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SECOND COMMITTEE: ECONOMIC DEVELOPMENT

JOINT SUB-COMMITTEE OF COMMITTEES II AND VI

NOTE BY THE PAKISTAN DELEGATION CONCERNING ITS AMENDMENT SUBMITTED TO
PARAGRAPH 2 OF ARTICLE 10 (PAGE 3 OF E/CONF.2/C.2/9)

In inviting the attention of the Joint Sub-Committee to the amendment of the Pakistan delegation to paragraph 2 of Article 10 (vide page 3 of the Annotated Agenda of Committee II contained in document E/CONF.2/C.2/9), the following comments in the nature of explanation of the proposed amendment are offered:

1. The Geneva draft contemplates the implementation of the growth of Economic development through two agencies namely (a) through the Organization and (b) through the co-operation of Members. Paragraph 2 of Article 10 lays down what the organization is supposed to do while paragraphs 1 and 2 of Article 11 lay down what the obligations of Members are to be in promoting progressive industrial and economic development. Now, paragraph 2 of Article 10 mentions three distinct functions of the Organization in the field of economic development as follows:

- (i) To furnish "ADVICE" to any Member regarding its plans and financing and carrying out its programme.
- (ii) To assist in arranging for "TERMS" upon which "ADVICE" can be furnished to the Members, and
- (iii) To "AID" any Member in "PROCURING Technical Assistance".

The Pakistan Delegation feels that the word "AID" is more positive than the word "ADVICE". If that is so, we must seek clarification of the words "Technical Assistance" occurring in the last lines of paragraph 2 of Article 10, which are wedded to the important word "AID". In seeking this clarification we must turn to the first sentence of paragraph 1 of Article 11, which lays down the requirements for progressive industrial and general economic development. This sentence clearly mentions among other things "...materials, modern equipment and technology..." as essential requirements of economic development. Thus, if the Members are required to fulfil obligations to meet these requirements as laid down in Article 11,

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we feel that the organization also should be made to meet such requirements; and the only way this can be done, without unduly altering the Geneva text, is to spell out the meaning of the words "technical assistance" in the last line of paragraph 2 of Article 10. The amendment of the Pakistan delegation therefore is meant to enlarge the meaning of these words so that the organization may "AID" in fulfilling the same requirements of economic development under Article 10 as the Members are enjoined to do under Article 11.

2. It is not the intention of the Pakistan delegation to consider the organization as a "procuring agency", as if it were, to be used by Members for getting technological and other equipment which they may need for their economic development. The idea is to make the organization or its "Economic Development Committee" (if it comes to be formed and which would discharge the functions of the ITO in this field) more active and of more positive assistance than it is at present according to the Geneva Draft.

Any Member requiring any "materials or modern equipment" for its economic development will still go through private trade channels and seek the co-operation of the Members which are in a position to supply such equipment according to the provisions of Article 11. If, however, the normal trade channels are blocked by say the prevalence of practices which are not normal in the ordinary course of business, the Member should have the right to go to the organization under Article 10 so that the organization may use its good offices to "AID" in procuring "the requirements of the Member concerned."