

# **COMMITTEE ON NATURAL RESOURCES**

## **REPORT ON THE ELEVENTH SESSION**

(27 March—5 April 1989)

**ECONOMIC AND SOCIAL COUNCIL**

**OFFICIAL RECORDS, 1989**

**SUPPLEMENT No. 8**



**UNITED NATIONS**

New York, 1989

#### NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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E/1989/26  
E/C.7/1989/11

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ISSN 0256-9817

## SUMMARY

At its eleventh session, the Committee on Natural Resources, in connection with the priority issue selected for its eleventh session, reviewed trends and salient issues in mineral resources, particularly small-scale mining prospects in developing countries. The Committee recommended a draft resolution for adoption by the Economic and Social Council by which it was recommended that, in the elaboration of the international development strategy for the fourth United Nations Development Decade, special attention be given to training in the development of new approaches in small-scale mining, in accordance with national development plans and priorities.

The Committee decided to give priority consideration to the issue of energy resources at its twelfth session and, in this connection, it adopted a draft resolution, by which the Council emphasized, *inter alia*, the need to intensify technical co-operation programmes aimed at the exploration, development and promotion of efficient utilization of the energy resources of the developing countries.

The Committee kept under review the issue of water resources and progress in the implementation of the Mar del Plata Action Plan. In another draft resolution, the Committee urged the United Nations system to intensify its efforts and increase its activities in the field of water resources management, with a view to strengthening the capacities of developing countries on water resources development.

The Committee reviewed new techniques, including remote sensing for identifying, exploring for and assessing natural resources and recommended the adoption of a draft resolution by which the Secretary-General would explore ways and means to provide developing countries in the exploration of their natural resources with an easier and increased access to remote-sensing systems.

The Committee recognized the important role of the United Nations Revolving Fund for Natural Resources Exploration in providing assistance to developing countries in the development of their natural resources. It therefore recommended a draft resolution by which it recognized the urgent need to increase financial support for the Fund by means of voluntary contributions.

The Committee once again reaffirmed the importance of the principle of permanent sovereignty over natural resources and recommended for adoption a draft resolution in connection with the issue.

With regard to the subject of co-ordination of programmes within the United Nations system in the field of natural resources, the Committee recommended two draft resolutions by which the Secretary-General was requested to identify the existing priorities and objectives of the United Nations system in the field of natural resources and called upon to include, in a report containing an overview of the activities of the United Nations system in water, mineral and energy resources, a section on the impact of financial constraints affecting developing countries in the development, conservation and maintenance of their natural resources.

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## Chapter I

### MATTERS CALLING FOR ACTION BY THE ECONOMIC AND SOCIAL COUNCIL OR BROUGHT TO ITS ATTENTION

#### A. Draft resolutions

1. The Committee on Natural Resources recommends to the Economic and Social Council the adoption of the following draft resolutions:

#### DRAFT RESOLUTION I

##### Trends and salient issues in the development of mineral resources, especially small-scale mining\*

##### The Economic and Social Council,

Recalling its resolutions 1985/47 of 25 July 1985 and 1987/8 of 26 May 1987, whereby attention was drawn to the effective contribution of small-scale mining to the economic and social development of some countries, in particular as a source of employment and regional development,

Considering that small-scale mines are often characterized by high labour intensity and low labour productivity and that working conditions are often hazardous and related legal protection often inadequate,

Noting that the International Labour Organisation will hold the Fifth Tripartite Technical Meeting for Mines other than Coal Mines at Geneva in 1990, during which labour and social issues in the sector will be discussed,

Aware of the need to balance small-scale mining operations with the improvement of social working conditions and benefits and the consideration of health and safety hazards,

1. Takes note of the reports of the Secretary-General on small-scale mining prospects in developing countries 1/ and on trends and salient issues in mineral resources; 2/

2. Recommends that in the elaboration of the international development strategy for the fourth United Nations development decade, in regard to issues relating to mineral resources, special attention should be given to training in the development of new approaches, including methods, in small-scale mining, in accordance with national development plans and priorities;

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\* For the discussion, see chap. II.

1/ E/C.7/1989/4 and Add.1.

2/ E/C.7/1987/7 and Corr.1.

3. Requests the Secretary-General to continue to conduct studies on prospects for small-scale mining, to evaluate the experience gained through technical co-operation endeavours and to explore ways and means of strengthening technical co-operation and possible sources of financing for small-scale mining initiatives;

4. Also requests the Secretary-General to ensure the assistance of the United Nations system in providing adequate facilities for seminars and symposiums, to promote local dissemination of information on the issue of small-scale mining and to establish policies and programmes according to the priorities of Member States for the support and promotion of small-scale mining projects;

5. Further requests the Secretary-General to submit to the Committee on Natural Resources at its twelfth session an updated report on trends and salient issues in the development of mineral resources, especially small-scale mining, including the outcome of the deliberations of the Fifth Tripartite Technical Meeting for Mines other than Coal Mines, to be held by the International Labour Organisation at Geneva in 1990, particularly as concerns issues relating to the working conditions and occupational safety and health hazards of small-scale mining activities.

#### DRAFT RESOLUTION II

##### Development of energy resources and efficient use of energy production and utilization infrastructures\*

##### The Economic and Social Council,

Recalling General Assembly resolution 40/208 of 17 December 1985 on the development of the energy resources of developing countries,

Recalling also General Assembly resolution 43/193 of 20 December 1988, in which the Assembly requested the Secretary-General to outline a programme of action aimed at the acceleration of the exploration and development of the energy resources of developing countries,

Recalling further its resolution 1987/10 of 26 May 1987 on the application of microcomputer technology in the assessment and development of natural resources and energy,

Considering that the Committee on Natural Resources, at its tenth and eleventh sessions, focused on water and mineral resources, respectively, and that such practice has improved the work of the Committee,

1. Decides that the Committee on Natural Resources, at its twelfth session, shall give priority consideration to energy resources, emphasizing the need to intensify technical co-operation programmes aimed at the exploration, development and promotion of efficient utilization of the energy

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\* For the discussion, see chap. III.

resources of the developing countries, and requests the Secretary-General to submit a report on the question of technical co-operation programmes in energy resources to the Committee at that session;

2. Reaffirms the need for the United Nations system to intensify its efforts to promote the international exchange of experience and knowledge and the flow of efficient technologies, especially new and emerging ones, particularly to developing countries, for use in the exploration and exploitation of energy resources, and to actively pursue the establishment of computer-based national information systems on energy technologies and projects, as well as other information for energy policy analysis and energy sector management;

3. Welcomes the report of the Secretary-General on trends and salient issues in energy resources <sup>3/</sup> and requests him to submit to the Committee on Natural Resources, at its twelfth session, a report on trends and salient issues on energy, including the potential of development and utilization of the natural gas, heavy crude, tar sand, oil shale and geothermal resources available in the developing countries, including prospects for subregional, regional and interregional co-operation in that area;

4. Requests the Secretary-General to submit to the Committee on Natural Resources, at its twelfth session, a report on energy-saving strategies and measures to improve the efficient utilization of the electricity system, on power-loss reduction and the upgrading of electricity generation plans, including the level of investment required, as well as other possible options, such as small hydropower stations, to overcome the lack of electrical power in the developing countries.

### DRAFT RESOLUTION III

#### Water resources and progress in the implementation of the Mar del Plata Action Plan\*

The Economic and Social Council,

Recalling General Assembly resolution 32/158 of 19 December 1977,

Recalling also General Assembly resolution 34/191 of 18 December 1979, by which it requested the Committee on Natural Resources to review during the 1980s the progress made by Governments in the implementation of the Mar del Plata Action Plan <sup>4/</sup> and provide guidance to the supporting water-related activities undertaken by the organizations of the United Nations system,

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\* For the discussion, see chap. IV.

<sup>3/</sup> E/C.7/1989/10.

<sup>4/</sup> Report of the United Nations Water Conference, Mar Del Plata, 14-25 March 1977 (United Nations publication, Sales No. E.77.II.A.12), chap. I.

Recalling further its resolutions 1979/67, 1979/68 and 1979/70 of 3 August 1979, 1981/80 and 1981/81 of 24 July 1981, 1983/57 of 28 July 1983, 1985/49 of 25 July 1985 and 1987/7 of 26 May 1987, concerning the implementation of the Mar del Plata Action Plan,

Aware that some of the major obstacles confronting developing countries in their endeavour to implement the Mar del Plata Action Plan are lack of financial and technical resources and insufficient expertise in water resources management,

Considering the need to give high priority to strengthening the capacity of the developing countries to assess their water resources through the collection, analysis and dissemination of hydrological and hydrogeological data,

Having considered the reports of the Secretary-General on improved efficiency in the management of water resources and developments in co-operative action in the field of shared water resources <sup>5/</sup> and on progress achieved and foreseen in the implementation by Governments of the Mar del Plata Action Plan, <sup>6/</sup>

Taking note of the oral report on the work of the Panel of Experts undertaken under the auspices of the United Nations Development Programme in March 1989, regarding issues to be incorporated in the proposals for a comprehensive strategy to implement the Mar del Plata Action Plan, made before the Committee on Natural Resources at its 204th meeting, on 30 March 1989, by the representative of the United Nations Secretariat,

1. Expresses its deep concern regarding the obstacles that make it difficult for the developing countries to prevent natural disasters, such as flooding, which endanger the lives of a large number of their inhabitants and have negative effects on the process of development, especially in the field of agriculture;

2. Takes note of the report of the Secretary-General containing the views of Governments on the report of the Interregional Symposium on Improved Efficiency in the Management of Water Resources: Follow-up to the Mar del Plata Action Plan, held in New York from 5 to 9 January 1987, including possible solutions to the problems facing countries - particularly developing countries - in dealing with water resources management; <sup>7/</sup>

3. Urges the United Nations system to intensify its efforts and increase its activities in water resources management, including recycling of waste water, with a view to strengthening the capacities of developing countries in water resources development through, inter alia, the assessment, analysis and dissemination of hydrological and hydrogeological data;

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<sup>5/</sup> E/C.7/1989/6.

<sup>6/</sup> E/C.7/1989/8.

<sup>7/</sup> See E/C.7/1989/6, part one.

4. Requests the Secretary-General to submit to the Committee on Natural Resources, at its twelfth session, a comprehensive report on strategies and measures necessary for the implementation of the Mar del Plata Action Plan, as stipulated in Economic and Council resolution 1987/7.

#### DRAFT RESOLUTION IV

New techniques, including remote sensing, for identifying, exploring for and assessing natural resources\*

The Economic and Social Council,

Recalling General Assembly resolution 41/65 of 3 December 1986 on principles relating to remote sensing of the Earth from outer space,

Recalling also its resolution 1987/9 of 26 May 1987 on new techniques, including remote sensing, for identifying, exploring for and assessing natural resources,

Having considered the report of the Secretary-General on an information referral system on satellite remote-sensing data, 8/

Considering that developing countries need to be apprised of the limitations and opportunities of commercial and non-commercial hardware and software systems for digital processing of remote-sensing data and of procedures for obtaining access to such systems,

Bearing in mind the important role of remote-sensing data in the process of identifying, exploring for and assessing natural resources,

Recognizing the need for developing countries to have access to the information obtained by remote sensing in order to optimize the utilization of their natural resources,

1. Takes note of the two options proposed in the report of the Secretary-General 7/ and requests the Secretary-General to submit an updated version of that report for consideration by the Committee on Natural Resources at its twelfth session;

2. Calls upon the developed countries to expand the sharing of their technical capacity on remote sensing with the developing countries;

3. Requests the Secretary-General to explore appropriate ways and means by which the developing countries could gain easier and increased access to remote-sensing systems in order to optimize the exploration and exploitation of their natural resources;

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\* For the discussion, see chap. V.

8/ E/C.7/1989/2.

4. Calls upon the developed countries to contribute to the efforts of the Secretary-General aimed at identifying approaches and modalities that would facilitate the transfer of new and emerging technologies on remote sensing to the developing countries;

5. Requests the Secretary-General to intensify his efforts, within existing resources, in the dissemination of available remote-sensing software packages in both the commercial and the public sector for the exploration, exploitation, management and development of natural resources through application-oriented workshops, seminars and training courses, to be organized at the regional or the country level in developing countries;

6. Further requests the Secretary-General to submit a report on the implementation of the present resolution to the Committee on Natural Resources at its twelfth session.

#### DRAFT RESOLUTION V

##### United Nations Revolving Fund for Natural Resources Exploration\*

The Economic and Social Council,

Recalling General Assembly resolution 3167 (XXVIII) of 17 December 1973 and Economic and Social Council resolution 1762 (LIV) of 18 May 1973, concerning the establishment of the United Nations Revolving Fund for Natural Resources Exploration,

Recalling also General Assembly resolution 33/194 of 29 January 1979 on multilateral development assistance for the exploration of natural resources,

Recognizing the important role of the Fund in providing assistance to developing countries in the development of their natural resources,

Recognizing also the need for the developing countries to enhance their technical capacity for identifying, exploring for and assessing natural resources,

Noting the low level of the Fund's general financial resources with consequent limitations on its ability to fulfil its mandate,

1. Takes note with appreciation of the achievements of the United Nations Revolving Fund for Natural Resources Exploration and its ongoing efforts to assist developing countries in the exploration of their mineral and geothermal energy resources;

2. Welcomes the further efforts made by the Fund to promote pre-investment follow-up to its successful mineral discoveries, in close co-operation with recipient Governments;

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\* For the discussion, see chap. VI.

3. Takes note of the interest shown by an increasing number of Governments in co-financing specific Fund projects;

4. Takes note of the Fund's efforts to expand the geographical distribution of its projects and to increase the variety of minerals being explored;

5. Requests that projects implemented by the Fund integrate, where appropriate, new techniques, including remote sensing, and provide appropriate opportunities by which developing countries can enhance their technical capacity for identifying, exploring for and assessing natural resources within the existing mandate of the Fund;

6. Requests the Fund to expand the use of locally available goods and services in the implementation of its projects;

7. Recognizes the urgent need to increase financial support for the Fund by means of voluntary contributions so that it may continue to fulfil its mandate;

8. Requests the Administrator of the United Nations Development Programme to submit to the Committee on Natural Resources, at its twelfth session, a report on the implementation of the present resolution.

#### DRAFT RESOLUTION VI

##### Permanent sovereignty over natural resources\*

The Economic and Social Council,

Recalling its resolution 1987/12 of 26 May 1987,

Recognizing the problems that the present international economic situation causes all countries, in particular the developing countries,

Noting that it is important for all countries, in particular the developing countries, to make optimum economic use of their natural resources in order to strengthen their economic development,

Taking note of the report of the Secretary-General on permanent sovereignty over natural resources, 2/

Taking into account the work done in other organs and organizations of the United Nations system regarding permanent sovereignty over natural resources,

1. Reaffirms the importance of the principle of permanent sovereignty over natural resources;

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\* For the discussion, see chap. VII.

2/ E/C.7/1989/5.

2. Also reaffirms the importance of the ongoing work of the Commission on Transnational Corporations on a code of conduct on transnational corporations, as it relates to natural resources;

3. Requests the Secretary-General to submit a concise, updated report on permanent sovereignty over natural resources to the Committee on Natural Resources at its twelfth session.

#### DRAFT RESOLUTION VII

Impact of financial constraints on the development, conservation and maintenance of the natural resources and related infrastructure in developing countries\*

The Economic and Social Council,

Recognizing that the financial constraints facing developing countries have reduced their ability to develop, conserve and maintain their natural resources and related infrastructures,

Bearing in mind the detrimental consequences of these problems which have contributed to affecting the long-term development prospects of developing countries,

Calls upon the Secretary-General to include in the report requested in [draft resolution VII] a section on the activities of the organizations of the United Nations system relating to the impact of financial constraints affecting developing countries in the development, conservation and maintenance of their natural resources.

#### DRAFT RESOLUTION VIII

Co-ordination of programmes within the United Nations system in the field of natural resources\*

The Economic and Social Council,

Noting the report of the Secretary-General on the activities of the United Nations system in water, mineral and energy resources, 10/

Bearing in mind the broad range of activities proposed for the United Nations in preparation of the medium-term plan for the period 1992-1997, 11/

Convinced of the need to increase the effectiveness and relevance of the work of the United Nations system,

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\* For the discussion, see chap. VIII.

10/ E/C.7/1989/9.

11/ E/C.7/1989/CRP.1.



Concerned that the documentation relating to the co-ordination of programmes within the United Nations system in the field of natural resources, prepared for the eleventh session of the Committee on Natural Resources, was not provided sufficiently in advance to allow the Committee to give guidance on the programming and implementation of activities in the United Nations system for the development of natural resources, as called for in its terms of reference,

1. Requests the Secretary-General to submit to the Committee on Natural Resources at its twelfth session an updated report containing an overview of the activities of the United Nations system in water, mineral and energy resources, identifying the organizations or units within the United Nations system mandated to carry out work in those fields and assessing the extent to which the guidelines provided by the Committee have been followed;

2. Also requests the Secretary-General to fully implement the measures identified at the tenth session of the Committee on Natural Resources in order to improve the work of the Committee, 12/ and to submit documentation at least three months in advance of the Committee's sessions;

3. Further requests the Secretary-General to identify, in the updated report referred to in paragraph 1 above, the existing priorities and objectives for the work of the United Nations system in the field of natural resources.

#### B. Draft decision

2. The Committee on Natural Resources recommends to the Economic and Social Council the adoption of the following draft decision:

Report of the Committee on Natural Resources on its eleventh session and provisional agenda and documentation for the twelfth session of the Committee

The Economic and Social Council:

(a) Takes note of the report of the Committee on Natural Resources on its eleventh session;

(b) Approves the provisional agenda and documentation for the twelfth session of the Committee set out below;

(c) Decides that the Committee shall give priority to the question of energy resources at its twelfth session;

(d) Requests the Secretary-General, in preparing the documentation for the twelfth session of the Committee, to pay special attention to the priority

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12/ Official Records of the Economic and Social Council, 1987, Supplement No. 8 (E/1987/21), chap. I, sect. C, decision 10/4.

subject of energy resources, bearing in mind Council resolutions 1957 B (LIX), 2116 (LXIII), 1983/60, 1985/54, 1987/10 and 1987/13.

PROVISIONAL AGENDA AND DOCUMENTATION FOR THE TWELFTH SESSION  
OF THE COMMITTEE ON NATURAL RESOURCES

1. Election of officers.
2. Adoption of the agenda and other organizational matters.
3. Energy resources.

Documentation

Report of the Secretary-General on the question of technical co-operation programmes aimed at the exploration, development and promotion of efficient utilization of the energy resources of the developing countries (draft resolution II)

Report of the Secretary-General on trends and salient issues in energy resources (draft resolution II)

Report of the Secretary-General on energy-saving strategies and measures to improve the efficient utilization of the electric system on power-loss reduction and the upgrading of electricity generation plans, including the level of investment required, as well as other possible options, such as small hydropower stations, to overcome the lack of electrical power in the developing countries (draft resolution II)

4. Water resources.

Documentation

Report of the Secretary-General on strategies and measures necessary for the implementation of the Mar del Plata Action Plan in the 1990s (draft resolution III)

5. Mineral resources.

Documentation

Report of the Secretary-General on trends and salient issues in the development of mineral resources, especially small-scale mining (draft resolution I)

6. Permanent sovereignty over natural resources.

Documentation

Updated, concise report of the Secretary-General on permanent sovereignty over natural resources (draft resolution VI)

7. New techniques, including remote sensing, for identifying, exploring for and assessing natural resources.

Documentation

Updated report of the Secretary-General on information referral systems on satellite remote-sensing data (draft resolution IV)

8. Co-ordination of programmes within the United Nations system in the field of natural resources.

Documentation

Report of the Secretary-General updating an overview of the activities of the United Nations system in water, mineral and energy resources (draft resolutions VII and VIII)

9. Disaster prevention and mitigation in developing and utilizing natural resources.

Documentation

Report of the Secretary-General on the activities of the United Nations system concerning disaster prevention and mitigation in developing and utilizing natural resources (decision 11/1)

10. United Nations Revolving Fund for Natural Resources Exploration.

Documentation

Report of the Administrator of the United Nations Development Programme on the United Nations Revolving Fund for Natural Resources Exploration (draft resolution V)

11. Programme questions.
12. Provisional agenda for the thirteenth session of the Committee.
13. Adoption of the report of the Committee on its twelfth session.

C. Decision of the Committee brought to the attention of the Council

3. The following decision of the Committee is brought to the attention of the Council:

Decision 11/1. Disaster prevention and mitigation in developing and utilizing natural resources

At its 211th meeting, on 5 April 1989, the Committee decided:

- (a) To include in the agenda of its twelfth session an item entitled "Disaster prevention and mitigation in developing and utilizing natural

resources", on the understanding that the Committee would treat that item in a focused manner and in full accord with the theme assigned to it by the Economic and Social Council;

(b) To request the Secretary-General to prepare, for submission to the Committee at its twelfth session, a comprehensive report on the activities undertaken by the United Nations system in connection with disaster prevention and mitigation in developing and utilizing natural resources.

## Chapter II

### MINERAL RESOURCES

4. The Committee considered item 3 of its agenda at its 200th, 201st, 209th and 211th meetings, on 27 and 28 March and 4 and 5 April 1989. It had before it the reports of the Secretary-General on small-scale mining prospects in developing countries (E/C.7/1989/4 and Add.1) and on trends and salient issues in mineral resources (E/C.7/1989/7 and Corr.1).

5. The reports were introduced by the Deputy to the Under-Secretary-General of the Department of Technical Co-operation for Development and Director of the Natural Resources and Energy Division. The report on small-scale mining included information submitted by Governments in response to paragraph 4 of Council resolution 1985/47. Small-scale mining had traditionally not received the same attention as medium- or large-scale mining in national development plans and had been largely in the hands of the private sector. Small-scale mining had nevertheless been attracting heightened attention in both developed and developing countries owing to a decline in base mineral consumption in developed market economies, a precious metals boom, the comparatively small capital investment required and the increasing contribution of small-scale mining to national economies and regional development. The report highlighted the problems facing small-scale mining operations, such as a lack of capital, of technical and managerial expertise, of mechanized equipment and of new technology; an uncertain legal environment; difficult access to processing facilities and markets; and, often, low mine safety standards. While most of the efforts to support that sector were of necessity at the national level, there was a need for regional and international programmes, both bilateral and multilateral.

6. The report on trends and salient issues in mineral resources examined supply, consumption and trade patterns in non-ferrous metals, market trends in steel and related metals and minerals, and stocks and prices, and it identified factors likely to have an important bearing on the short-term prospects for producers of major metals. New technological developments that promised cost savings to the mining industry or that occasionally might create new markets for metals or metal-containing products were also examined. As requested by the Council in resolution 1987/8, the report gave special consideration to prospects for geological exploration in developing countries with due regard to the development of industrial (or non-metallic) minerals.

7. Delegations commented that the report on small-scale mining should have stressed the complementary role that small-scale mining could play. The Committee discussed the definition of small-scale mining. The representative of the Secretary-General had explained that despite the difficulty in arriving at an exact definition of small-scale mining, it was generally agreed that a mine that produced about 100,000 tons a year with revenues totalling \$3 million or less was a small-scale mine. By that definition, approximately 10 per cent of world mining production would be considered small scale. It was pointed out that the conclusions of the Ankara seminar, which had attempted to define small-scale mining, would have been useful to the Committee. The suggestion was also made that the definition of consumption should be refined and that non-precious metals should be emphasized in future reports.

8. The representative of the International Labour Organisation (ILO) informed the Committee that ILO was paying particular attention to the question of small-scale mining, which was characterized by higher labour intensity and lower labour productivity than large-scale operations. ILO directed its attention particularly to those mines lacking resources to prevent hazards to workers' health and safety.

9. ILO findings showed that trends towards increased mechanization, deeper surface mines and higher productivity of capital and labour in highly mechanized mines had both positive and negative implications. On the one hand, working conditions and the safety and health of workers had improved because mechanized mining reduced certain kinds of injuries and health hazards. On the other hand, increased dust, noise and fast-moving machinery presented new hazards to workers. Unemployment among unskilled mining workers had increased. ILO stressed the need for increased involvement by all concerned in some areas of mining, including legislation, manpower training and retraining, working conditions and workers' health and safety. Those were often neglected in small mining operations, due to cost-cutting measures which were directly attributable to poor access to capital, and to the lack of legislation or its enforcement. The employment potential of small-scale mines, particularly in rural areas, underlined the need to focus on the improvement of labour and social conditions in this sector.

10. Delegations generally advocated government support for small-scale mines and the participation of the private sector through investment, taking into account national development plans and programmes. It was proposed that the Committee regularly review the development of small-scale mining, paying special attention to technological and economic aspects.

11. Some delegations drew the attention of the Committee to the importance of the environmental aspects of mining. It was suggested that particular attention be paid to the impact of mining operations on ground-water supplies, the surrounding land and the atmosphere. While large-scale mines tended to be the most detrimental to the environment, most often it was small-scale miners who did not fully comply with national mining or environmental codes. Large-scale and medium-scale operators were both more familiar with legal provisions in most cases and more closely regulated than small-scale operators. One delegation cautioned that open-pit mining should not always be favoured over subterranean operations. While open-pit mining might be safer, it had a greater impact on the environment.

12. It was observed that the market for mineral resources had changed and was continuing to change, making the industry market-driven rather than production-driven. Two critical issues were market identification and the need for a better understanding of allocation mechanisms in the market other than cost competitiveness.

13. A reduction of mining production costs was another important issue, which one delegation proposed should be discussed by the Committee at a future session. Other issues raised by delegations included the importance of strengthening national geological surveys or equivalent organizations in order to accelerate mineral exploration and the importance of technological development, including scientific methods, such as remote sensing, for locating mineral deposits.

14. In view of the problem of external debt for many developing countries, one representative, speaking on behalf of a group of delegations, proposed that a report be prepared on the optimum use of the natural resources of the developing

countries. Attention should also be paid to the relationship between problems faced by developing countries in the development and industrial diversification of their natural resources.

15. A number of delegations expressed the view that multilateral support for the development of mineral resources might best be provided by the regional commissions or other regional organizations. One delegation considered that the analysis of supply and demand for certain natural resources might also be better carried out by the regional commissions. In that connection, the representative of the Economic and Social Commission for Western Asia (ESCWA) informed the Committee that ESCWA had been unable to give any attention to mineral resources in its current medium-term plan but that it hoped to include mineral resource issues in the plan for the period 1992-1997.

#### Action taken by the Committee

16. At the 209th meeting, on 4 April, the observer for Malaysia 13/ introduced a draft resolution (E/C.7/1989/L.3) entitled "Trends and salient issues in the development of mineral resources, especially small-scale mining".

17. At its 211th meeting, on 5 April, the Committee adopted the draft resolution (see chap. I, sect. A, draft resolution I).

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13/ On behalf of the States Members of the United Nations that are members of the Group of 77.

### Chapter III

#### ENERGY RESOURCES

18. The Committee considered item 4 of its agenda at its 203rd, 204th, 209th and 212th meetings on 29 and 30 March and 4 and 5 April 1989. It had before it the report of the Secretary-General on trends and salient issues in energy resources (E/C.7/1989/10).

19. The Assistant Secretary-General for Development Research and Policy Analysis of the Department of International Economic and Social Affairs, in his opening statement to the Committee, indicated that energy developments in the past two decades had brought about fundamental changes in patterns of energy production and consumption, with different but significant effects on national economies. There had been volatility in energy prices and apprehension about the security of supplies of high-cost energy sources, which had proved to be harmful to the global environment. He suggested that international co-operation and dialogue between oil exporters and importers appeared necessary in order to avoid excessive fluctuations in energy prices and the consequent misallocation of energy investments.

20. The representative of the Department of International Economic and Social Affairs introduced the report. He noted that the first section of the report was concerned with trends in the institutional and technological underpinnings of the energy market and that the future course of energy supply and demand would be strongly conditioned by the evolution of those underlying factors. The approach followed in the report was to focus upon a few developments that appeared to be of major significance for the future. It was hoped that the "early warning" character of the report would be served by that strategy, which sought to be discriminating rather than encyclopaedic. The particular developments discussed were: the trend towards reintegration in the oil industry, the movement in the European Economic Community towards a unified energy market by 1992, the maturation of new technologies for electricity generation (particularly integrated coal gasification/combined cycle power) and the possible advent of widespread application of superconductive materials.

21. The representative drew the attention of the Committee to section II of the report, which presented in quantitative terms an energy supply-demand scenario covering the remainder of the century. He said that the figures shown were illustrative rather than predictive and indicated one plausible evolution of supply and demand in the energy sector under a particular set of assumptions. The developed market economies, the developing countries and the centrally planned economies were discussed separately, and intergroup energy trade was covered as well. For each country group, the course of overall energy demand to the end of the century and the likely mix of supply sources in the year 2000 were treated.

22. He said that the main transformation in energy usage would be a relative substitution of primary electricity for fossil fuels. Thus, on a global scale, the ratio of primary electricity to fossil fuels might rise from approximately 0.15 at the present to about 0.24 by the turn of the century. Indeed, given the newly found appreciation of the role played by fossil fuels in environmental degradation, the ratio might rise even higher if Governments began to discourage fossil fuel use by overt policy measures.



23. Again on a global scale, the most important shifts would involve oil and nuclear power. The relative role of oil would decline, although absolute quantities consumed would rise. International trade in oil would also be altered significantly from its present pattern. Imports into developed market economies would likely double by the year 2000, as domestic production declined and consumption grew. Furthermore, the centrally planned economies could shift from net exportation to net importation of oil over that period. In both cases, the Middle East would be the main source of the oil imports involved. Hence, concern might arise in some countries as to the absolute level of their oil imports and the geographic concentration of their sources. On the other hand, the relative share of nuclear power would possibly increase to twice its present level, because of the number of projects in the "pipeline" in the developed market economies and the ambitious plans of centrally planned economies in that field.

24. The representative said that it was important also to note what would not change. In that connection, he emphasized that it was very likely that in the year 2000 mankind would still be heavily dependent on traditional energy carriers, such as firewood, charcoal and animal power, and conventional modern sources, such as oil and gas, coal, hydropower and nuclear power. In particular, it would be a serious mistake to consider unconventional modern energy sources (for example, renewable sources such as solar, wind and wave energies) as a panacea for the energy needs of the developing countries. Those countries would need huge quantities of conventional fuels - oil, natural gas and coal - if they were to build modern economies and achieve growth rates commensurate with the needs of their populations.

25. Referring to section III of the report, which discussed certain problems and issues that had arisen in the energy sector, he noted that although some of the problems confronted virtually every country, they would have to be resolved in a purely national context - for example the internal pricing of energy and fuels. Others, such as the climatic warming associated with the use of fossil fuels, were inherently international, both in terms of incidence and remedial action required. Section III paid special heed to the problem of meeting burgeoning electricity demands in developing countries and suggested that a new approach, which stressed efficiency and full utilization of existing capacity, might have to be given emphasis relative to the traditional approach of installing new capacity to meet growing demand.

26. Finally, the representative noted that section IV of the report drew together the various strands of the preceding discussion and reiterated certain conclusions that seemed to follow from it. It also sketched how well-conceived policies by Governments might favourably affect the course of energy demand and supply over the rest of the century. Indeed, vigorous policy measures, directed towards enhancing the efficiency with which energy was used and spurring the production of energy in forms appropriate to the specific locale, could not only favourably shape the evolution of the energy sector but, in the process, augment the rate of economic growth over the rest of the century as well.

27. Virtually all delegations commended the quality of the report, noting its excellent preparation, its clarity in dealing with the principal problems of the energy sector, and its comprehensiveness. In addition, several representatives offered their views on how the document could have been made even more effective or noted points that they would like to see reflected in future reports. For example, one representative felt that the report would have been strengthened by the

presentation of multiple scenarios of the future course of energy supply and demand and suggested that that methodology be considered in preparing documents for subsequent sessions of the Committee. He noted that his Government would be willing to provide its own supply-demand scenarios for the Secretariat's use in that regard. He also favoured the inclusion in future reports of more material on energy efficiency.

28. Another representative, while finding the report to be a concise summary of economic and political factors that would affect energy production and trade world wide, would have preferred it to have been more technical in character, in keeping with his Government's view of the nature of the Committee. He recommended a more technical orientation for future documents and suggested specific technical topics for inclusion.

29. Several representatives applauded the emphasis given to the link between energy and environmental problems; two felt that the connection should be given even greater prominence in future reports; and one asked that the principle of the "polluter pays for pollution" be stressed in such future work.

30. One representative agreed with the report's conclusion that it would be unwise to regard modern renewable energy sources (such as solar, wind and wave energy), as a panacea for the energy needs of developing countries and expressed the view that strict management and safeguards could forestall the potential dangers of nuclear power. Other representatives would have preferred more discussion of the possibilities for international co-operation in energy (including technical co-operation among developing countries), and another would have liked more description of United Nations activities in the field. Several delegations, registering their approval of the forward-looking and "early warning" aspects of the document, hoped that those would be continued in the future.

31. A number of delegations expressed their views on the global energy situation. Especially frequent were statements of concern regarding the environmental effects of energy consumption and production. Most delegations emphasized the need to take environmental effects into account when planning energy projects, and several went further, expressing the opinion that a fully integrated approach to developmental prospects should be adopted. In such an approach, environmental enhancement would weigh equally with energy production (or consumption) in project decision-making. One delegation stated that it would adopt the same sort of integrated stance in the matter of joint energy and minerals development where the resources were found in associated deposits. Here, energy production, mineral extraction and environmental upgrading would be handled in a co-ordinated manner. Another representative stated that the lack of an integrated approach had negatively affected the development of a region of his country. Small-scale mining projects had spearheaded economic development in that area, but they had been slowed by the absence of adequate energy supplies. In that connection, he said that the report on small-scale mining enterprises before the Committee should have accorded greater emphasis to the need for associated energy supplies.

32. Several representatives noted the existence of heightened social interest and pressure in matters relating to energy in general and as it affected the environment in particular. Two delegates mentioned such interests as influencing the nature and pace of coal and lignite production in their countries, and two others said that in their countries social concerns had affected the pace of natural gas and nuclear power. One stated that social concerns had led to the

halting of nuclear power plants around a major city and the substitution of natural gas for nuclear power in the area. One representative stressed that nuclear energy was appropriately acknowledged in the report. According to that representative, however, the report contained various references (mention of inadequate security in respect of reactors and fuel storage installations, possible hijacking of materials, improper equation of nuclear energy with nuclear weapons) which seemed inappropriate. Strict management of nuclear energy should allow it to continue to fuel an increasing percentage of the world economy. The representative's statement was endorsed by the representative of the International Atomic Energy Agency.

33. Several representatives spoke on the environmental aspect of energy production and use, emphasizing that it was essential to pursue both environmental protection and economic development as focal goals, and that one should not be sacrificed to the other.

34. The related topics of efficient use of energy, energy savings and conservation were also frequently mentioned in the discussion. One representative pointed out that saving energy through efficient use was the equivalent of producing energy, and that energy saving could be especially important in the case of electricity. Savings of both materials and electricity should take their place in the work of the Committee. The same delegation agreed with the prominence given to opportunity cost pricing in the report as the correct principle to guide the allocation of energy in its possible uses. He stressed, however, that opportunity costs must be considered in the broad social context and not interpreted too narrowly. He also noted the relevance of the principle to developing countries. Another representative, emphasizing the importance of efficiency to the evolution of tolerable future use of energy in the world, suggested that studies be made of the likely bounds to future consumption of electricity and overall energy. He noted that in his own country energy savings of 20 per cent by the year 2000 had been planned.

35. The importance of international co-operation in energy was emphasized by two representatives. The United Nations should play a more active role in assisting developing countries in that area, since the benefits brought about by the energy transition of the last decade had been far from evenly divided among countries. Assistance was needed in techniques of energy conservation and in assessing environmental impacts.

36. One representative stressed the importance to developing countries of acquiring an accurate knowledge of their energy resource bases. He also drew the attention of the Committee to a recent report that nuclear fusion had been achieved in a laboratory at normal temperature and pressure and urged the United Nations to monitor the development closely.

37. Several representatives presented interesting and useful descriptions of trends in energy consumption and production in their own countries or regions. For example, one described the transition in his country from an energy system based on coal to one based on lignite. Another described her country's high level of energy import dependence, which had reached a level of 50 per cent last year. Another, in discussing the energy situation in Africa, said that 35 per cent of the world's hydropower potential was on that continent, and that Africa could attain energy self-sufficiency in two decades with adequate external assistance.

38. One representative described the Itaipu and Yacireta projects, in which his country and two others had joined to develop the enormous hydropower resources of the area. Another, noting that his country was a net oil importer, said that hydropower was the chief source of electricity there, but that supplies were intermittent, depending on the season. A new programme of rural electrification had begun. On the basis of favourable experience with its first nuclear power reactor, another reactor - one of 900 megawatts - had been approved for construction in his country.

39. Statements were made by the representatives of the Economic Commission for Europe, the Economic and Social Commission for Western Asia and the International Atomic Energy Agency outlining the activities of their organizations in the field of energy.

40. The Deputy to the Under-Secretary-General for Technical Co-operation for Development reviewed the environmental aspects of technical co-operation projects in energy and minerals executed by his department, and at the same meeting a representative of the United Nations Educational, Scientific and Cultural Organization surveyed the work of his organization in energy.

#### Action taken by the Committee

41. At the 209th meeting, on 4 April, the observer for Malaysia <sup>14/</sup> introduced a draft resolution (E/C.7/1989/L.6) entitled "Development of energy resources and efficient use of energy production and utilization infrastructures".

42. At the 212th meeting, on 5 April, the observer for Malaysia informed the Committee that during informal consultations it had been agreed to delete operative paragraph 2 of the draft resolution, which had read:

"Calls upon all Member States to intensify their efforts to strengthen the dialogue between oil producers and consumer countries, in order to contribute to the achievement of more predictable conditions in the international energy markets".

43. At the same meeting, the Committee adopted the draft resolution, as orally revised (see chap. I, sect. A, draft resolution II).

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<sup>14/</sup> On behalf of the States Members of the United Nations that are members of the Group of 77.

## Chapter IV

### WATER RESOURCES: PROGRESS IN THE IMPLEMENTATION OF THE MAR DEL PLATA ACTION PLAN

44. The Committee considered item 5 of its agenda at its 204th, 205th and 211th meetings on 30 March and 5 April 1989. It had before it the reports of the Secretary-General on improved efficiency in the management of water resources and developments in co-operative action in the field of shared water resources (E/C.7/1989/6) and on progress achieved and foreseen in the implementation by Governments of the Mar del Plata Action Plan (E/C.7/1989/8).
45. The draft report of a panel of experts on the formulation of a strategy for the Implementation of the Mar del Plata Action Plan in the 1990s, held at Challes Les Eaux, France, from 8 to 10 March 1989, was circulated for information at the request of delegations.
46. The Under-Secretary-General for Technical Co-operation for Development, in his opening statement, noted that the tragic flooding in Bangladesh and the continuing drought in Africa underscored the need for intensified national and international efforts to promote effective strategies relating to the efficient development and management of the world's scarce stock of water resources. Many of the constraints to the development of water resources and recommendations for Governments to overcome them had been enumerated in the report of the Interregional Symposium on Improved Efficiency in the Management of Water Resources (New York, January 1987) and were summarized in document E/C.7/1989/6. A summary of developments in co-operative efforts concerning shared water resources were also contained in that document.
47. The Assistant Secretary-General for Development Research and Policy Analysis, said that although significant progress had been made towards achieving some of the objectives of the Mar del Plata Action Plan since its adoption at the United Nations Water Conference in 1977, particularly with regard to the International Drinking Water Supply and Sanitation Decade, <sup>15/</sup> the future was fraught with many ominous challenges: an increasing number of countries would face serious water shortages unless measures were taken to increase resources and improve their efficient utilization; increasing pollution from domestic, industrial and agricultural sources threatened to diminish further the availability of water of suitable quality; poor management was causing massive land degradation, thereby contributing to desertification; further expansion in irrigated agriculture and improvements in irrigation efficiency were needed; institutional and legal frameworks needed further strengthening; and the formulation and the implementation of innovative approaches designed to increase investments were required. As a result of very high rates of population growth, especially in many urban areas, current rates of growth in water supply and sanitation services would be insufficient to cope with needs in the near future, and the projected shortfalls in the provision of services to the urban and rural poor of developing countries could be staggering. He emphasized that inadequate water supply for 900 million people and poor sanitation for 2 billion in developing countries could not be accepted as an inevitable prospect on the eve of the twenty-first century.

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<sup>15/</sup> General Assembly resolution 35/18.

48. The Deputy to the Under-Secretary-General and Director of Natural Resources and Energy Division introduced document E/C.7/1989/6, which treated two totally separate topics in the field of water resources. The first part of the report summarized the conclusions of the Interregional Symposium on Improved Efficiency in the Management of Water Resources and comments on those conclusions received from Governments. The second part reviewed developments in the field of shared water resources. The report on these two topics had been prepared in response to Economic and Social Council resolution 1987/7.

49. The purpose of the Symposium had been to determine ways to make greater progress in a number of key areas which had constrained the attainment of the goals outlined in the Mar del Plata Action Plan. The key areas identified were improved management of financial resources, of human resources, of technology, of water quality and of natural hazards, comprising floods and droughts. Symposium participants had developed a number of concrete guidelines and suggestions to Governments on overcoming constraints in those areas.

50. It was clear that much remained to be done to attain the goals set at the United Nations Water Conference. What continued to be required at the national level, he said, was a commitment to give continued priority to water programmes and sufficient resources to sustain them. In many countries accessible water was a prerequisite to further development, and all countries were well aware of the importance of good quality water to the health and productivity of the population. The international community had an important catalytic role to play in providing guidance and technical support in efforts to use and mobilize existing resources more efficiently.

51. The second part of the report, entitled "Developments in co-operative action concerning shared water resources", contained a summary of a background paper presented to the Interregional Meeting on River and Lake Basin Development, held at Addis Ababa from 10 to 16 October 1988.

52. The process of development and the conservation of the resources of international river basins had been uneven in the 1980s. In a number of international basins the co-operative work initiated earlier had continued; however, the paucity of financial, human and technological resources faced by many co-riparian countries had prevented significant new approaches and hampered development.

53. He noted that considerably greater attention had been paid to the environment and to water quality issues in the context of shared water resources, however. Other areas where some progress had been made in co-operation were the following: the collection and exchange of hydrometeorological and associated data and information; warning systems related to floods and other natural hazards; and prevention and control of pollution.

54. The meeting held at Addis Ababa had acknowledged that among States sharing a river basin, the basin was the most useful context for agreement and co-operation, on the principles of equitable utilization and the duty among co-riparians not to cause each other appreciable harm. The group had noted that the financial weaknesses of some river basin States reduced the positive multiplier effect of basin developments and the expected reimbursement capabilities of recipient countries. It was therefore suggested that economic risk and uncertainty be considered when assessing the repayment capabilities of co-riparian countries

benefiting from international financing of construction works. It had also been recommended that Governments remove legal constraints hindering the mobilization and investment of private resources in river basin programmes.

55. While the Department would continue performing the tasks related to international rivers and lakes entrusted to it under Economic and Social Council resolution 1981/81, recent research indicated that the development and conservation of the resources of international river basins were affected by the internal economic and institutional policies of the co-riparian countries and also by the financial and climatic crises faced by many developing countries in recent years.

56. The representative of the Department of International Economic and Social Affairs introduced the report of the Secretary-General on progress achieved and foreseen in the implementation by Governments of the Mar del Plata Action Plan (E/C.7/1989/8). He indicated that the report presented an overview of the implementation of the Mar del Plata Action Plan, as called for in General Assembly resolution 34/191, and provided a preliminary assessment of issues confronting the various regions aimed at formulating proposals for a strategy for the implementation of the Action Plan in the 1990s in response to Economic and Social Council resolution 1987/7. Since the preparation of the report, a panel of experts had been convened in order to highlight the main issues that required close attention in the formulation of a strategy.

57. He noted that, while progress had been made during the 1980s under very difficult economic conditions, many serious problems remained. He highlighted some of the issues raised in the report with regard to the various regions, particularly as they pertained to possible water scarcities in the future; the need to expand irrigated agriculture and improve irrigation efficiency as well as land and water management; the lack of progress in improving the capacity of countries to assess their water resources; the need to increase the rate of progress in most regions concerning the provision of drinking water supply and sanitation services to the urban and rural poor; the need for greater attention to environmental and health problems; and the need to strengthen water management and legislative mechanisms.

58. He further pointed out that regional assessments would be undertaken in co-operation with the regional commissions and other organizations of the United Nations system in order to identify in detail the main problems requiring solutions in each region. As a first step in that direction, the Administrative Committee on Co-ordination (ACC) Intersecretariat Group for Water Resources, at its ninth session in October 1988, had agreed to convene a panel of experts to assist in identifying the constraints that had inhibited progress; issues for the future assessment, development and management of water resources; new initiatives, technologies and approaches to sustainable development; and specific actions that might be taken by the organizations of the system, Governments, external support agencies and non-governmental organizations. The panel, which was financed by the United Nations Development Programme (UNDP) and hosted by the World Health Organization (WHO), met at Challes Les Eaux, France, from 8 to 10 March 1989.

59. The panel of experts had agreed on the desirability of carrying out regional reviews based on assessments at the national level, and taking into account the influence of different climatic zones. It recommended that an assessment of achievements to date and the formulation of strategies for the future, needed benchmarks against which progress could be gauged and that such assessments should take into account the principles of sustainable development and the effects of



population dynamics. A strategy should also respond to the threat of acute water scarcity problems which might be faced by many countries in the future. The panel had also recommended that particular attention be given to water resources assessment and management, the mobilization of financial resources, sustainable development of land and water resources, and water resources technology and human resources development. Concerning environmental monitoring and land and water management, the panel felt that there was need to draw up a list of parameters that required monitoring and that guidelines were needed on measures to restore and manage the biomass balance, particularly in semi-arid areas.

60. The representative of UNDP, in addressing the Committee on the topic of drinking water supply and sanitation, noted that the International Drinking Water Supply and Sanitation Decade had fallen short of its quantitative goals, in part as a result of rapid population growth and urban migration. A very large number of urban and rural poor would remain without adequate services by the end of the Decade. There was no doubt that the difficult economic conditions during the 1980s had slowed down progress. Nevertheless, the Decade had witnessed some very important achievements which would continue to have an impact during the forthcoming years. In particular the use of appropriate low-cost technology had brought down significantly per capita investment requirements, compared to the beginning of the Decade. Innovative approaches had also been developed with regard to operation and maintenance, community participation and the participation of women in the management and operation of facilities in rural areas. Close co-operation had also been established among bilateral and multilateral external support agencies, with a view to developing co-ordinated approaches and expanding technical and financial co-operation. A Collaborative Council was established at the Hague in November 1988 to co-ordinate activities of the external support agencies, especially at the level of the developing countries. Although the International Drinking Water Supply and Sanitation Decade was drawing to a close, the experience and momentum gained during the Decade would undoubtedly continue in years to come.

61. The representative of the Economic Commission for Europe (ECE) and the Economic and Social Commission for Western Asia (ESCWA) gave an oral overview of activities and issues in their respective regions. In the ESCWA region, because of its severe water scarcity problems, the concept of water security was being explored, so that all countries could be assured of adequate supply for basic requirements. In the case of ECE, one of the major achievements had been the adoption of a code of conduct on transboundary pollution.

62. During the Committee's discussion on water resources, several representatives took note with appreciation of the technical co-operation activities undertaken by the Department of Technical Co-operation for Development in the field of water resources and of the emphasis being given to environmental considerations. The increased co-ordination among international agencies was considered a positive step in accelerating the implementation of the Mar del Plata Action Plan.

63. Several representatives expressed their agreement with the key areas identified by the Symposium participants as major obstacles to the attainment of the goals of the Mar del Plata Action Plan in document E/C.7/1989/6.

64. Several representatives welcomed the report of the Secretary-General on progress achieved in the implementation of the Mar del Plata Action Plan (E/C.7/1989/8). Many delegations found the observations regarding the water



situation in the developing regions alarming. The water problems faced by most countries would become worse before they became better, if the conclusions of the reports were correct.

65. Several representatives noted that the situation regarding assessment of ground water and water quality was critical. The lack of training in hydrology and water management world wide was considered a significant factor in the ability of many countries to deal with their water supply and quality problems. The shortage of hydrological and hydro-geological data and the inadequate networks for collecting such data were emphasized.

66. One representative emphasized that United Nations assistance to developing countries might concentrate on the collection and interpretation of ground- and surface-water data by training technical people from developing countries at accredited universities and in countries with more advanced water-monitoring systems and providing assistance to establish credible water-monitoring networks.

67. Many representatives stressed that national and international financial constraints had seriously affected the ability of most developing countries to implement their water resources development plans in the 1980s. Several of them supported the ideas of cost recovery, involving the private sector in water supply, and decentralization of project management to the community level. Many representatives endorsed the need for water pricing as a means to cost recovery and conservation of water resources. However, countries would have to set regulations and pricing policies based on valid scientific data, taking into account local conditions and ability to pay. It was suggested that a study be undertaken on general principles and comparative experiences in pricing policies for water in municipal, industrial and other sectors. It was also suggested that increasing emphasis should be placed on the management of demand for water resources, through economic and regulatory measures.

68. Most representatives emphasized the crucial importance of sustainable development of water resources, involving the rational utilization of the resource and environmental protection. To that end, several representatives stressed the importance of integrated land and water planning and management. The need for monitoring and controlling water quality was also a cause for increasing concern. It was suggested that a group of international specialists could be set up to study international experience in using low-quality and marginal water resources and treating water of poor quality. One delegate noted that in order for ground-water use to be sustainable, countries could not extract more than what was replenished in an aquifer.

69. On the topic of shared water resources, several representatives noted the necessity for countries to co-operate in the prevention of transboundary pollution, including accidental spills. Increased efforts were needed to collect and share data in order to establish early warning systems for pollution threats and natural disasters. It was suggested that a study might be carried out on experience in managing water resources on an inter-State basis, with attention being given to the distribution of water and costs among States, and co-ordination of policy. Also, the positive and negative effects of large-scale hydropower dams, including pollution movements, should be studied.

70. Several representatives noted that water supply and sanitation still remained a top priority in many countries and that the momentum for the Decade should

continue in the 1990s. The importance of looking at community-level solutions to inadequate drinking water supply and sanitation coverage was noted. The crucial role of women in that regard was stressed.

71. Some representatives noted that preparations in formulating proposals for the strategy for water resources development in the 1990s by the Secretariat were not as advanced as expected and stressed the importance of close and full consultations and co-operation with the regional commissions. The Committee emphasized the importance of formulating such a strategy and related policy measures to accelerate the implementation of the Mar del Plata Action Plan in the 1990s.

#### Action taken by the Committee

72. At the 211th meeting, on 5 April, the observer for Malaysia <sup>16/</sup> introduced a draft resolution (E/C.7/1989/L.9) entitled "Water resources and progress in the implementation of the Mar del Plata Action Plan".

73. At the same meeting, the Secretary of the Committee informed the Committee that during informal consultations the following revisions had been agreed upon:

(a) In the fifth preambular paragraph, the words "Aware of" were replaced by the word "Considering";

(b) In operative paragraph 2, the words "Welcomes the views of Governments in response to the questionnaire regarding the conclusions" were replaced by the words "Takes note of the report of the Secretary-General containing the views of Governments on the report".

(c) Operative paragraph 3, which had read:

"Urges the United Nations system to intensify its efforts and increase its activities in water resources management and in strengthening the capacities of developing countries to assess, analyse and disseminate hydrological and hydrogeological data",

was replaced by the following text:

"Urges the United Nations system to intensify its efforts and increase its activities in water resources management, including recycling of waste water, with a view to strengthening the capacities of developing countries in water resources development through, inter alia, the assessment, analysis and dissemination of hydrological and hydrogeological data".

74. At the same meeting, the Committee adopted the draft resolution, as orally revised (see chap. I, sect. A., draft resolution III).

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<sup>16/</sup> On behalf of the States Members of the United Nations that are members of the Group of 77.

## Chapter V

### NEW TECHNIQUES, INCLUDING REMOTE SENSING, FOR IDENTIFYING, EXPLORING FOR AND ASSESSING NATURAL RESOURCES

75. The Committee considered item 6 of its agenda at its 206th and 211th meetings, on 31 March and 5 April 1989. It had before it the reports of the Secretary-General on an information referral system on satellite remote-sensing data (E/C.7/1989/2) and on the application of microcomputer technology in the assessment, development and planning of natural resources: water, energy and mineral resources (E/C.7/1989/3).

76. The Committee was of the opinion that the report of the Secretary-General (E/C.7/1989/3), which covered a useful technical subject, was excellent. It was in effect a detailed supplement to the report on the subject prepared for the tenth session of the Committee. The subject was viewed by the Committee as primarily a matter of the transfer of technology. It was noted that much progress had been achieved in the availability and dissemination of microcomputer software and methods. However, serious problems remained, including lack of expertise in the use of software and analytical methods, shortage of microcomputer equipment, poor availability of service for hardware and low levels of training among computer users. Those problems combined to inhibit the widespread application of microcomputer technology in the area of natural resources. Several delegations expressed the opinion that the Department of Technical Co-operation for Development should give priority to training programmes, at both the national and regional levels, in order to address those problems.

77. The Committee acknowledged the assistance rendered by the Department through its field projects, which provided appropriate microcomputer equipment and software and engaged in training programmes for the development of human resources. It was stated that efforts should be continued to establish microcomputer-based information systems for the planning and development of energy, mineral and water resources. In particular, support was expressed for the continued development and dissemination of ENERPLAN, the microcomputer software package for energy planning developed by the Department.

78. One representative noted that the second section of the report, dealing with mineral resources, did not adequately address the geological aspect. It was felt that more treatment should have been given to microcomputer applications for the assessment and forecasting of mineral resources.

79. In response to the request made by the Committee at its tenth session, the Department had embarked on the establishment of a microcomputer software reference library for applications in the natural resources sectors relating to energy, minerals and water. Representatives commended the efforts of the Department to date in soliciting, collecting and compiling data for the reference library. The Department was urged to continue, within available resources, its efforts to establish the library and publish a list of all available software at its earliest convenience.

80. The report of the Secretary-General on an information referral system on satellite remote-sensing data (E/C.7/1989/2) showed that user requirements varied widely and no single system could fulfil every requirement. Users needed to carefully select those systems suitable for their own needs.

81. Originally, interest in satellite remote-sensing data had been confined to organizations in the Union of Soviet Socialist Republics and the United States of America. However, with the launching of satellites in recent years by other countries, in particular France, interest in the data they provided had expanded. The Department of Technical Co-operation for Development had carried out a feasibility study on establishing a United Nations information reference system and had determined that it would cost about \$US 70,000, with annual running costs of about \$US 90,000.

82. The Committee was briefed on an assessment prepared by a group of experts on the constraints and capabilities of hardware and software systems for remote sensing. The experts had determined that several necessary features were required for systems to be adopted by developing countries, among them the requirement that the system be designed to operate in the user's environment, taking into account such factors as temperature, humidity and power supply. Desirable features for developing countries should include, inter alia, a rugged design, automatic testing features to locate defects, easy maintenance, and a power supply that could conform to the standard of 230V, not the 115V normally found in most industrialized countries.

83. Several representatives expressed appreciation for the reports of the Secretary-General, particularly the one dealing with the establishment of an information referral system and showing area, coverage, type and quality of data and how and where to get imagery and other information to guide users in the best way of obtaining remote-sensing data (E/C.7/1989/2). The investment mentioned in the report was not really substantial, given the potential benefits that could result for user countries and the international community.

84. One representative said that an information referral system for hardware and software would benefit Member States if it could be done within existing resources, and that States could benefit from the experience of those using particular systems; an updated list of service locations for various systems should be kept, since the proximity of trained maintenance personnel was important.

85. Another representative praised the reports despite certain shortcomings, including the omission of certain work being done by his country in remote sensing for geological mapping, environmental purposes and for natural resources development. He noted that photo surveys of the earth from space were carried out on a regular basis by unmanned and manned space vehicles, and the information obtained was shared with other countries whose personnel were provided with remote-sensing training. In that context reference was made to the photographic coverage with the KGA-1000 that resulted in photographs having a 5-10 metre ground resolution. The report on the information referral system did not contain specific information on assistance given by the United Nations to individual countries for remote sensing.

86. One representative said that the report on remote sensing had referred to the possible establishment of a United Nations information referral system. He believed it would be more feasible to consult existing data bases to form an information clearing system, which could result in the rapid increase in the use of those systems.

87. Another representative said he was pleased with the report on an information referral system. He referred to the conference on remote sensing held in 1988, at

which Poland had acted as host and which had been conducted jointly with the Department of Technical Co-operation for Development. Referring to his country's experience with satellite remote sensing, principally on geological matters, he noted that those efforts had resulted in the provision of information to developing countries including Algeria, Iraq and Mongolia. His country had offered services on organization, planning and training for satellite remote sensing to other countries, which could use remote-sensing data for geological, thermal, hydrological and mineral mapping.

88. During the discussion, representatives supported the alternative proposal as outlined in document E/C.7/1989/2 in order to make the maximum use of existing data banks and systems for extending technical assistance to States Members of the United Nations.

#### Action taken by the Committee

89. At the 211th meeting, on 5 April, the observer for Malaysia 17/ introduced a draft resolution (E/C.7/1989/L.11) entitled "New techniques, including remote sensing, for identifying, exploring for and assessing natural resources".

90. At the same meeting, the Secretary of the Committee informed the Committee that during informal consultations the following revisions had been agreed upon:

(a) After the third preambular paragraph, a new preambular paragraph was inserted, reading:

"Considering that developing countries need to be apprised of the limitations and opportunities of commercial and non-commercial hardware and software systems for digital processing of remote-sensing data and of procedures for obtaining access to such systems";

(b) In operative paragraph 2, the word "Urges" was replaced by the words "Calls upon".

91. At the same meeting, statements were made by the representatives of the Philippines, the Islamic Republic of Iran and Chile, and by the observer for Malaysia.

92. The Committee then adopted the draft resolution, as revised (see chap. I, sect. A, draft resolution IV).

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17/ On behalf of the States Members of the United Nations that are members of the Group of 77.

## Chapter VI

### UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION

93. The Committee considered item 7 of its agenda at its 207th and 211th meetings, on 31 March and 5 April 1989. It had before it an advance copy of the report of the Administrator of the United Nations Development Programme on the United Nations Revolving Fund for Natural Resources Exploration to be submitted to the Governing Council of the Programme at its thirty-sixth session, in June 1989.

94. A representative commended the Director of the Fund for his efforts to promote its activities, noting the importance of natural resources to developing countries. He observed that the Fund's programme created initiatives for the private sector and remarked also on the successful projects of the Fund, which included in-ground discoveries worth nearly \$US 1 billion. The representative congratulated the Fund for its achievements in obtaining substantial co-financing contributions and called for the donors to achieve a balance between general and co-financing contributions to the Fund. The recent success of the Fund in its efforts to achieve more equitable geographical distribution of projects and to diversify the minerals being explored was also commendable.

95. Another representative considered the report of the Fund to have given a clear picture of the Fund's activities and thanked donor Governments for their general and co-financing contributions to the Fund. He remarked on the importance of the Fund in providing, since 1973, development assistance in the field of natural resources and noted with satisfaction the Fund's present exploration activities in his country. He called on donor Governments to increase their core contributions to the Fund in order to rebuild its resource base. He also requested that the Fund investigate the possibility of using remote sensing in its projects in order to provide developing countries with the opportunity to gain experience in the most up-to-date technology.

96. One representative, who considered the report of the Fund to be very informative, also commended the Fund for its emphasis on future projects in the Southern African Development Co-ordination Conference (SADCC) region and in Central America, noting that both areas had considerable potential but little exploration activity.

97. The Director of the Fund mentioned that the proposal to change the name of the Fund was not intended to suggest a change in the mandate of the Fund. In response to a question on the possible duplication of effort with UNDP projects, the Director pointed out that the Fund's activities in the mineral sector rather were complementary, and that all new Fund projects were reviewed, before submission for approval, by a joint operations group with representatives from UNDP, the Department of Technical Co-operation for Development and the World Bank.

98. One representative stated that his delegation was encouraged by the progress achieved by the Fund in its very short history. He noted the importance of natural resources projects to the developing countries given the normally high risks involved in exploration and the lack of requisite technology. He expressed gratitude for the mineral project currently under way in his country and appreciation for the Fund's efforts to develop a geothermal project in a remote part of the country.

99. Appreciation for the Fund's activities in the SADCC region was expressed by another delegation. The representative noted the importance of such activities to the development of the countries of that region and to lessening their economic dependence on South Africa. She thanked donor Governments for their contributions to the Fund. In response to her comments, the Director of the Fund noted that the Fund was considering 37 projects worth \$US 100 million for the SADCC region and was now seeking co-financing assistance for the projects from a number of Governments.

Action taken by the Committee

100. At the 211th meeting, on 5 April, the representative of Japan, on behalf of Bolivia and Japan, introduced a draft resolution (E/C.7/1989/L.8) entitled "United Nations Revolving Fund for Natural Resources Exploration".

101. At the same meeting, the Secretary of the Committee informed the Committee that during informal consultations the following revisions had been agreed upon:

(a) After the third preambular paragraph, a new paragraph was inserted, reading:

"Recognizing also the need for the developing countries to enhance their technical capacity for identifying, exploring for and assessing natural resources";

(b) In the fourth preambular paragraph, the word "depletion" was replaced by the words "low level";

(c) Operative paragraph 1, which had read:

"1. Takes note of the many successes achieved by the United Nations Revolving Fund for Natural Resources Exploration in its short history and its ongoing efforts to assist developing countries in the development of their mineral and geothermal energy resources",

was replaced by the following text:

"1. Takes note with appreciation of the achievements of the United Nations Revolving Fund for Natural Resources Exploration and its ongoing efforts to assist developing countries in the exploration of their mineral and geothermal energy resources";

(d) After operative paragraph 1, a new paragraph was inserted, reading:

"2. Welcomes the further efforts made by the Fund to promote pre-investment follow-up to its successful mineral discoveries, in close co-operation with recipient Governments";

(e) In operative paragraph 2 (para. 3 of the final text), the word "Welcomes" was replaced by the words "Takes note of";

(f) In operative paragraph 3 (para. 4 of the final text), the word "successful" was deleted before the word "efforts";

(g) After operative paragraph 3 (para. 4 of the final text), two new paragraphs were inserted, reading:

"5. Requests that projects implemented by the Fund integrate, where appropriate, new techniques, including remote sensing, and provide appropriate opportunities by which developing countries can enhance their technical capacity for identifying, exploring for and assessing natural resources within the existing mandate of the Fund";

"6. Requests the Fund to expand the use of locally available goods and services in the implementation of its projects";

(h) Operative paragraph 4 (para. 7 of the final text), which had read:

"Requests an increase in voluntary contributions from donor Governments in order to permit the Fund to meet the ever-increasing requests by developing countries for projects",

was replaced by the following text:

"7. Recognizes the urgent need to increase financial support for the Fund by means of voluntary contributions so that it may continue to fulfil its mandate";

(i) A new last operative paragraph was added, reading:

"8. Requests the Administrator of the United Nations Development Programme to submit to the Committee on Natural Resources, at its twelfth session, a report on the implementation of the present resolution".

102. At the same meeting, the representatives of Ecuador and the Philippines joined in sponsoring the draft resolution.

103. The Committee then adopted the draft resolution, as orally revised (see chap. I, sect. A, draft resolution V).



## Chapter VII

### PERMANENT SOVEREIGNTY OVER NATURAL RESOURCES

104. The Committee considered item 8 of its agenda at its 200th, 201st, 209th and 211th meetings, on 27 and 28 March and 4 and 5 April 1989. It had before it the report of the Secretary-General on permanent sovereignty over natural resources (E/C.7/1989/5).

105. The report was introduced by the Deputy to the Under-Secretary-General for Technical Co-operation for Development, who pointed out that the main objective of the report was to survey trends related to the implementation of the principle of permanent sovereignty over natural resources, in particular the relationship between mineral producing developing countries and the international economic system. The report dealt mainly with mineral resources, as that was the priority theme for the present session of the Committee. The report surveyed national practices in the field of mining and their relationship to the international economic situation, including the role of state and private mining enterprises in developing countries. It examined at length the scope and practices of mineral development policies, including mineral planning, and the principle of permanent sovereignty. The last section of the report elaborated on the linkage between pricing, import barriers and indebtedness of countries and the development of their mineral resources.

106. Most delegations considered that the issue of permanent sovereignty over natural resources constituted the core of the work of the Committee. A number of delegations were of the view that the importance of the principle of permanent sovereignty was that it reaffirmed the right of all countries to choose their own national policies for the development of natural resources.

107. In endorsing the principle of permanent sovereignty over natural resources, delegations expressed support for the technical co-operation activities of the United Nations Department of Technical Co-operation in the mineral sector and emphasized that technical co-operation should include small-scale mining and environmental and marketing issues.

108. Several delegations drew attention to the fact that the report contained a great deal of information which did not directly relate to the problems of permanent sovereignty. At the same time, the report did not go to the root of the problem of ensuring sovereignty over natural resources in developing countries; the difficulties encountered were not pointed out; instances of the infringement of sovereignty by transnational corporations were not cited; and there were no general conclusions regarding the experience of those countries which were effectively defending their sovereignty. The report did not contain specific conclusions and recommendations. Those delegations expressed the hope that the Secretariat would take their views into account in preparing the next report on permanent sovereignty for the twelfth session of the Committee.

109. Several representatives agreed that it was important to provide technical co-operation to improve the efficiency of State enterprises. There was discussion relating to the issue of efficiency in privately owned, as compared to publicly owned, companies. One representative noted that privatization of large-scale operations assumed the role of a functioning capital market. Another

representative commended the general approach of the report in dealing with State enterprises and emphasized that comparisons between the private and public sectors could not be reduced to a schematic exercise. Economic accounting and economic and financial autonomy and flexibility were found to be keys to success of State mining companies. The challenge for State enterprises was to make a comprehensive assessment of the raw materials potential with a view to planning for rational, long-term utilization.

110. Several delegations emphasized that increasingly, the environmental impact of mining operations required the attention of Governments and the mining and mineral industries, and that such attention should be reflected in the technical co-operation activities of the Department.

111. Several delegations endorsed the report in so far as it set forth the issue of ready and stable access of producing countries to the markets of developed countries and underlined the linkage between the debt burden of developing countries and access to markets. One delegation expressed the view that a subsequent report to the Committee might focus on the impact of the paucity of financial resources on the development of mining and mineral industries in developing countries.

112. Delegations called attention to the detailed and significant information contained in the report on the current status of permanent sovereignty over natural resources in developing countries. Several delegations expressed the view that the report should have included information on the practices of transnational corporations in those countries.

113. Another delegation noted that the issue of permanent sovereignty should be dealt with and discussed in more detail, taking into account the global economic environment, and also affirmed the importance of long-term mineral development planning for rational utilization of mineral resources and the growing role being played by natural gas and industrial minerals in the industrial development of developing countries.

#### Action taken by the Committee

114. At the 209th meeting, on 4 April, the observer of Malaysia <sup>18/</sup> introduced a draft resolution (E/C.7/1989/L.4) entitled "Permanent sovereignty over natural resources".

115. At its 211th meeting, on 5 April, the Committee adopted the draft resolution (see chap. I, sect. A, draft resolution VI).

116. The representative of the United States of America made a statement.

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<sup>18/</sup> On behalf of the States Members of the United Nations that are members of the Group of 77.

## Chapter VIII

### CO-ORDINATION OF PROGRAMMES WITHIN THE UNITED NATIONS SYSTEM IN THE FIELD OF NATURAL RESOURCES

117. The Committee considered item 9 of its agenda at its 208th and 211th meetings, on 3 and 5 April 1989. It had before it the report of the Secretary-General on activities of the United Nations system in water, mineral and energy resources (E/C.7/1989/9).

118. The Chief of the Energy and Resources Branch of the Department of International Economic and Social Affairs introduced the report. He said that in response to Economic and Social Council resolution 1987/13, the report contained a review of the activities of the United Nations system in water, mineral and energy resources, particularly for the biennium 1988-1989. The review showed that the activities had been carried out in accordance with the priorities established in the guidelines for action in the development of natural resources, adopted by the Committee at its second session, in 1972, 19/ and subsequently elaborated upon by such instruments as the Mar del Plata Action Plan, 20/ the International Drinking Water Supply and Sanitation Decade (1980) 21/ and the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy. 22/ As a result of this review no duplication was revealed. He pointed out that co-ordination mechanisms for water and new and renewable sources of energy had already been established in the Administrative Committee for Co-ordination. No such mechanisms, however, existed for either minerals or overall energy.

119. The representatives of the International Labour Organisation, the United Nations Educational, Scientific and Cultural Organization and the International Atomic Energy Agency gave further detailed information about their programmes in minerals, energy and water resources.

120. During the discussion, delegations expressed their appreciation of the comprehensiveness of the report of the Secretary-General. In particular, they took note of the conclusions concerning the fact that the guidelines adopted by the Committee at its second session, as well as guidelines adopted by the United Nations Water Conference and the United Nations Conference on New and Renewable Sources of Energy were being followed by the organizations of the United Nations system, and that there was no duplication in the activities of the various organizations. It was noted, however, that the report did not assess the nature of the interaction of the various programmes and their complementarity with a view to

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19/ Official Records of the Economic and Social Council, Fifty-second Session, Supplement No. 5 (E/5097), paras. 20 and 21.

20/ Report of the United Nations Water Conference, Mar del Plata, 14-25 March 1977 (United Nations publication, Sales No. E.77.II.A.12), chap. I.

21/ See General Assembly resolution 35/18.

22/ Report of the United Nations Conference on New and Renewable Sources of Energy, Nairobi, 10-21 August 1981 (E.81.I.24), chap. I, sect. A.

increasing the overall efficacy of the system. It was felt that in some cases the priorities of certain organizations with regard to natural resources were not clearly expressed, and that it was difficult to ascertain how much of the resources of a given organization were devoted to providing technical assistance. Some delegations noted that while adequate mechanisms for co-ordination existed within the Administrative Committee on Co-ordination with regard to water and new and renewable sources of energy, none existed in the case of minerals and overall energy. They felt that the Administrative Committee on Co-ordination could be requested to consider means whereby co-ordination in those two areas could be improved. The view was expressed that greater attention needed to be given to technical assistance to Governments designed to strengthen their national capacity to co-ordinate their activities at the national level.

121. Delegations reiterated the importance of the Committee both as a policy-formulating body providing guidance with regard to natural resources and as an intergovernmental body concerned with the co-ordination of activities of the United Nations system in that domain. The view was expressed that the question of co-ordination should remain a permanent item on the Committee's agenda. However, the Committee would need to develop clear methodologies and approaches to its work on co-ordination in order to carry out its function more effectively. Greater consistency in reporting on the activities of organizations was also needed.

122. In order to increase the efficacy of the Committee, some delegations were of the opinion that the agenda of future meetings should be streamlined so as to allow representatives to have in-depth discussions of the most important issues. The view was also expressed that in future sessions the Committee's work would benefit from a concentrated discussion of technical issues, the participation of experts at its various sessions, and the inclusion in the agenda of a priority theme. Other delegations felt, however, that discussions on water, minerals and energy should not be considered in a mutually exclusive way, but rather in the context of a dynamic world economy and of scientific and technological changes that affected the development and utilization of natural resources. A number of delegations agreed on the need to increase the participation of experts from developing and developed countries alike in the sessions of the Committee. They noted the serious financial constraints limiting the participation of experts from developing countries and expressed the wish that means could be found to support their participation. In order to encourage attendance by experts, one delegation was of the view that it would be useful to the work of the Committee to focus on each of the three priority themes in turn, dealing more briefly with the other two. In the event of any major changes in the natural resources situation, that priority could be altered.

123. Some delegations expressed the view that consideration of issues concerning natural resources could best be carried out through the convening of expert groups while policy considerations could be dealt with by the Economic and Social Council itself. Alternatively, the functions of the Committee could be streamlined by merging the Committee on New and Renewable Sources of Energy with the Committee on Natural Resources, or by converting the Committee into an expert group.

124. Other delegations, however, reiterated the importance they attached to the work of the Committee as a forum for information exchange, the formulation of policy guidelines concerning global issues and the development of natural resources in developing countries, as well as for the co-ordination of activities of the organizations of the United Nations system. It was suggested that the work of the Committee could be enhanced through the early distribution of documentation,

possibly three to six months ahead of each session; the greater participation of experts for in-depth discussion of issues and greater exchange of information and experience among them; the use of audio-visual equipment for technical presentations; the formulation of specific resolutions containing clearly defined mandates that lent themselves to a thorough review of the implementation of resolutions; greater interaction between delegations and the Secretariat in carrying out programmes; and greater participation of the regional commissions and other organizations of the United Nations system in the sessions of the Committee.

#### Action taken by the Committee

125. At the 211th meeting, on 5 April, the observer for Malaysia <sup>23/</sup> introduced a draft resolution (E/C.7/1989/L.10) entitled "Impact of financial constraints on the development, conservation and maintenance of the natural resources and related infrastructure in developing countries".

126. At the same meeting, the Secretary of the Committee informed the Committee that during informal consultations the following revisions to the draft resolution had been agreed upon:

(a) In the first preambular paragraph, the words "reduced their investment capabilities and led to the deterioration of their natural resources base" were replaced by the words "reduced their ability to develop, conserve and maintain their natural resources and related infrastructure";

(b) In the second preambular paragraph, the words "which reduce the multiplier effects of investment in natural resources" were replaced by the words "which have contributed to";

(c) Operative paragraphs 1 and 2, which had read:

"1. Decides to include in the agenda of the twelfth session of the Committee on Natural Resources an item entitled 'Impact of financial constraints of affecting developing countries in the development, conservation and maintenance of their natural resources';

"2. Requests the Secretary-General to submit to the Committee, at its twelfth session, a comprehensive report on the financial constraints affecting developing countries in the development, conservation and maintenance of their natural resources and related infrastructure, as well as the long-term impact on their development prospects",

were replaced by a new operative paragraph, which read:

"Calls upon the Secretary-General to include in the report requested in [draft resolution VIII] a section on the activities of the organizations of the United Nations system relating to the impact of financial constraints affecting developing countries in the development, conservation and maintenance of their natural resources".

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<sup>23/</sup> On behalf of States Members of the United Nations that are members of the Group of 77.

127. The representative of France made a statement.

128. At the same meeting, the Committee adopted the draft resolution, as orally revised (see chap. I, sect. A, draft resolution VII).

129. Also at the 211th meeting, the observer for Malaysia 24/ introduced a draft resolution (E/C.7/1989/L.12) entitled "Co-ordination of programmes within the United Nations system in the field of natural resources".

130. At the same meeting, the Secretary of the Committee informed the Committee that during informal consultations operative paragraph 2, which had read:

"2. Also requests the Secretary-General to fully implement the measures identified at the tenth session of the Committee on Natural Resources to improve the work of the Committee and implementation of its mandate, and reiterates the need to receive documentation at least three months in advance",

was replaced by the following text:

"Also requests the Secretary-General to fully implement the measures identified at the tenth session of the Committee on Natural Resources in order to improve the work of the Committee, and to submit documentation at least three months in advance of the Committee's sessions".

131. At the same meeting, the representative of the Union of Soviet Socialist Republics made a statement.

132. The Committee then adopted the draft resolution, as orally revised (see chap. I, sect. A, draft resolution VIII).

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24/ On behalf of the States Members of the United Nations that are members of the Group of 77.

## Chapter IX

### PROGRAMME QUESTIONS

133. The Committee considered item 10 of its agenda at its 209th meeting, on 4 April 1989. The Committee had before it a conference room paper on the medium-term plan for the period 1992-1997 containing draft programmes on natural resources and on energy, including new and renewable sources of energy.

134. A representative of the Programme Planning and Budget Division introduced the document. Regret was expressed at the lateness of the document and the limited time available for delegations to consider it prior to the deliberations of the Committee.

135. It was noted that, in the context of the restructuring of the Organization, the General Assembly had decided to extend the current medium-term plan to 1991. The preliminary draft of the natural resources and energy programmes to be included in the proposed medium-term plan for the period 1992-1997 was expected to take into account the restructuring. It was also noted that many member Governments felt that it was important to study the plan carefully to determine why it had not been responsive to needs. There seemed to be general agreement that the plan had become too long, was not sufficiently precise and had not proved useful to intergovernmental bodies. The Secretary-General had been requested to undertake consultations within the Secretariat with a view to improving the plan. The Committee on Programme and Co-ordination (CPC) and the Fifth Committee had decided to restructure the medium-term plan, which had proved to be a difficult undertaking. That process had contributed to the late submission of the document to the Committee.

136. The representative of the Programme Planning and Budget Division indicated that the Committee might wish to express its views on the proposed structure of the natural resources and energy programmes, including subprogrammes, and make recommendations on priorities among the subprogrammes presented. It was noted that the Committee's comments at its current session would be taken into account in the revision of the plan and would be helpful to the Secretary-General in presenting the plan to CPC with recommendations concerning priorities.

137. The Chairman noted that the Committee on Natural Resources would have an opportunity to revise the content and structure of the plan, as well as priorities among subprogrammes at its twelfth session.

138. Representatives of the Secretariat drew the attention of the Committee to the proposed priorities designated in the document. Under the natural resources programme, the Department of Technical Co-operation for Development subprogrammes 1 (Mineral resources) and 2 (Water resources) were designated highest priority. For the natural resources programme, the Department of International Economic and Social Affairs had accorded highest priority to subprogramme 1 (Water resources). Under the energy programme, highest priority had been assigned the Department of Technical Co-operation for Development to subprogrammes 1 (Energy resources assessment and exploration) and 2 (Energy planning and management). Under the energy programme, the Department of International Economic and Social Affairs had assigned highest priority to subprogramme 1 (Monitoring of the global energy demand and supply balance).

139. One representative expressed the view that under the natural resources programme the assignment of priority to subprogrammes 1 and 2 of the DTCD section and to subprogramme 1 of the DIESA section represented a useful selection among the subprogrammes presented. As to the energy programme, he was of the view that subprogrammes 1 and 2 of DIESA could be merged into one subprogramme, and that there appeared to be some similarity between DIESA subprogramme 3 and DTCD subprogramme 1.

140. The representative of the Department of International Economic and Social Affairs indicated that subprogrammes could be combined in a number of ways. He indicated, however, that in the submission before the Committee, energy was divided into few subprogrammes in an attempt to provide greater clarity. He also indicated that the coverage and objectives of DIESA subprogramme 3 and DTCD subprogramme 1 dealt with different issues. He emphasized that the work to be undertaken would be in response to General Assembly resolution 43/193, which called for the preparation of a programme of action for the exploration and development of energy resources in energy-deficient developing countries, to be presented to the General Assembly at its forty-fifth session.

141. Several delegations expressed the view that the programmes and subprogrammes embodied in the conference room paper had been formulated in a broad and flexible way making it possible for specific issues to be included within the plan.

142. One representative emphasized the importance of energy saving, conservation and efficiency of energy use, proposing that priority be given to energy conservation as a most important source of energy supply, including measures for the most full and effective application of existing energy potential and the development of new energy-saving technologies in the submissions of both departments under programme 23. Representatives of the Secretariat indicated that those views would be incorporated into the revised plan.

143. One representative indicated that the medium-term plan already reflected the priorities of the Committee on Natural Resources as articulated in previous resolutions adopted by the Committee. While finding the conference room paper to be straightforward in its presentation of subprogrammes, it emphasized the need for Governments to have the fullest opportunity to review those matters and expressed the hope that the Secretariat would co-operate more effectively in servicing the intergovernmental bodies in that regard. It also suggested that priorities be established on the basis of resolutions previously adopted by the Committee.

144. The representative of the Programme Planning and Budget Division informed the Committee that the medium-term plan would be subject to a lengthy process of review in a number of intergovernmental bodies. While expressing regret that the document before the Committee was so late, he noted that the views of the Committee would be submitted to the Economic and Social Council, and that delegations would have an opportunity to make further comments on the document at that time.

145. One delegation indicated that while most of the important issues were cited in the subprogramme on mineral resources, they seemed to lack an appropriate conceptual framework. It should be recognized that the mineral industry was undergoing structural transformation, conditioned by changes in the industrial structure of many economies. The representative suggested that emphasis in future programmes be placed on monitoring supply and demand. In view of changes in demand, there was a need to concentrate on what could be exploited commercially,



bearing in mind competition and international economic interdependence. It expressed concern over the potential expenditure of large amounts of funds on the exploration for supplies for which there was no demand. It was the delegation's view that the plan did not adequately link the changing demand pattern to supply and that emphasis should be placed on legal and institutional frameworks to appropriately address developments in the international economy.

146. Several delegations expressed concern that the question of permanent sovereignty over natural resources was not adequately reflected in the proposed medium-term plan, and that the plan should take into account the draft resolution adopted on the subject by the Committee at its current session (see chap. I, sect. A, draft resolution VI). One representative proposed that in the subprogramme on mineral resources, under general objectives of the Secretariat, the following should be added: "to prepare on a regular basis studies on permanent sovereignty over natural resources; to assist developing countries in strengthening their capacity to ensure their permanent sovereignty over natural resources".

147. The Committee also briefly reviewed several recurrent publications. An information note was introduced by the representative of the Department of Technical Co-operation for Development.

148. One representative expressed interest in knowing the reaction of the readership to the various publications in question. It also noted that there was a relatively limited distribution for most of the publications and queried whether adequate publicity was being devoted to the newsletters and journals cited. The representative of the Secretariat indicated that those views would be taken into account and that mechanisms for feedback from readers would be introduced to ascertain views and reactions.

## Chapter X

### PROVISIONAL AGENDA FOR THE TWELFTH SESSION OF THE COMMITTEE

149. The Committee considered item 11 of its agenda at its 211th and 212th meetings, on 5 April 1989. It had before it an informal paper prepared by the Secretariat containing a draft provisional agenda for its twelfth session, together with a list of requested documentation.

#### Action taken by the Committee

150. At the 211th meeting, the observer for Malaysia <sup>25/</sup> introduced a draft decision (E/C.7/1989/L.5) entitled "Disaster prevention in developing and utilizing natural resources".

151. At the same meeting, the Secretary of the Committee informed the Committee that during informal consultations the following revisions had been agreed upon:

(a) The title was changed to read "Disaster prevention and mitigation in developing and utilizing natural resources";

(b) Subparagraph (a), which had read:

"Decides to include in the agenda of its twelfth session an item entitled 'Disaster prevention in developing and utilizing natural resources'",

was replaced by the following text:

"Decides to include in the agenda of its twelfth session an item entitled 'Disaster prevention and mitigation in developing and utilizing natural resources', on the understanding that the Committee would treat that item in a focused manner and in full accord with the theme assigned to it by the Economic and Social Council";

(c) In subparagraph (b), the words "by the United Nations system" were inserted after the word "undertaken" and the words "and mitigation" were inserted after the words "disaster prevention".

152. At the same meeting, the Committee adopted the draft decision, as orally revised (see chap. I, sect. C, decision 11/1).

153. Statements were made by the representatives of Poland, the United States of America and Ecuador.

154. At its 212th meeting, on 5 April, the Committee, on the proposal of the Chairman, decided to recommend the Economic and Social Council to approve the provisional agenda and documentation for its twelfth session, as amended in the

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<sup>25/</sup> On behalf of States Members of the United Nations that are members of the Group of 77.

light of the draft resolutions adopted by the Committee (see chap. I, sect. B, draft decision).

155. Statements were made by the representatives of the Philippines, the Federal Republic of Germany, Ecuador, the Union of Soviet Socialist Republics and Chile, and by the observer for Egypt.

## Chapter XI

### ADOPTION OF THE REPORT OF THE COMMITTEE ON ITS ELEVENTH SESSION

156. At its 211th and 212th meetings, on 5 April 1989, the Committee adopted the report on its eleventh session (E/C.7/1989/L.2 and Add.1-8), as amended during the discussion.

## Chapter XII

### ORGANIZATION OF THE SESSION

#### A. Opening and duration of the session

157. The Committee on Natural Resources held its eleventh session at United Nations Headquarters from 27 March to 5 April 1989. It held 14 meetings (199th-212th meetings).

158. The session was opened by the Under-Secretary-General for Technical Co-operation for Development.

#### B. Membership and attendance

159. In accordance with Economic and Social Council resolution 1621 A (LI) of 30 July 1971, the Committee is composed of 54 States Members of the United Nations, elected on the principle of equitable geographical distribution. Four members from African States, five members from Asian States, and seven members from Western European and other States remain to be elected.

160. The following States members of the Committee were represented: Bolivia, Botswana, Byelorussian Soviet Socialist Republic, Chile, China, Côte d'Ivoire, Cuba, Ecuador, El Salvador, Finland, France, Gabon, German Democratic Republic, Germany, Federal Republic of, Guatemala, Guinea-Bissau, Haiti, Honduras, Hungary, Iran (Islamic Republic of), Japan, Nigeria, Pakistan, Paraguay, Philippines, Poland, Sudan, Swaziland, Sweden, Thailand, Togo, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United States of America, Uruguay, Zaire.

161. The following States Members of the United Nations were represented by observers: Algeria, Argentina, Australia, Bangladesh, Brazil, Canada, Egypt, India, Indonesia, Jordan, Lesotho, Malaysia, Mexico, Netherlands, Romania, Tunisia, United Kingdom of Great Britain and Northern Ireland, Venezuela, Yugoslavia.

162. The following regional commissions were represented: Economic Commission for Europe, Economic Commission for Latin America and the Caribbean, Economic and Social Commission for Western Asia.

163. The following United Nations bodies, specialized agencies and related organizations were represented: United Nations Institute for Training and Research, International Labour Organisation, United Nations Conference on Trade and Development, United Nations Educational, Scientific and Cultural Organization, International Atomic Energy Agency.

164. The International Chamber of Commerce, a non-governmental organization in consultative status with the Economic and Social Council, category I, was also represented.

### C. Election of officers

165. At its 199th and 202nd meetings, on 27 and 28 March 1989, the Committee elected, by acclamation, the following officers:

Chairman: Jürgen Brandenburg (Federal Republic of Germany)

Vice-Chairmen: Siegfried Laechelt (German Democratic Republic)  
Juan Salazar Sancisi (Ecuador)  
Roger Tchibota-Souamy (Gabon)

Rapporteur: Ashraf Qureshi (Pakistan)

### D. Agenda

166. At its 199th meeting, on 27 March, the Committee adopted the provisional agenda for the session (E/C.7/1989/1) (see annex I to the present report).

167. At the same meeting, the Committee approved the organization of work for the session.

Annex I

AGENDA OF THE ELEVENTH SESSION

1. Election of officers.
2. Adoption of the agenda and other organizational matters.
3. Mineral resources.
4. Energy resources.
5. Water resources: progress in the implementation of the Mar del Plata Action Plan.
6. New techniques, including remote sensing, for identifying, exploring for and assessing natural resources.
7. United Nations Revolving Fund for Natural Resources Exploration.
8. Permanent sovereignty over natural resources.
9. Co-ordination of programmes within the United Nations system in the field of natural resources.
10. Programme questions:
  - (a) Programme performance for the biennium 1986-1987;
  - (b) Medium-term plan for the period 1992-1997;
  - (c) Review of recurrent documents and publications.
11. Provisional agenda for the twelfth session of the Committee.
12. Adoption of the report of the Committee on its eleventh session.

Annex II

LIST OF DOCUMENTS BEFORE THE COMMITTEE AT ITS ELEVENTH SESSION

<u>Document symbol</u>	<u>Agenda item</u>	<u>Title or description</u>
DP/1989/49 a/	7	Report of the Administrator of the United Nations Development Programme on the United Nations Revolving Fund for Natural Resources Exploration
E/C.7/1989/1	2	Annotated provisional agenda
E/C.7/1989/2	6	Information referral system on satellite remote-sensing data: report of the Secretary-General
E/C.7/1989/3	6	Application of microcomputer technology in the assessment, development and planning of natural resources: water, energy and mineral resources: report of the Secretary-General
E/C.7/1989/4 and Add.1	3	Small-scale mining prospects in developing countries: report of the Secretary-General
E/C.7/1989/5	8	Permanent sovereignty over natural resources: report of the Secretary-General
E/C.7/1989/6	5	Improved efficiency in the management of water resources and developments in co-operative action in the field of shared water resources: report of the Secretary-General
E/C.7/1989/7 and Corr.1	3	Trends and salient issues in mineral resources: report of the Secretary-General
E/C.7/1989/8	5	Progress achieved and foreseen in the implementation by Governments of the Mar del Plata Action Plan: report of the Secretary-General
E/C.7/1989/9	9	Activities of the United Nations system in water, mineral and energy resources: report of the Secretary-General
E/C.7/1989/10	4	Trends and salient issues in energy resources: report of the Secretary-General
E/C.7/1989/CRP.1	10	Programme questions: medium-term plan for the period 1992-1997, draft programmes on natural resources and on energy, including new and renewable sources of energy: note by the Secretariat

a/ Available in English only during the session.



<u>Document symbol</u>	<u>Agenda item</u>	<u>Title or description</u>
E/C.7/1989/CRP.2	3	Small-scale mining prospects in developing countries; summary of information submitted by member Governments: note by the Secretary-General
E/C.7/1989/L.1	2	Status of documentation for the session: note by the Secretariat
E/C.7/1989/L.2 and Add.1-8	12	Draft report of the Committee
E/C.7/1989/L.3	3	Malaysia on behalf of States Members of the United Nations that are members of the Group of 77: draft resolution
E/C.7/1989/L.4	8	Malaysia on behalf of States Members of the United Nations that are members of the Group of 77: draft resolution
E/C.7/1989/L.5	11	Malaysia on behalf of States Members of the United Nations that are members of the Group of 77: draft decision
E/C.7/1989/L.6	4	Malaysia on behalf of States Members of the United Nations that are members of the Group of 77: draft resolution
E/C.7/1989/L.7		[withdrawn]
E/C.7/1989/L.8	7	Bolivia, Ecuador, Japan, Philippines: draft resolution
E/C.7/1989/L.9	5	Malaysia on behalf of States Members of the United Nations that are members of the Group of 77: draft resolution
E/C.7/1989/L.10	9	Malaysia on behalf of States Members of the United Nations that are members of the Group of 77: draft resolution
E/C.7/1989/L.11	6	Malaysia on behalf of States Members of the United Nations that are members of the Group of 77: draft resolution
E/C.7/1989/L.12	9	Malaysia on behalf of States Members of the United Nations that are members of the Group of 77: draft resolution