

United Nations GENERAL ASSEMBLY

TWENTIETH SESSION

Official Records



SECOND COMMITTEE, 1007th
MEETING

Tuesday, 7 December 1965,
at 3.20 p.m.

NEW YORK

CONTENTS

	Page
<i>Agenda item 37:</i>	
<i>Report of the United Nations Conference on Trade and Development (continued)</i>	295
<i>Agenda item 47:</i>	
<i>World campaign for universal literacy: report of the Secretary-General (concluded)</i>	
<i>Adoption of the Committee's draft report . .</i>	301
<i>Agenda item 48:</i>	
<i>United Nations Institute for Training and Research: reports of the Secretary-General (concluded)</i>	
<i>Adoption of the Committee's draft report . .</i>	301
<i>Agenda item 39:</i>	
<i>Establishment of a United Nations capital development fund: report of the Committee on a United Nations Capital Development Fund (concluded)</i>	
<i>Adoption of the Committee's draft report . .</i>	301

Chairman: Mr. Pierre FORTHOMME
(Belgium).

AGENDA ITEM 37

Report of the United Nations Conference on Trade and Development (continued) (A/5838, A/5852, A/5870/Rev.1, A/5886, A/6003/Add.1, A/6023 and Add.1-3; A/C.2/L.829, L.833 and Add.1 and 2, L.836)

1. Mr. CAMEJO ARGUDIN (Cuba) said that he was in favour of the draft resolution regarding the United Nations Conference on Trade and Development (A/C.2/L.833 and Add.1 and 2). He had been pleased that the representative of Yugoslavia, when introducing the draft (1005th meeting), had mentioned the Conference of Heads of State or Government of Non-Aligned Countries which was held in Cairo in 1964, at which the forty-seven heads of neutral States had given their attention not only to questions of war and peace but also to major economic problems, and had condemned economic boycotts, trade blockades and other measures motivated by differences in social and economic systems. It might be useful to incorporate in the draft resolution the idea that discrimination in economic matters was inadmissible between Member States and, while he did not wish to make a formal proposal for amendment, he suggested to the sponsors the insertion in the second or the third preambular paragraph of a reaffirmation—in whatever form they preferred—of the second general principle adopted at Geneva by the Con-

ference, which prohibited such discrimination, and a reference to the provisions of the Final Act of the Conference.^{1/} As the Mongolian representative had remarked at the previous meeting, Cuba was the victim of an economic boycott by the world's most aggressive imperialist Power and, although the boycott did not prevent the island from living and thriving, it nevertheless constituted a violation of the principles adopted at Geneva which should be denounced.

2. Mr. ABE (Japan) thanked the Secretary-General of the Conference for his very interesting statement on the future of that body (1001st meeting). He was glad that the site for the Conference headquarters had finally been chosen, so that its secretariat would be able to recruit quickly the staff required for conducting the necessary studies and research. The success of the second session of the Conference would depend on the way in which it was prepared.

3. The results of the organizational work of the Trade and Development Board might not fully satisfy all delegations, but there was reason to be thankful for the fact that, owing to the conciliatory spirit that had prevailed in the Board, the structure which it had built up was based on consensus. The General Assembly should bear that fact in mind and should not form any premature judgement; the yardstick for determining the usefulness of the Conference was not its organs but the practical work that they would accomplish.

4. The implementation of the recommendations of the Conference was indeed a subject that aroused most controversy. There appeared to be a certain dissatisfaction in the Committee among the representatives of developing and developed countries alike—although for different reasons—with the compromises adopted by the Board and its committees. The problem should perhaps be approached more objectively, for what was urgently required was not so much to prepare a strict definition of the procedure for following up recommendations but rather to secure a better understanding between the developed and the developing countries as regards the objectives of the Conference. No one wanted the Conference to become a simple debating society from which nothing but generalizations based on abstract concepts could be expected; the situation required it to tackle specific problems that called for immediate attention; the Committee on Commodities had already started off in that direction and the Committee on Invisibles and Financing related to Trade would doubtless follow suit. On the other hand, nor did anyone want the

^{1/} See *Proceedings of the United Nations Conference on Trade and Development*, volume I: *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11).

Conference to become the stage for a systematic confrontation of the various policies adopted by its members. The solution of the "implementation" problem doubtless lay half way between those two extremes.

5. The Conference was a new experience in international economic relations, and the functions of the Board and its organs should take shape gradually in the light of their work. The annual reporting system to be undertaken by the Secretary-General of the Conference, set forth in the Board's resolution 19 (II) (A/6023/Add.1, annex A), represented a constructive measure in that respect and deserved express approval by the General Assembly. Although the immediate future did not warrant great optimism, the establishment of the Conference would be fully justified if its members abandoned sterile discussions of abstract principles—which often aroused mutual distrust—and directed their efforts towards fruitful work on definite problems, from which true solidarity was bound to result. His delegation was fully confident on that point.

6. He did not wish to take a final stand on draft resolution A/C.2/L.833 while it was still the subject of negotiations between the different groups, but had certain comments to make: the draft referred to various recommendations of the Conference, some of which had not been agreed to by all participants and should therefore not be treated in the same manner as those that had been adopted either unanimously or on the basis of consensus; the drafting of the fifth preambular paragraph and operative paragraphs 6, 8, 9, 10 and 12 should accordingly be reviewed in that light. Moreover, his delegation considered that the main objective of the Conference and its organs, which was to promote concerted action to accelerate economic development, could only be achieved in an atmosphere of co-operation and mutual understanding; it was therefore not appropriate to criticize individual policies or try to impose the opinion of one group on another, and operative paragraphs 7, 10 and 12 should be reviewed in that context.

7. Mr. DJOUDI (Algeria) said that the first session of the Conference had been a first step towards solving the problems of economic development by establishing harmonious and equitable relations between industrialized and developing countries. Since then, the various organs of the Conference had started work in encouraging conditions. The question of the choice of headquarters had led to a long debate in the Board, the necessity for which was not clearly apparent, but it had nevertheless brought out the need to decentralize international activities for the benefit of the developing countries.

8. Apart from the constructive activities connected with setting up the various organs, the implementation of the Geneva recommendations admittedly gave cause for concern owing to the reticence of many of the industrialized countries, whereas the steps taken by the socialist countries testified to a will to achieve the set objectives. The developing countries too were demonstrating their wish to advance by the efforts they were making both at the national and the regional level, especially through the regional economic commissions. The African countries, in particular, had

already begun regional and sub-regional co-operation and planning activities with the object of forming economic units and integrating the economy of the continent. Those efforts, however, ought to be part of a joint endeavour by all countries, and many industrialized countries had not taken any action for that purpose. The prices of raw materials furnished by the under-developed countries had fallen considerably, while those of the products of the richest countries had remained relatively stable. That situation, especially for countries with single-crop economies, threatened to nullify the efforts made to plan development. The primary concern should therefore be to solve the problem of trade in raw materials, and his delegation hoped that the steps taken to solve the problem of cocoa would lead to a general attack.

9. The Conference had attached great importance to the provision of investment capital, and it had to be acknowledged that the desired objectives would never be attained unless the industrialized countries invested on a massive scale in the developing countries, which would moreover be entirely to their own advantage.

10. As to the fundamental question of the status of the Conference recommendations—or more precisely the extent to which the industrialized Powers would be willing to implement them unreservedly—he expressed the hope that the current session would mark the end of the era of hesitation and diffidence and the dawn of an era of accomplishment. For that reason he hoped that draft resolution A/C.2/L.833, of which his delegation was a co-sponsor, would be adopted unanimously.

11. Mr. FRANZI (Italy) said that although he hoped all States would follow the policies on trade and development outlined by the Secretary-General of the Conference, he did not fully share the satisfaction expressed by the latter regarding the work of the Board and its subsidiary organs in 1965. The Working Party on Prices and Quotas of the United Nations Cocoa Conference had laid the groundwork for the convening of a conference but, despite the precise terms of reference it had received from the Board, it had made no recommendation on short-term measures. He hoped that the year 1966 would be marked by somewhat more concrete achievements. He would like once again to express his admiration for such bodies as the Economic Commission for Latin America, whose very interesting studies had been mentioned by Mr. Prebisch. That body would certainly continue to give the necessary impetus to the solution of many problems of international trade throughout the world.

12. His delegation intended, at the next session of the Board, to make some suggestions for improving the organization of work of that organ and its committees because improvements in that regard were needed. The source of the difficulties was perhaps the excessively large membership of each of those bodies, but as there was no possibility of reducing their membership, some way must be found to make them more efficient. He was particularly surprised that no role had been assigned to the officers of the Board; its membership had been discussed at length at Geneva, and it could perform a very useful function

by collaboration with the President of the Board. In addition, the procedure for the examination of questions on which no previous agreement had been possible should be reviewed. The Board and its committees had thus far not followed the conciliation procedure provided for in General Assembly resolution 1995 (XIX) but, instead, had made a practice of conducting informal negotiations among representatives of one group and then among representatives of the different groups. That practice prevented the majority of members of the Board and its committees from expressing their ideas officially. It also made any conciliation difficult because those representatives of each group whose positions were the firmest were generally the ones who did the negotiating with the representatives of the other groups. If the general wish was for that practice to be continued, then the supporters of all the various bodies of opinion should have an opportunity to be represented in each negotiating group. In other words, if the countries of a particular group had been unable to agree on a joint position, they should be represented in the negotiating group by several representatives supporting each of the differing positions. By far the better procedure, however, would be to discuss all questions in plenary meeting so that the elements of a possible disagreement might be brought into the open, after which the conciliation procedure provided for in resolution 1995 (XIX) would be followed. The important problem of the organization of work must in any case be considered by the Board at its next session because the solution of problems could not be indefinitely postponed. The establishment of the headquarters of the Conference at Geneva should make it possible for all States to be represented on the Board and its organs by delegations large enough to permit consultations.

13. The two draft resolutions before the Second Committee both deserved support, subject to several slight reservations. The first draft (A/C.2/L.833 and Add.1 and 2) corresponded perfectly to the present stage of activities of the Conference, and he hoped that its sponsors would find it possible to make a few changes, already proposed, so that it might be adopted unanimously. As to the second draft (A/C.2/L.836) on transit trade of land-locked countries, his delegation would support it without reservations if, in operative paragraph 2, the sponsors inserted the word "Member" before the word "States". That would be in conformity with the customary practice of the United Nations and, what was more, with the wording of the second preambular paragraph.

14. Mr. PREBISCH (Secretary-General of the United Nations Conference on Trade and Development) said that he was far from experiencing the degree of satisfaction which some representatives had thought they saw in his statement. Actually, the results of the first and especially of the second session of the Trade and Development Board left much to be desired. He had furthermore announced that he would, at the third session, put forward suggestions for improving the conduct of work.

15. As to the optimism which had been attributed to him regarding a future meeting of the United Nations Cocoa Conference, he had merely wished to point

out that he did not share the disappointment that had been felt when the meetings of the Working Party on Cocoa had ended. The Working Party should, of course, have made some provision for short-term measures; it had, on the other hand, put forward some very interesting ideas regarding buffer stocks, the utilization of surpluses and so on. He had made it clear, however, that the implementation of those new ideas would depend on the political willingness of Governments, and he had refrained from making any prior judgements as to whether such a political willingness existed. With regard to sugar, he had not been optimistic at all; he had indicated the great difficulties which remained to be solved and had simply wanted to express his confidence in the forthcoming meetings.

16. Mr. ARKADYEV (Union of Soviet Socialist Republics) said that the consideration of the report of the United Nations Conference on Trade and Development by the General Assembly was the culmination of a struggle of many years for the establishment of an international trade organization. The establishment of such an organization was not an end in itself. What it represented above all was a valuable instrument which would make it possible to reform and normalize international trade on a basis of equal rights and mutual advantage. The efforts made by the advocates of such a reform had not been in vain. The establishment of the Conference and its transformation into an organ of the General Assembly had laid the groundwork for a unique organization whose function would be to deal with all the problems of world trade and of economic development linked with trade.

17. The recommendations of the Conference had not, however, aroused the same enthusiasm, and forces were still abroad that would attempt to make them meaningless. That must not be a reason for discouragement, and there must always be a readiness to repulse the attempts of those who were hostile to the establishment of a new structure of international trade founded on an equitable international division of labour which would, in particular, guarantee the rapid economic growth and an improvement in the level of living of the developing countries. To be sure, the permanent machinery of the Conference was no panacea, and the implementation of the recommendations adopted at Geneva would require a long and determined effort. The report before the Committee nevertheless proved that the Trade and Development Board and its organs represented an extremely valuable instrument for action. That instrument could not become effective, however, unless the permanent organs of the Conference were determined at the outset to solve the urgent problems of intensifying international trade and economic development in the interest of all countries of the world without exception.

18. In that connexion, his delegation was deeply concerned over the deterioration in the terms of trade of the developing countries. The grave economic difficulties of those countries were the consequence of an irrational division of labour, that was to say, of a survival of the colonial domination for which the imperial Powers bore the entire responsibility. Complete decolonization and the elimination of all

the consequences of colonialism constituted a prior condition for any radical improvement in the trade situation of the developing countries. The key to the problem was to be found in the transformation of the foreign trade of those countries into an effective instrument that would serve the purposes of the national plans for economic development. That did not, of course, mean any neglect of a question as important as intensifying and reforming trade between countries with different economic and social systems. His delegation was pleased that the Trade and Development Board had decided to continue with the consideration of that problem at its third session.

19. The principles of international trade relations and of trade policy which had been adopted by the Conference were more important today than ever before. In order to be convinced that that was true, it was sufficient to recall the attempts of the United States to set up an economic blockade of Cuba and the aggressive manoeuvres being carried out by that country in other parts of the world in flagrant disregard of the United Nations Charter and the principles adopted at Geneva. The permanent machinery of the Conference must defend those principles and reject all the efforts to distort them and make them meaningless that were being made by the circles which wanted to perpetuate despotism and plunder in international trade. International trade relations, as had been proclaimed by the first session of the Conference, must be based on the principles of non-discrimination and the most-favoured-nation treatment.

20. Implementation of the Geneva recommendations was the principal task of the Trade and Development Board and its subsidiary organs. While the Board must not set unrealistic objectives, it must concentrate on devising specific measures for solving the urgent problems. Among those problems were: the elimination of the obstacles to trade between countries having different economic and social systems, elimination of the negative factors affecting the primary commodity markets, and the conclusion of international stabilization agreements providing for remunerative prices. The Board and the Committee on Commodities must continue their consideration of the question of preferences. His country understood and supported the developing countries that wanted to find additional markets for their manufactured and semi-manufactured products in the developed capitalist countries. Attention must also be given to practical measures for applying the Conference's decisions regarding the granting of government loans to the developing countries at an interest rate of not more than 3 per cent, the amortization proceeds to be used as far as possible for the purchase of raw materials and manufactured products in those countries.

21. The Board and its Committee on Shipping must study the questions relating to transport and freight rates and must, in particular, make recommendations for the elimination of all forms of discrimination practised both by Governments and by private companies and propose measures for preventing arbitrary blockades of the kind imposed on Cuba.

22. The achievement of those objectives could not but strengthen the role and authority of the Board and

its organs. In addition, the establishment of the permanent machinery of the Conference should be accompanied by a reorganization of the work of the Economic and Social Council. The Council must no longer concern itself with the implementation of the programmes for the development of international trade, but it could, particularly through the regional economic commissions, assist in carrying out the decisions of the Conference. The regional economic commissions might be invited to help the organs of the Conference in giving effect to the Conference's decisions and to make provision in their programmes for activities in the field of trade and development that would be carried out in close co-operation with those organs.

23. The General Assembly should ensure that the work of the Trade and Development Board was focused on a solution of the urgent problems of international trade. The Soviet Union, for its part, attached the highest importance to the implementation of the Conference's recommendations. Its trade with all groups of countries had increased still further during the period following the Conference. At the present time, the USSR maintained trade relations with more than ninety countries and the volume of its foreign trade exceeded \$15,000 million. During the first half of 1965, trade between the Soviet Union and the developing countries had risen by approximately 20 per cent and Soviet imports from those countries by 37 per cent. The USSR maintained trade relations with more than fifty developing countries in Asia and Africa and had concluded trade agreements with thirty-eight of them. During the last eighteen months, such agreements had been concluded for the first time with Kenya, Uganda, Congo (Brazzaville), Madagascar and Sierra Leone. Long-term agreements had been concluded with Iran, Tunisia, Ceylon and Pakistan.

24. Soviet trade with the developing countries was an important factor in their economic development, helped to strengthen their economic independence and was often closely related to the assistance given to them by the USSR. The Soviet Union was carrying out gigantic economic development plans requiring the mobilization of all its resources. At the same time, the Soviet people and Government regarded assistance to the young independent States as an international duty. Thus, during the last few years alone, the credits made available to the African-Asian countries had risen to 3,500 million roubles. The USSR was striving to enable the developing countries to pay back their debts through their traditional exports and industrial products, including those manufactured by their new industries. That system of trade ensured that a great many developing countries could carry out their national development programmes without incurring further foreign exchange expenditure and offered them new markets for their production.

25. During the last few years, the USSR had also expanded its trade with a number of the economically advanced capitalist countries. That trend was perfectly normal, because objective economic laws obliged all countries, including the developed market-economy countries, to increase their trade and to make better use of the advantages of the international division of

labour. It should not be forgotten that that trend had been restricted by a series of artificial and discriminatory obstacles set up by certain Western countries, a situation which generated mistrust and uncertainty and poisoned the political atmosphere. On the other hand, co-operation between the Soviet Union and the fraternal countries of the socialist camp had been strengthened still further during the current year.

26. In endeavouring to normalize its international trade relations, the Soviet Union was not pursuing any selfish aims. Its economy depended least of all on the influence of the world capitalist markets. The development of sound and mutually beneficial economic ties, which had recently been called for by the United Nations Conference on Trade and Development, was very important and was in line with the common interests of the peoples. At the same time, it was also a natural and good foundation for the improvement of political relations, since politics could not be divorced from economics.

27. Mr. MEMMI (Tunisia) thought it was the Committee's duty to carry out not a meticulous examination of the numerous principles and recommendations contained in the Final Act of the United Nations Conference on Trade and Development but rather the widest possible exchange of views on the progress made by the Trade and Development Board, the difficulties it was encountering, and the action that could be suggested in order to help the new body to achieve its objectives as quickly as possible. His delegation was convinced that the Secretary-General of the Conference would be able to give the new body the necessary impetus so that it would become the real United Nations centre for framing a better international trade policy and seeking equitable solutions to the manifold problems posed by economic development.

28. His delegation had studied with great interest the report of the Trade and Development Board on its first session (A/6023) and was gratified by the excellent work which had enabled the Board to start off on a fairly sound legal basis and to draw up an effective programme for tackling those problems which it considered to be of absolute priority for the developing countries. But it was the report on the second session (A/6023/Add.1) which seemed to be of the greatest importance to the Committee since it contained very pertinent information about the activities of the Board and its subsidiary organs and about the work done and progress made in achieving the objectives set by the first session of the Conference.

29. In connexion with that interesting balance-sheet, it could only be regretted that the implementation of the Conference's recommendations had so far proceeded at such a slow pace. The lack of urgency shown by the developed countries in taking the necessary national measures to minimize the adverse effects on the exports of the developing countries could only worsen the economic situation of the latter and make the development of the world economy even more precarious. The Rapporteur of the Trade and Development Board had expressed pessimism about the deterioration in the export markets for the developing countries

(A/6023/Add.3). The drop in the prices of the main products of those countries had continued to worsen, thus causing a serious disequilibrium in their balance of payments, a reduction in their export receipts and foreign exchange reserves and, lastly, a slackening in their development effort. Admittedly, the Board had already taken steps to organize international conferences for the study of short-term remedial action in the case of certain commodities such as cocoa, sugar and coffee, but there were other commodities, such as lead, zinc and copper, which were still subject to price fluctuations, and it was high time to consider them individually in the light of their importance in international trade. Moreover, the problem of preferences for the manufactures and semi-manufactures of the developing countries had not yet been solved, despite the efforts of the Special Committee on Preferences that had been set up for that purpose. His delegation hoped that the Committee on Invisibles and Financing related to Trade would be more successful and would manage to overcome the innumerable difficulties impeding the development of the poor countries. Admittedly, it was not possible at the present stage to review all the work done by the Board and its subsidiary organs, but his delegation once again appealed to the rich countries to display the greatest possible spirit of understanding and co-operation.

30. The United Nations Conference on Trade and Development was beginning to make slow progress toward the objective of adjusting the national policies of its members to the needs of the developing countries. If both sides showed a spirit of conciliation and a sincere desire to solve the problems, the work undertaken would assuredly be sound and effective. It was in that spirit that his delegation had become a sponsor of draft resolution A/C.2/L.833, in the hope that the draft would give rise to no major objections and could be adopted unanimously.

31. Mr. DELGADO (Senegal) thanked the Secretary-General of the Conference for having outlined the general direction that the Conference's activities might take in the months ahead. Senegal wished to reassure him of its full confidence in his untiring efforts to ensure that the new body operated in the most promising conditions. His delegation had already stated that it had enthusiastically welcomed the establishment of the Conference. It was accordingly happy to note that the organizational matters and the establishment of the different bodies of the Conference had been decided. Nevertheless, the report of the Board did not appear to be a particularly positive balance-sheet and, while it was still too early to make an overall evaluation of the results achieved, it was disturbing to note that the industrialized countries so far did not seem willing to heed the Conference's recommendations or to implement them. It was to be hoped that that was only a temporary attitude, because, otherwise, the whole spirit of Geneva would be placed in jeopardy.

32. In the report of the Special Committee on Preferences (TD/B/C.2/1 and Corr.1 and 2 and Add.1), the work of the Committee had been on the subject of objections of principle and, with the exception of the positive measures advocated by Belgium and Australia, had led to no practical results. However,

there had merely been a first exchange of views on a very complex problem.

33. The commodity market situation was even more alarming. The first session of the Committee on Commodities had also been devoted to organizational matters. Agreement had been reached on a programme of work and a list of commodities requiring immediate action had been drawn up. However, the steady decline in prices, which seriously jeopardized the development of the countries concerned, was a constant source of anxiety and the producer countries could not remain inactive. The representative of Cameroon had rightly recalled that fact in connexion with cocoa (1005th meeting), the price of which had fallen from £200 to £90 a ton. With regard to ground-nuts, which constituted 79 per cent of Senegal's exports, the present level of prices on world markets had, owing to fluctuations, resulted in an annual loss of \$24 million. The appearance on the market of synthetic products or substitutes merely aggravated the situation. Accordingly, it was to be hoped that the action of the Committee on Commodities would be constructive.

34. On the other hand, the adoption of the Convention on Transit Trade of Land-locked States by the Conference of Plenipotentiaries, which had been convened for that purpose, was gratifying. Senegal, which was an important transit country, had taken an active part in that work both in the expert groups and at the Conference. Admittedly, the results were not entirely satisfactory, but further advantages could be obtained only through bilateral negotiations.

35. Consideration of the over-all problem of the Conference as an instrument to promote trade and development led to the conclusion that the industrialized countries should follow the economic course of history and agree to co-operate in order not to frustrate the hopes fostered by the first session of the Conference. Their difficulties in applying those recommendations were, of course, understandable; hence the scope of the dialogue must be enlarged and realistic use made of the conciliation machinery which had been provided in order to find possibilities of agreement. What was needed was a common political will. The Conference should not be regarded as a battleground between the rich and the poor, but rather as an effective instrument based exclusively on the principles of international co-operation and human solidarity.

36. In view of those considerations, his delegation had become a sponsor of draft resolution A/C.2/L.833 and hoped that it would be adopted unanimously.

37. Mr. MWINGA (Zambia), referring to draft resolution A/C.2/L.836, said that his own and other land-locked countries had for some time been calling for an examination of the problem of their transit trade. As long ago as 1957, the General Assembly had adopted resolution 1028 (XI) in which it recognized the importance of the problems of the land-locked countries. In the same spirit, the United Nations Conference on Trade and Development had requested the Secretary-General of the United Nations to set up a committee to represent the land-locked countries and other States concerned, which would be entrusted with the drafting of a new convention on transit trade of

land-locked States. The United Nations Conference on Transit Trade of Land-locked Countries, held in 1965 under the auspices of the United Nations Conference on Trade and Development, had adopted the Convention unanimously. That was the first tangible result of the recommendations of the Conference on Trade and Development. Admittedly, the land-locked countries were not entirely satisfied with the Convention, the provisions of which had not yet been put into force; but it was worth noting that, for the first time in the history of trade relations, a serious effort had been made to determine the needs of land-locked countries and to seek the means of meeting those needs. The land-locked countries had a twofold problem—that of access to the markets of the developed countries and that of access to the sea.

38. Draft resolution A/C.2/L.836 in no way prejudged the Trade and Development Board's study of the issue. The Board's decision to refer consideration of that item to its third session did not prevent the Second Committee from studying and adopting a resolution such as the one before it. It was a simple text which basically stressed two items. In operative paragraph 1, the General Assembly reaffirmed, as the Conference of Plenipotentiaries had already done, the eight principles relating to transit trade of land-locked countries laid down in the recommendation A.L.2 of the United Nations Conference on Trade and Development. Those principles fully protected the interests of the transit countries, which could take any measures to ensure that the exercise of the right of free transit would in no way affect their legitimate interests. Moreover, the principles governing the right of land-locked countries to free access to the sea in no way abrogated the agreements already in force between two or more parties any more than they constituted an obstacle to the conclusion of such agreements in the future.

39. With regard to operative paragraph 2, he wished to make a correction which had been pointed out to him by the Secretariat. It was not the Conference of Plenipotentiaries, but the Convention which had set 31 December 1965 as the latest date for signature. The Italian and other delegations had, incidentally, expressed reservations regarding that paragraph and had proposed some amendments to it. The sponsors might therefore draw up a revised text reading, say, as follows:

"Requests that the Convention be signed by 31 December 1965 and ratified as soon as possible or adhered to by the parties concerned after that date, in order to promote the economic and social development of the land-locked countries through international trade;"

40. He was glad to announce that Chad, the Sudan, and Yugoslavia had joined the sponsors of the draft resolution. He hoped that the resolution would leave no room for ambiguity regarding its intentions so that it could be adopted unanimously.

41. Mr. WANGCHINDORJ (Mongolia) said that his delegation was one of the sponsors of draft resolution A/C.2/L.836 and welcomed the adoption of a Convention which would guarantee free transit to land-locked

countries, since that was a basic condition for the expansion of world trade.

42. Mongolia did not have the same problem as the other land-locked countries, since it had satisfactory arrangements with the neighbouring countries, in particular the USSR, which had always demonstrated considerable goodwill in that connexion. Mongolia nevertheless considered that the provisions of the Convention encouraged the expansion of international trade and, consequently, the progress of the developing countries, and therefore hoped that the draft resolution would be adopted unanimously.

43. Mr. OSANYA NYNEQUE (Kenya) said he proposed to speak later on draft resolution A/C.2/L.836, which was of more than passing interest to his country.

44. With regard to draft resolution A/C.2/L.833, the statements made to the Committee on the report of the United Nations Conference on Trade and Development revealed, on the whole, some dissatisfaction. The basic problem of the developing countries seemed to reside in the external direction of their economy, which had two essential aspects—the direction of trade, and the composition of exports; for those countries were primarily dependent on their exports, and the slightest detrimental change in their markets automatically affected their income. Moreover, since their economies were largely based on a single commodity, any decline in the prices of those commodities also affected their earnings adversely. It had, however, emerged from the second session of the Trade and Development Board that the developed countries still refused to implement the recommendations of the Geneva Conference. He was therefore glad to note that operative paragraph 6 expressed the General Assembly's serious concern at that situation. He hoped that the adoption of the draft resolution would induce the developed and the developing countries to co-operate more closely in their attempts to solve an annoying problem which interfered with the trade of the developing countries.

45. Mr. TARDOS (Hungary) said that his country, which was a member of the Trade and Development Board, was not entirely satisfied with the Board's progress in solving its organizational problems.

46. As a land-locked country, Hungary attached great importance to the problem of transit trade and hoped that draft resolution A/C.2/L.836 would be adopted unanimously.

47. His delegation was also willing to support draft resolution A/C.2/L.833 but would like to suggest a few amendments in the operative part of the text. In paragraph 10 the words "Calls upon" should be replaced by the word "Invites". In the second line of the English text the word "reporting" should be replaced by the word "informing"; and the phrase "in the work to be carried out in response to" should be replaced by the words "in carrying out".

AGENDA ITEM 47

World campaign for universal literacy: report of the Secretary-General (concluded)

ADOPTION OF THE COMMITTEE'S DRAFT REPORT (A/C.2/L.823)

48. The CHAIRMAN invited the Committee to consider the draft report (A/C.2/L.823).

49. Mr. SUAREZ (Philippines) requested that reference be made in paragraph 7 of the report to the wish expressed by his delegation at the 981st meeting to join the sponsors of resolution A/C.2/L.803/Rev.1.

It was so decided.

The draft report (A/C.2/L.823), as amended, was adopted.

AGENDA ITEM 48

United Nations Institute for Training and Research: reports of the Secretary-General (concluded)

ADOPTION OF THE COMMITTEE'S DRAFT REPORT (A/C.2/L.831)

50. The CHAIRMAN proposed the adoption of the draft report (A/C.2/L.831).

The draft report (A/C.2/L.831) was adopted.

AGENDA ITEM 39

Establishment of a United Nations capital development fund: report of the Committee on a United Nations Capital Development Fund (concluded)

ADOPTION OF THE COMMITTEE'S DRAFT REPORT (A.C.2/L.830)

51. Mr. RAMAHOLIMIHASO (Madagascar), Rapporteur, said that the USSR delegation had requested that the text of the amendments to draft resolution A/C.2/L.796/Rev.2 which it had submitted at the 986th meeting should be incorporated in the report. That request raised a point of principle, for the text of the USSR amendments had not been distributed as an official document of the Committee.

52. Mr. MASLENNIKOV (Union of Soviet Socialist Republics) read out the text of the said amendment, which dealt with operative paragraphs 3 and 5 of the draft resolution respectively, and repeated his delegation's request.

53. The CHAIRMAN said that, in principle, the report could only refer to documents having a symbol number. The Committee could, however, by way of an exception, comply with the USSR delegation's request, but it should not be regarded as creating a precedent.

54. Mr. BLAU (United States of America) saw no objection to compliance with the Soviet request, but stressed that for the sake of completeness, the report should indicate that the USSR delegation had not pressed its amendments. He therefore proposed that that fact should be mentioned in the report.

It was so decided.

The draft report (A/C.2/L.830), as amended, was adopted.

The meeting rose at 6.10 p.m.