I am very pleased that the Secretary-General of the OECD has asked me to say a few words on his behalf to this important, useful and interesting meeting and I am very grateful to the Executive Secretary of GATT and to the Chairman of this Committee for their hospitable willingness to hear them. May I explain to you the nature of our interest in your work.

Article 2 of the Convention of the Organisation for Economic Co-operation and Development states that the Members agree to:

"contribute to the economic development of both Member and non-member countries in the process of economic development by appropriate means and, in particular, by the flow of capital to those countries, having regard to the importance to their economies of receiving technical assistance and of securing expanding export markets".

The principal arm of the OECD for implementing Article 2 is the Development Assistance Committee. This Committee is the heir of the ad hoc Development Assistance Group. The legacy of the Group to the Committee includes a Resolution on the Common Aid Effort, passed at its fourth meeting in London on March 1961. The Resolution states an agreement to recommend to Members that:

"... they should make it their common objective to secure an expansion of the aggregate volume of resources made available to the less-developed countries and to improve their effectiveness."

Recently, at its twenty-third meeting in November 1962, the Council of the OECD adopted a Resolution on the Co-ordination of Trade and Aid Policy. The Resolution recommends:

"... that Member countries, by co-operation in the Organisation, seek to formulate concerted policies which are designed to further the economic development of the less-developed countries, and which take full account of the interdependence of trade and aid, having in mind:

(a) the need to increase the earnings of the less-developed countries from their exports of both primary products and of manufactured goods;

(b) the need to integrate aid programmes more closely with other efforts aimed at stabilizing and expanding foreign exchange earnings of less-developed countries and thus facilitating their efforts to achieve balanced and steady economic growth."
These formal acts reflect the increasing awareness in the OECD, which is also manifest here at GATT and elsewhere that trade and aid are both essential and that there are important relations between flows of capital and flows of goods between industrialized and less-developed countries.

OECD has concentrated on the improvement of the aid policies and programmes of its Members. We regularly look to the IBRD in doing so because of their extensive experience in financing development around the world. The IBRD is, as you may know, a regular observer at the DAC. Together, as the representative of the IBRD said very recently, we look to GATT and to its Committee III as a major centre of effort to improve the policies which govern world trade.

As the Executive Secretary has told you, we are anxious to do anything we can to further the objectives of the programme that you are working out in Committee III. We think that, in particular, our experience with the problems of development assistance will be relevant and useful to your efforts.

We can also reasonably hope that the willingness of our Members to set higher standards for themselves in the aid field are an earnest of their willingness to do the other things which will lead toward a world economic order conducive to the balanced growth of its less-developed countries.