
SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT

Sub-Committee on Articles 26, 28 and 29

Special Note by the Secretariat relating to
Paragraph 1 of Article 29.

An amendment has been proposed to paragraph 1 of Article 29 whereby the International Trade Organization would accord exclusively to the International Monetary Fund certain responsibilities, including the provision of "statistics regarding general international balance-of-payments or the balance-of-payments of any Member and ... the analysis of the balance-of-payments position" (see note 58 in Document E/PC/T/W/223).

The Assistant Secretary General for Economic Affairs has requested that, in connection with the consideration of this proposal, the attention of the Sub-committee be drawn to the activities of other agencies relating to balance of payments questions. Accordingly, the Secretariat is circulating herewith for the information of Delegations the texts of recommendations previously adopted by the Economic and Social Council and its subsidiary Commissions on this matter. These texts consist of the recommendation made by the First Session of the Economic and Employment Commission, the recommendation made by the First Session of the Statistical Commission, and the related resolution adopted at the Fourth Session of the Economic and Social Council.

ANNEX A

RECOMMENDATIONS OF THE ECONOMIC AND EMPLOYMENT COMMISSION
RELATED TO THE ESTABLISHMENT OF A SUB-COMMISSION
ON BALANCE OF PAYMENTS

(Document E/255)

1. By Resolution of 1 October 1946, the Economic and Social Council instructed the Economic and Employment Commission "to give further consideration to the question of the establishment and of the terms of reference of a Sub-Commission on Balance of Payments and make an early report to the Economic and Social Council". This instruction resulted from previous discussions by the Council of a proposal for the creation of such a Sub-Commission.
2. The Economic and Employment Commission has accordingly re-examined the question. The Commission considers that it will inevitably have to give close attention to balances of payments since they constitute a significant measure of changes in international economic and financial relations, but that the subject is so broad that the Commission and its already established Sub-Commissions will necessarily have to deal with it. The creation of a Sub-Commission to deal exclusively with balance of payments problems is not considered necessary at the present time.
3. The Economic and Employment Commission therefore RECOMMENDS:
 - (a) That no Sub-Commission on the Balance of Payments be established at present; and
 - (b) That, in order to assist the Commission and its Sub-Commissions in the consideration of the question of balances of payments, the Secretariat make the necessary arrangements for full and regular reports and analyses of balances of payments, in close cooperation with and using to the fullest extent possible the resources of the Specialized Agencies concerned.

ANNEX B

Recommendation of the Statistical Commission

(Document E/264)

The Commission recognizes that there is an immediate need for developing standards of reporting data in the field of balance of payments. The International Monetary Fund is already at work on this problem in meeting its urgent operating needs, and note was taken of the special powers given to the Fund by its Articles of Agreement to obtain data from its members in the form required for its operations. It was emphasized, however, that this matter concerns the United Nations, the specialized agencies, and National Governments. The Statistical Commission, therefore, requests the Statistical Office of the United Nations to consult with the International Monetary Fund and other interested agencies with a view to the development of standards in this field. The Secretary-General should include a special section dealing with this topic in his report to the Commission at its next session.

ANNEX C

Resolution adopted by the Economic and Social Council
March 28, 1947 (Document E/403)

BALANCES OF PAYMENTS

THE ECONOMIC AND SOCIAL COUNCIL

HAVING NOTED the recommendations on the question of balances of payments contained in the reports of the Economic and Employment Commission and the Statistical Commission

REQUESTS the Secretary-General

- (a) to make the necessary arrangements for full and regular reports on and analyses of balances of payments in close co-operation with and using to the fullest extent possible the resources of the International Monetary Fund and other interested inter-governmental agencies in order to assist the Economic and Employment Commission and its Sub-Commissions in considering the economic problems related to or arising out of balances of payments; and
- (b) to consult with the International Monetary Fund and other interested inter-governmental agencies with the view to developing standards of reporting data in the field of balances of payments.