SECRET

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## GENERAL AGREEMENT ON TARIFFS AND TRADE

CONTRACTING PARTIES Fourth Session

## WORKING PARTY "E" ON BALANCE OF PAYMENTS QUESTIONS

The following statement is circulated at the request of the Pakistan Delegation:

Comments of the Pakistan Delegation on the Replies of the Indian Delegation to the Secretariat Questionnaire

The Delegation of Pakistan beg to draw the attention of the Contracting Parties to the replies which the Indian Delegation have now furnished (vide document SECRET/CP/8/ADD.2 and document SECRET/CP/5/Add.6) to the questionnaire contained in document GATT/CP/39. The Indian Delegation have in their replies referred to the trade relationship which exists at present between Pakistan and India. It will be observed that the Delegation of Pakistan had deliberately refrained from making any mention of Pakistan/India relationship in the replies which they furnished to the above-mentioned questionnaire some time ago. The object in not touching upon this subject was that the existing trade relations between the two countries had not arisen from any balance of payment considerations or other factors which generally affect international trade, but were the result of certain measures taken by the Government of India. In the statement made by the Pakistan Delegate before Working Party "E" on the 11 March 1950, it was further made clear that Pakistan did not consider it proper to deal with Pakistan/India trade relationship which, in view of its special features, could not assist in the study of the issues under consideration of the Working Party.

2. In view of the statement recently submitted by the Indian Delegation, the Delegation of Pakistan, however, now consider it imperative that the position should be elucidated. The need for this elucidation is particularly felt as the statement submitted by India is, in the opinion of the Pakistan Delegation, based on incorrect appreciation of the case. Accordingly the Pakistan Delegation wish to state that if any note of the Indian statement regarding trade between Pakistan and India is to be taken, this Delegation should be given an opportunity to make a further statement before the Working Party, and later before the Contracting Parties, if circumstances so warrant. In making this request the Pakistan Delegation wish to emphasise again the point that discussion of Pakistan/India trade relations in the present context would not be conducive to the attainment of objectives in view, and that the need for a statement by this Delegation would not arise if reference to trade relationship between the two countries, for the purpose of the present review, is considered inappropriate.