have been defined to have uniform significance throughout the Charter. In that article the word "processing" is associated with the words "Primary Commodity" and has a very limited meaning. It is likely that in future, just as the words "Primary Commodity" will be understood to have a standard meaning given them in Article 53, the word "processing" occurring in Article 53 and associated with the words "Primary Commodity" may also be given a standard meaning wherever it occurs in the Charter as for example in paragraph 4 (b) (iii) of the new text of Article 13 under consideration.
- (iii) The note explaining the meaning of the word processing says that by "processing" is meant the TREATMENT of a primary commodity for the manufacture of semi-finished or finished goods. This gives the impression that an industry which can give only a "treatment" to a primary commodity can be established or developed so that the primary commodity may be fit for the manufacture of semi-finished or finished products and not that an industry could be established or developed for manufacturing semi-finished or finished goods utilizing the indigenous primary commodity.

3. In paragraph 4 (b) (i) (page 4 of the document E/CONF.2/45/Rev.1) substitute the word "enforcement" for the words "signature of the Final Act".

REASON:

The date of enforcement of the Charter and not the date of signing the Final Act is important from the point of view of commitments of governments to the Charter. A similar change has been accepted for paragraph (6) of Article 18.