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Chairman: Mr. Janez STANOVNIK (Yugoslavia).

AGENDA ITEMS 12, 29 AND 74

Report of the Economic and Social Council (chapters II (sections I, II and III A, except paragraphs 189-198), III, IV and VII (section I and paragraph 645)) (A/4415) (continued)

Economic development of under-developed countries (continued):

- (a) International flow of private capital: report of the Secretary-General and recommendations thereon by the Economic and Social Council (A/4487, E/3325 and Corr.1-3);
- (b) Question of the establishment of a United Nations capital development fund: report of the Secretary-General (A/4488, E/3393, E/3393/Add.1-4);
- (c) Methods and techniques for carrying out a study of world economic development: report of the Secretary-General and comments thereon by the Economic and Social Council (A/4489 and Add.1, E/3379, E/3379/Add.1-7);
- (d) Promotion of wider trade co-operation among States: report of the Secretary-General (A/4490, E/3389)

Land reform (A/4439) (continued)

CONSIDERATION OF DRAFT RESOLUTIONS (A/C.2/L.494/REV.1) (continued)

1. Mr. PENTEADO (Brazil), introducing his delegation's draft resolution on the development of the petroleum industry in less developed countries (A/C.2/L.494/Rev.1), recalled that in the course of the session, as at previous sessions, many members of the Committee had announced their Governments' intention of continuing to assist the economic development of under-developed countries. Some of them had even stated that they would use every effort to increase the flow of assistance. His delegation had every reason to be grateful for what most of those countries had done and were doing. However, although all forms of assistance were welcome, there was one which was preferable to any other because it involved no loss to the donor and no humiliation to the recipient. He was referring to assistance in the form of loans rather than grants. It was obviously difficult to generalize, for conditions varied considerably from country to country. A grant programme might well have no humiliating aspect, as in the case of the Marshall Plan which had enabled Europe to be reconstructed in a relatively short time. However, the reconstruction of the war-devastated countries could not be compared with the economic and social development of the under-developed countries. What had had to be done in Europe after the war was entirely different from what needed to be done now in Africa, Asia and Latin America.

2. Brazil was on the border line between the under-developed countries and the relatively industrialized countries. The State of São Paulo, with its capital city of São Paulo, the largest in Brazil, had a cosmopolitan population of nearly 4 million people and a remarkable concentration of industrial activities. A number of delegations had stressed the importance of industrialization as a means of eliminating under-development. Industrialization was an ideal instrument in a country such as Brazil where the national market had

enormous potentialities. The population of Brazil, which was now nearing 70 million, would probably be 100 million within twenty years. To give some idea of what a domestic market of 100 million consumers would represent, he would point out that thirty-two years ago the United States, with a population of 120 million, was the most highly industrialized country in the world, and enjoyed an extremely high standard of living. At that time, United States external trade represented only about 6 per cent of its total trade. The immense national market had been enough to sustain a flourishing industry between the First and the Second World War.

3. With the assistance it had so far received, Brazil had succeeded in attaining a moderate but unsatisfactory scale of industrialization. There were limits to what countries like Brazil could do without the assistance of outside technology and foreign capital to develop their petroleum industry and thus accelerate their industrial development, which must be speeded up in order to prevent further deterioration in the already very low standards of living. In order to develop their petroleum industry, the key to industrialization, Brazil, and probably a number of other countries, were forced to ask the highly industrialized countries for technological assistance and capital.

4. The development of the petroleum industry raised a number of very complicated questions, which varied according to countries. He used Brazil as an example in order to demonstrate the usefulness of the draft resolution which he had placed before the Committee. In an article in *The New York Herald Tribune*, Walter Lippmann had said, after a trip to Brazil, that although under-developed, Brazil was far from primitive or backward and that its human and natural resources, social tradition and social order offered sound prospects for the future. He had added that Brazil enjoyed exceptional freedom and strong leadership. When Brazil had had to face the problem of petroleum, the Brazilian Government had been unable to disregard the international difficulties which had arisen between the under-developed petroleum-producing countries and the industrialized countries which supplied them with technical knowledge and capital. To avoid the predicament which had confronted so many under-developed countries, in other words to protect national interests but at the same time avoid misunderstandings with friendly nations, the Government, strongly supported by public opinion, had set up a State petroleum monopoly. In 1953, it had established *Petroleo Brasileiro S.A.*, Petrobras for short. Through Petrobras, petroleum production had risen from 2,100 barrels in 1940 to 24 million barrels in 1959. The Brazilian oil fields extended over an area of about 3 million square kilometres. Oil refineries had been built. Petrobras owned a fertilizer plant and was building a synthetic rubber plant with a production capacity of 40,000 tons annually. It also owned 34 tankers. All those activities had meant a great deal of sacrifice, because they had been carried out without external financial help, apart from a few short- and medium-term loans at a very high rate of interest. The Brazilian Government had always refused to allow private undertakings to participate in the Brazilian petroleum industry.

5. The only request made in the draft resolution was that the Secretary-General should give high priority to a study of the possibilities of international co-operation in the granting of long-term low interest credits to the

petroleum industry in less developed countries. That was a very modest request and on the face of it even the delegations representing countries which had so far refused to contribute to the development of the petroleum industry in less developed countries could not object to a study of possibilities of assistance in that field.

6. Some delegations had been surprised that the Brazilian delegation should ask for a study of possibilities of financial assistance to the petroleum industry when it had criticized the loans made by IBRD to an African country to expand its coffee production. Although it was true that there was at present overproduction of both petroleum and coffee, Brazil nevertheless needed to develop its petroleum industry, not only to prevent the outflow of foreign exchange and its disastrous repercussions on the balance of payments, but also to open its hinterland to civilization. At present, despite the substantial savings achieved through Petrobras, imports of petroleum products still cost Brazil nearly \$300 million a year. With a little external financial assistance, Brazil would be able to produce enough petroleum to save those \$300 million every year and expand its communications network.

7. In order to develop its automobile industry, Brazil had been forced to restrict imports of luxury cars. It realized that the situation was abnormal, but if it eased the import restrictions, the Brazilian market would be flooded with foreign cars, the consumption of gasoline would shoot up and the national automobile industry, which was now expanding rapidly, would be seriously injured. The effect of such measures on the balance of payments would be disastrous.

8. He had heard rumours that countries from which Brazil was at present buying petroleum would vote against the draft resolution because they would lose a buyer if Brazil was able to supply its own needs. He could not take that idea seriously. Brazil was partly a tropical country and produced very nearly the same primary commodities as Africa. Nevertheless, it had played an important part in the establishment of the Economic Commission for Africa, although it knew that the Commission would enable Africa to compete with Brazil in all its traditional markets. However, Brazil had no regrets at having contributed to the strengthening of the African economy.

9. He stated in conclusion that he had decided to delete the sixth preambular paragraph of his draft resolution.

10. Mr. FINGER (United States of America) said that he had listened with great sympathy to the Brazilian representative's statement and his description of his country's efforts and progress in the field of industrialization. His delegation would, however, have some difficulty, for reasons of principle, in supporting the draft resolution. The same problem had arisen at the fourteenth session, when a number of delegations, including his own, had taken the view that the General Assembly should not single out a particular industry or commodity; such problems should be dealt with by the competent specialized agencies, the functional commissions of the Economic and Social Council, and the regional economic commissions. The General Assembly had always studied the general aspects of industrialization. The specialized bodies he had mentioned, or possibly the Committee for Industrial Development, should undertake specific studies of the

kind contemplated and the studies should take into account the role of private as well as of public capital. It had already been pointed out that a resolution of the type under consideration could not help the under-developed countries, since none of the existing bodies furnishing assistance could provide capital for petroleum prospecting, extraction and refining, because such investments involved very large sums of money and considerable risks. It had been estimated that a total of \$65,000 million would be required for the development of the world petroleum industry, outside the Soviet Union and the countries of Eastern Europe, over the next five years and given the demand for public capital in other sectors, little public capital would be available for the petroleum industry, whereas there was no shortage of private capital in that field. For those reasons the proposed study should be a balanced one.

11. Mr. SERBAN (Romania) welcomed the Brazilian delegation's initiative in submitting a draft resolution on petroleum, in view of that commodity's special importance. The argument that the General Assembly should not single out a particular commodity could not be applied in the case of petroleum. Petroleum was one of the most important fuels and supplied over 50 per cent of the world's steadily growing energy requirements.

12. In 1958, when a draft resolution on the subject had been submitted to the Assembly,^{1/} many delegations had taken the view that the proposal served no useful purpose and it had been argued that the petroleum question should not be discussed in the United Nations. Nevertheless, the question had been taken up in the Second Committee during the fourteenth session and resolution 1425 (XIV) had been adopted by the Assembly. In the course of the debate (621st, 633rd and 636th meetings), various measures had been suggested, including the convening of a group of experts to work out the fundamental principles governing international co-operation and the use of the United Nations technical assistance programmes. Resolution 758 (XXIX) of the Economic and Social Council invited the Secretary-General and the Executive Chairman of TAB to continue to provide assistance at the request of Governments. The figures for expert assistance and fellowships in the field of petroleum resources development provided between 1950 and 1959, as given in the annex of document E/3324,^{2/} were significant and unfortunately showed that technical assistance activities in the field of petroleum had been negligible.

13. The question of profits in the petroleum industry was one that might be discussed at length. As the Ceylonese representative had said in the Second Committee during the thirteenth session (575th meeting), it was a fact that the petroleum industry attracted a high proportion of the available private capital, and purchases of petroleum imposed a heavy strain on balances of payments of the under-developed countries.

14. The United Nations should collect data concerning petroleum. In 1955, "The Price of Oil in Western Europe" (E/ECE/205) had been issued by ECE, which had studied the question without being requested to do so in a draft resolution. A similar study might be

undertaken on a world scale and made available to Members of the Organization. The Secretariat could prepare such a study, even if there were no resolution requesting it to do so. Some under-developed countries had, or believed they had, untapped petroleum resources. As yet no real estimate of such resources had been made. A United States scientist had said that West Pakistan was possibly one of the world's richest areas, but Pakistan had difficulty in developing its resources. There was no need to emphasize the importance of the proposed studies to the less developed countries.

15. Turning to the text of the draft, he said it was his delegation's understanding that the international co-operation mentioned in the fourth preambular paragraph and operative paragraph 1 included bilateral aid between States. He would suggest that the words "including that provided" should be inserted after the phrase "economic aid" towards the end of the fourth preambular paragraph and that the words "including co-operation" should be inserted after "international co-operation", in operative paragraph 1.

16. Mr. SILVA SUCRE (Venezuela) said that his delegation had given the most careful consideration to the Brazilian draft resolution. His Government was keenly interested in petroleum problems and thought it most important that they should be considered. His delegation would, however, have some difficulty in taking a position with regard to the Brazilian draft resolution. The draft had been submitted by a Latin American country, and Venezuela was anxious to advance the interests of Latin America within the world community. Further, the draft suggested that a study should be made of the possibilities of international co-operation in the granting of long-term credits to the petroleum industry in less developed countries and no one could oppose such a study. On the other hand, it seemed inadvisable for the General Assembly to make specific recommendations about a particular commodity. If it did so, the Second Committee would soon find itself discussing all kinds of detailed or technical questions, whereas its real function was to frame the Organization's general economic policy. Specific problems should be studied by subsidiary organs and the Committee for Industrial Development would seem qualified to study the question of the development of the petroleum industry in less developed countries.

17. Mr. FLERE (Yugoslavia) thought that steps should be taken to promote the financing of the petroleum industry in less developed countries. At present, national and international financing agencies were reluctant to give assistance in that field, an attitude that was unjustified since they were taking an increasing part in financing other energy industries, including coal and electricity. While special difficulties were admittedly involved in financing the development of the petroleum industry in under-developed countries, that strengthened the case for undertaking a study on the lines suggested in the draft resolution. The study would tend to promote the development of petroleum resources in the countries concerned. As the demand for petroleum would be very heavy during the next ten years, the development of the petroleum industry in the under-developed countries would benefit the whole world community.

18. Mr. SERAFIMOV (Bulgaria) said that the Brazilian draft resolution was of great importance to the development of under-developed countries. The third

^{1/} Official Records of the General Assembly, Thirteenth Session, Annexes, agenda item 28, document A/4054 and Add.1, para. 38.

^{2/} Official Records of the Economic and Social Council, Twenty-ninth Session, Annexes, agenda item 6.

preambular paragraph emphasized the role of the development of petroleum resources. Outside the socialist countries, 80 per cent of petroleum deposits were in the under-developed countries. In many cases, however, those countries did not control their own natural resources, including petroleum, and most of the crude petroleum produced was exported to the capitalist industrial countries for refining. The consequence was that the under-developed countries received only a fraction of the profits which they would otherwise have received from the sale of their petroleum. The development of the petroleum industry was also important to countries which had no refineries and were forced to import motor fuel and other refined petroleum products, at a great cost in foreign currency. For those reasons it was urgent to take steps to enable the under-developed countries to exploit their own petroleum resources and to develop their petroleum industries. The under-developed countries needed capital and equipment for that purpose. The Brazilian draft resolution was an attempt to answer that need, since the industrial countries would be asked to help the under-developed countries, through bilateral agreements or through the United Nations, to find new deposits and to build up a petroleum industry. No one could oppose action likely to encourage the development of the industry, which would be a source of wealth for under-developed countries.

19. Petroleum had become an absolutely essential commodity. There was no over-production of petroleum, since requirements were increasing. The object should be to bring about a more equitable distribution of wealth throughout the world and, to achieve that end, the under-developed countries should be helped to build up local petroleum industries, which would increase their resources. It should not be forgotten that in many cases crude petroleum prices in under-developed countries were arbitrarily fixed by foreign monopolies. The advances made by the Bulgarian petroleum industry, with the disinterested aid of the Soviet Union, provided a good example of economic development. Bulgaria produced 300,000 tons of crude petroleum a year and was building a refinery with a capacity of 2 million tons.

20. The Brazilian draft resolution marked a step forward from Economic and Social Council resolution 758 (XXIX) and his delegation fully supported it.

21. Mr. CHERNYSHEV (Union of Soviet Socialist Republics) said that his delegation had studied the Brazilian draft resolution with interest. It contained useful directives for action to be taken by the United Nations and its organs in the study of petroleum problems. Petroleum was one of the principal sources of finance for the economic development of under-developed countries and it was gratifying to note that the United Nations had for some years been giving increased attention to the problem of establishing a national petroleum industry in those countries. Its efforts in that direction should be intensified. Unfortunately the Organization had as yet done nothing to ensure that the peoples of the under-developed countries, which had the right to dispose of their own natural wealth, should get the main benefit from their petroleum resources.

22. The Brazilian draft resolution advocated working out measures that would facilitate the establishment of a national petroleum industry in the under-developed countries, and his delegation would therefore support it.

23. Mr. RODRIGUEZ (Chile) said that in regard to petroleum his country was in a very similar situation to that of Brazil, and had entrusted the prospecting, extracting and refining of petroleum to a national enterprise. Thanks to action taken by the Government, Chilean production of petroleum had increased and was now sufficient for the transport needs of the country. That result had been achieved only through great sacrifices, since Chile had been able to secure for the purpose only a few short-term loans at high rates of interest. His delegation was therefore particularly interested in operative paragraph 1 of the draft resolution, requesting the Secretary-General to give high priority to a study of the possibilities of international co-operation in the granting of long-term low interest credits to the petroleum industry in less-developed countries. Although the draft resolution had caused certain misgivings and had given rise to certain policy objections, it deserved very thorough consideration. In his delegation's view, the question should be referred to the Economic and Social Council, which was the organ competent to discuss the draft resolution, on the clear understanding that the matter was not to be shelved but to be examined in detail.

24. Mr. PENTEADO (Brazil) said that he was prepared on the whole to accept the Romanian representative's suggestions provided that the word to be used in the fourth preambular paragraph and in operative paragraph 1 was not "including" but "in particular".

25. He could accept the United States representative's suggestion that the proposed study should be entrusted to the Committee for Industrial Development provided that the rules of procedure permitted the Committee to transmit the draft resolution to the Council with the recommendation that the study should be entrusted to that Committee.

26. Mr. FINGER (United States of America) thanked the representative of Brazil for his ready response. He saw no reason why the draft resolution should not be examined by the Committee for Industrial Development. In fact, it seemed quite natural that the Economic and Social Council should ask that Committee to examine it. As for the proper procedure for transmitting the text to the Council, it should be possible to find a satisfactory formula.

27. Mr. SERBAN (Romania) said that if the representative of Brazil was prepared to allow his draft resolution to be transmitted to the Economic and Social Council and to the Committee for Industrial Development he would not press his amendments.

28. Mr. MAHDAVI (Iran) thought that the Second Committee should not undertake the study of a question relating to one particular industry. In practice it would be difficult for it to stop at the problem of petroleum, since certain countries had keen interests in other industries. It was true that in the past the Committee had initiated discussions on a particular point, but in each case it had referred the question to the Economic and Social Council. It was therefore preferable not to proceed any further in the present instance. The study of the development of the petroleum industry in the less developed countries was, moreover, the province of a technical organ. He accordingly appreciated the Brazilian representative's conciliatory attitude in accepting the idea of transmitting his draft resolution to the Economic and Social Council.

29. Mr. HASSAN (Sudan) recalled that his delegation, together with the United Kingdom delegation, had already submitted a draft resolution of the same kind to the Economic and Social Council at its twenty-seventh session.^{3/} His country was keenly interested in the question of petroleum resources and welcomed the continued attention given to the problem by the Committee. It was to be hoped that the Committee for Industrial Development would make a careful study of the Brazilian draft resolution.

30. Mr. CAMARA Sihé (Guinea) said that the draft resolution would be of great value to the under-developed countries. He suggested two changes which would improve the wording. First, he thought that in the third preambular paragraph the word "vital" should be replaced by the word "real", since, although the petroleum industry was one of the chief elements in the economy of under-developed countries, it was not of vital importance to all such countries. Moreover, the word "vital" did not appear in the resolutions mentioned in the preamble. Secondly, he thought that the word "development" towards the end of that same paragraph should be replaced by the words "economic and social progress".

31. The CHAIRMAN read out the following text proposed by the Secretariat for the decision transmitting the Brazilian draft resolution to the Economic and Social Council:

"The Committee agreed that the text of the revised draft resolution (as modified by the sponsor) and the relevant summary record should be transmitted to the Economic and Social Council at its resumed thirtieth session with the recommendation that they should be forwarded to the Committee for Industrial Development for action."

32. Mr. PENTEADO (Brazil) accepted that wording.

33. The CHAIRMAN said that in that case the draft resolution of Brazil (A/C.2/L.494/Rev.1) could be communicated to the Economic and Social Council.

It was so decided.

The meeting was suspended at 4.45 p.m. and resumed at 5.10 p.m.

AGENDA ITEMS 28, 30, 31 AND 32:

Progress and operations of the Special Fund (A/4415, A/4491, E/3398, E/3401 and Corr.1, SF/L.24 and Corr.1) (continued)

Programmes of technical assistance:

- (a) Report of the Economic and Social Council (A/4415) (continued);
- (b) United Nations assistance in public administration: report of the Secretary-General (A/4589, E/3370) (continued)

Opportunities for international co-operation on behalf of former Trust Territories and other newly independent States: reports of the Economic and Social Council and of the Secretary-General (A/4415, A/4585) (continued)

Question of assistance to Libya: report of the Secretary-General (A/4575, A/4576) (continued)

CONSIDERATION OF DRAFT RESOLUTIONS (A/C.2/L.460 AND ADD.1 AND 2) (continued)

34. Mr. IRWIN (Canada), introducing the draft resolution on United Nations assistance in public administration (A/C.3/L.460 and Add.1-2) said that the intention of the sponsors in submitting it was simply to obtain approval by the General Assembly of the recommendations contained in resolution 790 (XXX) of the Economic and Social Council. The conclusions reached in the reports of the Secretary-General on the provision of technical assistance through the sending of operational, executive and administrative personnel were ample proof that the OPEX programme had produced good results during its first two years of operation. The Governments which had requested the services of operational, executive and administrative personnel had expressed their satisfaction. The United Nations had been able to find qualified officials acceptable to the Governments concerned. The working relations between those officials and the Governments they served had been good.

35. It was important to remember that the success of an OPEX official could best be judged by his ability to train the local personnel that would replace him later. The primary importance attached to that aspect of the OPEX personnel's task should reassure those delegations which had previously expressed doubts about the whole principle of the programme. It was perfectly clear, moreover, that the initiative in that respect belonged to the Governments requesting that type of assistance and that they in fact controlled the programme. The OPEX programme had begun to meet very real needs, which would continue to exist and probably increase for some time to come. The number of officials sent to the countries receiving assistance under the programme was not very great and probably never would be, but the Committee would no doubt agree that those officials could contribute much more to the development of the countries to which they were sent than their small number might suggest.

36. The sponsors of the draft resolution thought that the time had come to put the OPEX programme on a continuing basis and to give it a scope commensurate with the increasing number of requests received for such assistance.

37. In paragraph (c) of operative paragraph 2 of the draft resolution, the sponsors did not give any figure for the financial resources of the programme. In his report (A/4589), the Secretary-General stated that financial allocations of a much larger magnitude than those authorized during the two previous years would be required to meet a more substantial proportion of the requests already received as well as the further requests which were expected from the newly independent countries. In document A/4585, the Secretary-General requested for the period 1961-1962 a supplementary appropriation of \$5 million for the four technical assistance programmes financed with funds allocated from the regular United Nations budget. The Secretary-General stressed the desirability of leaving him the greatest possible latitude in the distribution among the four programmes of the appropriations to be authorized for 1961 and 1962. Because the sponsors considered such procedure to be advisable they had reproduced in paragraph (c) of operative paragraph 2

^{3/} Subsequently resolution 711 B (XXVII) of the Council.

the exact wording of paragraph (c) of Council resolution 790 (XXX).

38. Mr. OMAR (Afghanistan) reviewed the history of the OPEX programme, the idea of which had first been put forward by the delegation of Canada. The programme had been drawn up to provide assistance to under-developed countries, particularly those which resisted colonialism and those which emerged from it, which needed the services not only of experts who could give advice but also of specialists who could do the actual work required while nationals of the countries concerned were being trained to replace them. The under-developed countries' requirements in the way of operational, executive and administrative personnel were the more urgent because those countries wished to carry out development programmes and reform their institutions and administrations. The OPEX programme, which had taken shape on the basis of various resolutions adopted by the Economic and Social Council and the General Assembly, had been in operation for two years as an experiment on a modest scale.

39. The sponsors of the draft resolution thought that the time had come when the OPEX programme should be placed on a continuing basis and the requisite financial resources established at a level appropriate to the needs, as recommended in resolution 790 (XXX) of the Economic and Social Council. The under-developed countries needed the services of operational, executive and administrative personnel if they were to be able to carry out their modernization and development plans in the economic and social fields, as was evidenced by the increasing number of requests for assistance under the OPEX programme. By 31 October 1960, forty-four Governments had requested the services of 212 officials; only thirty officials, however, would have taken up their posts with the recipient Governments by the end of the current year. The Secretary-General had had no difficulty in recruiting competent persons acceptable to the Governments concerned and the latter had expressed their entire satisfaction with the professional qualifications and devotion to duty of the persons already assigned to them. Relations between the internationally recruited officials and the Governments to which they were assigned had been good and the results of the experiment in that respect should suffice to allay the misgivings of the delegations which had opposed the programme on constitutional grounds. The programme should make it possible to train much more rapidly than by any other means the nationals who were to replace the internationally recruited personnel. While it was true that there could be no economic and social development without capital, it was equally true that capital could not be utilized effectively unless it was administered by a qualified, experienced and dedicated staff as a supplement to the work of the Expanded Programme and the bilateral assistance programmes. Until such time as a sufficiently large number of nationals had been trained, provision should be made for remedying the personnel shortage so that the countries concerned would not be obliged to defer their development and modernization programmes, for any delay would only aggravate their condition of economic and social backwardness.

40. It was, of course, for the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee to decide the exact amount of the funds required to enable the OPEX programme to function effectively.

41. U HLA MAUNG (Burma) observed that the need to provide technical assistance in the form of operational, executive and administrative personnel arose directly from the success of the United Nations technical assistance programmes and thus afforded proof of their value. The Governments which, under technical assistance programmes, had had the services of experts who had given them advice in widely varied fields and had acquainted them with new ideas and techniques, had wanted to be able to use those ideas and techniques to carry out their own programmes. But in some fields it was impossible to separate planning from execution; at the same time, some countries had totally lacked nationals capable of applying the ideas and techniques of the international experts, while the latter had despaired of being able to translate their schemes into action. It was with a view to solving those difficulties that the OPEX programme had been drawn up, and the United Nations had carried it out most circumspectly, taking great care to maintain the necessary distinction between expert advisers and operational personnel. After two years it had become quite clear that the programme met a real need and that the way in which it was being carried out did not give rise to any objections. There was accordingly no reason why it should continue on a purely experimental basis.

42. That gratifying development in the field of technical assistance proved that it was a form of aid which could be likened, as the Burmese Government maintained, to a genuinely co-operative undertaking. The recipient Governments and the international personnel had the feeling that they were really working together in a common endeavour. Furthermore, a number of under-developed countries which had already furnished experts under technical assistance programmes were in a position to supply an even larger number of operational, executive and administrative personnel. The under-developed countries which, for historical reasons, had a large number of well-qualified persons available to serve in executive and administrative capacities would be happy to place some of them at the disposal of under-developed countries which were not so well endowed in that respect.

43. His delegation would therefore whole-heartedly support the draft resolution on the OPEX programme.

44. Mr. VAN DER PEYL (Netherlands) said that his delegation had followed with interest the development of the OPEX programme and that the Secretary-General's report to the Economic and Social Council (E/3370 and Corr.1) had convinced it that the experiment had been successful and should be placed on a continuing basis. It had accordingly voted in favour of Council resolution 790 (XXX). The large number of requests for assistance under the OPEX programme afforded proof of its value and the experiment had shown that the Governments concerned were satisfied with the assistance they had received. One important advantage of the programme was that it gave internationally recruited officials an opportunity to train their colleagues and subordinates while they were discharging their own duties. Thus the nationals should soon be in a position to replace the international staff.

45. The figures given in the Secretary-General's report to the General Assembly (A/4589) showed once again that the resources of the programme were not sufficient to meet the need. The Commissioner for Technical Assistance had indicated (694th meeting)

that the figure of 212 requests for assistance under the OPEX programme did not give a true picture of the total demand, for the United Nations was more inclined to dissuade Governments from making such requests than it was to encourage them. It was therefore clear that the small amount of funds so far available for the OPEX programme—\$3,000—seriously limited the scope of its activity. The large number of requests for assistance already submitted or likely to be submitted in the near future by the newly independent countries warranted a considerable increase in the programme's resources. Furthermore, the OPEX programme should also be able to make provision for the requirements of other parts of the world.

46. In adopting the draft resolution the Second Committee would give the Fifth Committee the necessary directives so that the latter could decide the amount of funds to be authorized for the execution and expansion of the OPEX programme.

47. Mr. BOIKO (Ukrainian Soviet Socialist Republic) said that it was clear from the last paragraph of General Assembly resolution 1385 (XIV) that the essential role of the OPEX programme should be to train nationals of the recipient countries so that the latter could assume as early as possible the responsibilities temporarily assigned to the internationally recruited staff. Yet the Secretary-General's report (A/4589) gave no indication of how well that objective had been attained. The document contained only an enumeration of assignments completed and posts which were being continued. The report showed that the United Nations had extended most of the contracts of the internationally recruited staff, which would seem to indicate that the latter had not trained nationals to replace them. The contracts of internationally recruited staff should include a clause stipulating that those experts were recruited for the purpose of training nationals of the countries to which they were assigned.

48. His delegation had not been able to vote in favour of Council resolution 790 (XXX) recommending that the OPEX programme should be placed on a continuing basis and that its financial resources should be increased. The Economic and Social Council had not estimated the amount that would be required to enable the programme's resources to meet existing needs and he would like to know how and by whom such an estimate was to be made. In document A/4585 the Secretary-General requested an additional appropriation of \$5 million for 1961 for the four United Nations technical assistance programmes, including the OPEX programme. The Secretary-General also stated that the total amount required to meet the requests for assistance submitted by the newly independent countries alone would be of the order of \$10 million and that the Secretariat would have to give certain requests priority over others. His delegation thought that the Secretariat, which it had good reason to criticize, should not be allowed to possess that means of bringing pressure to bear on Governments requesting technical assistance. Although in favour of granting as much technical assistance as possible to the newly independent States, his delegation considered that technical assistance operations should be financed exclusively from voluntary contributions and not out of the Organization's regular budget. The contributions to the Expanded Programme and the Special Fund had not been fully utilized; in fact, the Special Fund had not used the Ukraine's contributions for two years. Nevertheless, the Ukrainian SSR had just doubled its share in the financing of those programmes. It was imperative that all contributions should be utilized if the underdeveloped countries were to receive all the assistance they required.

49. His delegation could not vote in favour of the draft resolution and would abstain if it was put to the vote in its present form.

The meeting rose at 6.10 p.m.