1. The Joint Sub-Committee of Committees II and VI at its fourth meeting on 18 December 1947 constituted the Working Party to examine the preamble to paragraph 1 and sub-paragraph (a) of paragraph 1 of the New Article 12A proposed by Colombia and to make recommendations as to how the objectives of the proposed New Article might be attained, whether by appropriate re-drafting in the Charter, by a resolution of the Conference or by reference to a study group to be constituted by the Conference.

2. Pursuant to its instructions the Working Party agreed that Articles 10 and 69 should be amended in the manner shown in Annexes A and B respectively. It also agreed that the Conference should by a resolution in the form shown in Annex C direct the Interim Commission of the International Trade Organization, or if no such Commission is established a special committee to study and report as to the appropriate structure and administrative methods for carrying out the positive functions of the Organization in the field of economic development.

3. In the proposed re-draft of Article 10 (Annex A) it was agreed that the words "regional or", placed in square brackets, should be included provisionally to ensure that there would be appropriate collaboration with regional inter-governmental organizations. It was agreed that the Central Drafting Committee should be asked to decide whether the words placed in square brackets or similar words should be retained or whether the term "inter-governmental organizations" included "regional inter-governmental organizations", particularly in view of the limited interpretation given to the term "inter-governmental organization" by Committee I. (See E/CONF.2/C.1/15).

4. The Working Party considered that the powers of the Organization as stated in the proposed re-draft of paragraph 2 of Article 10 included the duty of advising on establishments for technical training necessary for progressive industrial and general economic development. However, to remove any possible doubt
any possible doubt as to the Organization's powers to promote international agreements for this purpose sub-paragraph (iv) was included in the proposed re-draft of paragraph (c) of Article 69 (Annex B).

5. The Working Party, being solely concerned with the preamble of paragraph 1 and sub-paragraph (a) of paragraph 1 of new Article 12A proposed by Colombia, did not take into consideration either the amendments proposed to Article 10 or the proposals of Mexico relating to the establishment of an Economic Development Committee. Accordingly the proposed re-drafts of Articles 10 and 69 should not be construed to prejudge these amendments.
ANNEX A

Article 10 - Paragraph 2

Replace existing text by:

"With a view to promoting industrial and general economic development especially of those countries which are still relatively undeveloped and subject to any arrangements entered into between the Organization and the Economic and Social Council and appropriate inter-governmental organizations, the Organization shall, within its powers and resources, at the request of any Member:

(a) (i) study its natural resources and assist in the formulation of plans for its economic development;

(ii) furnish it with appropriate advice concerning its plans for economic development;

(iii) provide appropriate advice concerning the carrying out of its programmes for economic development;

or (b) assist it to procure such advice or study.

These services are to be provided on terms to be agreed and in such collaboration with regional or other inter-governmental organizations as will use fully the special competence of each of them."
ANNEX B

Article 69 - Paragraph (c)*

Text to read:
"to undertake studies on, make recommendations for, and promote international bilateral or multi-lateral agreements on, measures designed

(i) to assure ........... enterprises;

(ii) to expand ........... taxation;

(iii) to carry out on a regional or other basis, having due regard to the activities of existing regional or other organizations, the functions specified in paragraph 2 of Article 10;

(iv) to promote and encourage establishments for the technical training that is necessary for progressive industrial and general economic development; and

(v) generally to achieve any of the objectives set forth in Article 1."

* add to present draft.
ANNEX C

DRAFT RESOLUTION TO BE ADOPTED BY THE CONFERENCE

The United Nations Conference on Trade and Employment, having considered the problem of the industrial and general economic development of the Members of the International Trade Organization; and

Having noted the related activities of other inter-governmental organizations and specialized agencies; and

Having determined that positive measures for the promotion of the economic development of Members are an essential condition for the realization of the purpose stated in Article 1 of the Charter of the International Trade Organization and to the accomplishment of the objectives therein set forth; and

Having regard to the provisions of Articles 10, 69 and 84 of the Charter,

Therefore resolves:

1. That the Interim Commission of the International Trade Organization* is hereby directed to examine

   (i) the powers, responsibilities and activities in the field of industrial and general economic development of the United Nations, of the specialized agencies and of other inter-governmental organizations, including regional organizations;

   (ii) the availability of facilities for technical surveys or studies of the natural resources of underdeveloped countries, or of the possibilities of their industrial development, whether general or of particular industries or for the improvement of their systems of transportation and communications, or with respect to the manner in which investment of foreign capital may contribute to their economic development;

   and in the light of this examination to report to the Organization upon

   (i) the structure and administrative methods,

   (ii) the working relations with the United Nations, the specialized agencies and other inter-governmental

* If no such Commission is formed, a special committee shall be named.
organizations including regional organizations which will enable the International Trade Organization most effectively to carry out its positive functions for the promotion of the economic development of Members.

2. That the report and recommendations of the Interim Commission* shall be submitted in such a manner and at such a time as will enable the Conference of the International Trade Organization to take appropriate action at its first session.

* If no such Commission is formed, a special committee shall be named.