AD HOC COMMITTEE ON AGENDA AND INTERSESSIONAL BUSINESS

PAKISTAN LICENCE FEE AND DUTY ON EXPORTS OF JUTE

(Communication dated 9 February 1953 from the delegate for Pakistan)

"I attach, hereto, copy of a telegram dated 7 February 1953 from the Government of India to the Government of Pakistan, for circulation to the members of the Intersessional Committee. I am to request that this document be treated as "strictly restricted".

Mr. Bhoothalingam's telegram No.07158 dated 7 February 1953, in reply to Mr. Karamatullah's telegram No.559 dated 4 February 1953.

"In your communication of 27 November there was no suggestion that you desired further discussion of Chairman's proposals. Besides reiterating view that you were justified in imposing special levies on jute exported to India you had merely expressed willingness to discuss any proposals which we may wish to make for long-term arrangements. In view of possibility of our meeting in London and talks we had there, no official reply was sent earlier.

"We do not agree with your view that export duty on kutcha bales has nothing to do with recommendations of Chairman of Panel on Complaints. Our complaint to GATT referred to both licence fee and the duty on kutcha bales which are exported to India alone and there is nothing in Chairman's formula to indicate that he had any distinction in mind. However the really important issue is not a mere interpretation of Chairman's formula for which purpose a conference between us would scarcely appear necessary but whether we can agree on a settlement of immediate issues between us. We have already proposed that you should suspend the licence fee and the extra duty on kutcha bales exported to India and we would simultaneously reduce the price of coal to the Government of Pakistan to a level equal to the lowest price charged to any other buyer outside India. For implementing this proposal we felt a conference is not really necessary but as you appear to feel it would be useful we are agreeable to a conference at an early date. If as we hope, we reach a settlement on immediate issues we would have no objection to continuing the conference to discuss more long-term problems.

"If you agree we would prefer conference in Delhi as our Parliamentary session starts next week."