

UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/4648
14 December 1960

ORIGINAL: ENGLISH

Fifteenth session
Agenda items 12, 29 and 74

REPORT OF THE ECONOMIC AND SOCIAL COUNCIL
ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES

LAND REFORM

Report of the Second Committee^{1/}

Rapporteur: Mr. Yusuf J. AHMAD (Pakistan)

1. The General Assembly, at its 881st plenary meeting on 1 October 1960, allocated the following items of its agenda to the Second Committee:

Item 12 Report of the Economic and Social Council

Item 29 Economic development of under-developed countries

(a) International flow of private capital: report by the Secretary-General and recommendations thereon by the Economic and Social Council;

(b) Question of the establishment of a United Nations capital development fund: report by the Secretary-General;

(c) Methods and techniques for carrying out a study of world economic development; report by the Secretary-General and comments thereon by the Economic and Social Council;

(d) Promotion of wider trade co-operation among States: report by the Secretary-General.

Item 74 Land reform

^{1/} It will be recalled that the Second Committee has already reported on one draft resolution submitted by six delegations under agenda item 29 entitled "Provision of food surpluses to food deficient peoples through the United Nations system" (A/4551).

2. At its 645th meeting on 6 October 1960 the Committee agreed to have a single general debate on items 12, 29 and 74 which would be followed by the discussion of the various draft resolutions submitted. Thus, the present report covers^{1/} the Committee's consideration of items 29 and 74 and of certain parts of item 12 ("Report of the Economic and Social Council") as explained in the following paragraph.

3. As regards item 12, Chapters II, III and IV of the report of the Economic and Social Council were allocated to the Second Committee. In addition, Section I of Chapter VII, entitled "Programme appraisals in the economic, social and human rights fields", was available to it, and a sub-section of Chapter VII, entitled "Consultation with the specialized agencies", was referred to it for any comments. The Committee considered, under the present group of items, all parts of the report before it, except those which related specifically to the other agenda items allocated to the Second Committee i.e. except (i) Section III B of Chapter II, which relates to items 28 "Progress and operations of the Special Fund", and 30 "Programmes of technical assistance" and (ii) the first sub-section of Section III A of Chapter II, which relates to item 31 "Opportunities for international co-operation on behalf of former Trust Territories and other newly independent States."

4. The Committee considered these items during sixty-four meetings held from 12 October to 9 December 1960 (646th to 707th, 709th and 710th meetings). In all, twenty-three meetings (646th-654th, 659th-671st and 676th meetings) were devoted - in whole or in part - to the general debate, in which seventy delegations took part. The opening and concluding statements of the general debate were made by the Under-Secretary for Economic and Social Affairs (A/C.2/L.458 and L.479).

5. In addition to the report of the Economic and Social Council,^{2/} the Committee had before it the following papers: a note by the Secretary-General on the international flow of private capital (A/4487), a progress report by the Secretary-General on the promotion of the international flow of private capital (E/3325 and Corr.1 and 2), a report by the Secretary-General on the question of the

^{1/} Except for the draft resolution mentioned in foot-note 1/ above.

^{2/} Official records of the General Assembly, Fifteenth Session, Supplement No. 3 (A/4415).

establishment of a United Nations Capital Development Fund (A/4488), a report by the Secretary-General on United Nations Capital Development Fund (E/3393 and Add.1-4), a note by the Secretary-General on the methods and techniques for carrying out a study of world economic development (A/4489 and Add.1), a preliminary report by the Secretary-General on the evaluation of long-term economic projections (E/3379 and Corr.1 and Add.1-7), a note by the Secretary-General on the promotion of wider trade co-operation among States (A/4490), a preliminary report by the Secretary-General on ways and means of promoting wider trade co-operation among States (E/3389 and Corr.1/Rev.1); a memorandum by the Government of Cuba on land reform (A/4439). The Committee also had before it the "Five-year perspective, 1960-1964: Consolidated report on the appraisals of the scope, trend and costs of the programmes of the United Nations, ILO, FAO, UNESCO, WHO, WMO and IAEA in the economic, social and human rights fields" (E/3347/Rev.1).

6. Sections I - XIV of the present report deal respectively with the Committee's consideration of, and action on, each of the following proposals. Section XV deals with the Committee's consideration of, and action regarding, those parts of Chapter VII of the report of the Economic and Social Council which were before it.

(a) Draft resolution by Canada, Colombia, the Federation of Malaya, Italy, Nigeria, Norway, Turkey and the United Kingdom of Great Britain and Northern Ireland (A/C.2/L.461 and Rev.1 (F only) and Add.1, Rev.2 and Corr.1 (E only) and Corr.2 (S only), Rev.3 and Rev.4) on "Concerted action for economic development of economically less developed countries", originally entitled "Partnership for economic and social development".

Amendments to the above draft resolution or to the revised texts of the draft resolution submitted by Brazil (A/C.2/L.475), United Arab Republic (A/C.2/L.476), Ukrainian Soviet Socialist Republic (A/C.2/L.477 and Rev.1), Pakistan (A/C.2/L.478 and Corr.1) (E only, Romania (A/C.2/L.480), Tunisia (A/C.2/L.481 and Rev.1), Ireland, New Zealand and Thailand (A/C.2/L.482), Ukrainian Soviet Socialist Republic (A/C.2/L.483 and Rev.1), India and

Indonesia (A/C.2/L.484), Guinea (A/C.2/L.485), Brazil, Ceylon, Indonesia and Iraq (A/C.2/L.488), Brazil, Ceylon, Indonesia and Iraq (A/C.2/L.489), Bulgaria (A/C.2/L.497), Sub-amendment by United States of America (A/C.2/L.496 and Rev.1) to amendment submitted by Romania (A/C.2/L.480).

(b) Draft "Declaration on International Economic Co-operation" submitted by the Union of Soviet Socialist Republics (A/C.2/L.466).

(c) Draft resolution by Pakistan (A/C.2/L.469 and Rev.1 and Rev.1/Add.1) on "Economic and social consequences of disarmament".

Amendments to the draft resolution submitted by Poland (A/C.2/L.510), Lebanon (A/C.2/L.511).

(d) Draft resolution by Argentina, Denmark, Netherlands, New Zealand, Pakistan, Peru, Thailand and Tunisia (A/C.2/L.492) on "Projections".

Amendments to the draft resolution submitted by Burma (A/C.2/L.523).

(e) Draft resolution by Argentina, Brazil, Burma, Chile, Colombia, El Salvador, Ethiopia, Gabon, Ghana, Greece, Guinea, India, Iraq, Liberia, Libya, Morocco, Nigeria, Pakistan, Sudan, Thailand, Togo, Tunisia, United Arab Republic, Venezuela and Yugoslavia (A/C.2/L.470 and Add.1, and L.470/Rev.1 and Add.1, L.470/Rev.2 and Rev.3) on "Decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions".

Amendments to the draft resolution or its revised text submitted by Nigeria (A/C.2/L.473), United States of America (A/C.2/L.513) and the United Kingdom of Great Britain and Northern Ireland (A/C.2/L.515) and Israel (A/C.2/L.516).

(f) Draft resolution by Bulgaria, Czechoslovakia and Poland (A/C.2/L.471 and Rev.1 and Rev.2) on "Strengthening and development of the world market and improvement of the trade conditions of the economically less developed countries".

Amendment to the draft resolution submitted by the United States of America (A/C.2/L.517).

(g) Draft resolution by Colombia and Costa Rica (A/C.2/L.493 and Rev.1 and Rev.2) on "Improvement of the terms of trade between the industrial and the under-developed countries".

(h) Draft resolution by Afghanistan, Argentina, Bolivia, Brazil, Burma, Cambodia, Ceylon, Chad, Chile, Colombia, Cuba, Cyprus, Ecuador, Ethiopia, Federation of Malaya, Ghana, Guinea, India, Indonesia, Iran, Iraq, Jordan, Laos, Lebanon, Liberia, Libya, Mali, Morocco, Nepal, Nigeria, Pakistan, Panama, Peru, Philippines, Saudi Arabia, Somalia, Sudan, Thailand, Togo, Tunisia, Turkey, United Arab Republic, Uruguay, Yemen and Yugoslavia (A/C.2/L.472 and Add.1-4, L.472/Rev.1 and Corr.1 (Russian only) and Rev.1/Add.1) on "Establishment of a United Nations Capital Development Fund".

Amendments submitted to it by Denmark, Greece, Netherlands and Sweden (A/C.2/L.514) and by Denmark, Greece and the Netherlands (A/C.2/L.535).

(i) Draft resolution by Afghanistan, Burma, Ceylon, Chad, Ghana, India, Indonesia, Iraq, Nepal, Nigeria, Pakistan, Sudan, United Arab Republic, Yemen and Yugoslavia (A/C.2/L.474 and Add.1 and Add.2, L.474/Rev.1 and Add.1, L.474/Rev.2 and Rev.3) on "Accelerated flow of capital and technical assistance to the developing countries".

Amendments to it submitted by the Netherlands (A/C.2/L.540), Italy (A/C.2/L.541) and France (A/C.2/L.543).

(j) Draft resolution by Pakistan and Indonesia (A/C.2/L.495 and Rev.1) on "International credit insurance".

(k) Draft resolution by Czechoslovakia (A/C.2/L.465, Rev.1 and Rev.2) on "Financing of economic development of less developed countries through long-term loans and in other advantageous ways and ensuring an increasing share in world trade for their products", originally entitled "Financing of economic development through long-term loans extended at low rate of interest and changing the structure of international division of labour in favour of the less developed countries".

Amendments to it submitted by the United States of America (A/C.2/L.486), Afghanistan and United Arab Republic (A/C.2/L.487 and Rev.1), Canada (A/C.2/L.498), United Kingdom of Great Britain and Northern Ireland (A/C.2/L.501 and Rev.1 and Rev.2), Turkey (A/C.2/L.503), Greece (A/C.2/L.505), Italy (A/C.2/L.507 and Rev.1), Mexico (A/C.2/L.508).

Sub-amendments by Canada (A/C.2/L.499) and by New Zealand (A/C.2/L.500) to amendments submitted by Afghanistan and United Arab Republic (A/C.2/L.487/Rev.1).

Sub-amendment submitted by Argentina (A/C.2/L.504) to amendment submitted by the United States of America (A/C.2/L.486); sub-amendment submitted by India (A/C.2/L.506) to amendment submitted by the United Kingdom of Great Britain and Northern Ireland (A/C.2/L.501/Rev.2).

(1) Draft resolution by Brazil (A/C.2/L.494 and Rev.1) on "Development of petroleum industry in less developed countries".

(m) Draft resolution by Afghanistan, Brazil, Burma, Central African Republic, Chad, Cuba, Czechoslovakia, Dahomey, Ethiopia, Gabon, Ghana, Greece, Guinea, Haiti, Indonesia, Iraq, Ivory Coast, Lebanon, Liberia, Libya, Mali, Morocco, Niger, Nigeria, Pakistan, Peru, Poland, Romania, Saudi Arabia, Senegal, Somalia, Sudan, Togo, Tunisia, Ukrainian Soviet Socialist Republic, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, Upper Volta and Yugoslavia (A/C.2/L.491 and Add.1-6) on "Activities of the United Nations in the field of industrial development".

Amendment to it submitted by Italy (A/C.2/L.536).

(n) Draft resolution by Bolivia, Cuba, Ghana, Iraq, United Arab Republic and Yugoslavia (A/C.2/L.490 and Rev.1) on "Land reform".

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7. The draft resolution by the United Kingdom (A/C.2/L.461 and Rev.1 (F only)) and also by Canada, Colombia, the Federation of Malaya, Italy, Nigeria, Norway and Turkey (A/C.2/L.461/Add.1) was introduced by the representative of the United Kingdom at the 672nd meeting. The draft resolution read as follows:

"Partnership for economic and social development

"The General Assembly,

"1. Reaffirms the solemn undertaking embodied in the Charter of the United Nations to employ international machinery for the promotion of the economic and social advancement of all peoples;

"2. Reiterates that a prime duty of the United Nations is to further the economic and social advancement of the less developed countries of the world and in this way to strengthen their sovereignty and independence;

"3. Recognizes that this requires the diversification and industrialization of those economies which are now dependent on subsistence agriculture or on the export of a small range of primary commodities;

"4. Believes that in present circumstances this demands:

(a) The maintenance of a high level of economic activity and of multilateral trade to enable the less developed countries to sell more of their products in expanding markets in order increasingly to finance their own economic development;

(b) The provision of public and private development capital from the more developed to the less developed countries notably through international organizations and through freely negotiated bilateral arrangements;

(c) The expansion of technical co-operation between countries at all stages of development;

(d) Scientific and cultural co-operation and the encouragement of research;

(e) Proper regard for the human and social aspects of economic development;

"5. Recommends with these objects in view that:

(a) Member countries and the international organs concerned should continue to study ways and means of moderating excessive short term fluctuations in primary commodity trade and of expanding trade in these products;

(b) Technical training, education and pre-investment assistance, whether undertaken by international organizations or by individual Governments, should be regarded as a major factor in the economic development of the under-developed countries; in particular the fullest possible support should be given to the United Nations Expanded Programme of Technical Assistance, the United Nations Special Fund and to other existing voluntary programmes of the United Nations;

(c) Technical assistance and the supply of capital, whether provided through international organizations or otherwise, should be in a form acceptable to the recipients and not impose unreasonable conditions upon them;

"6. Requests the Economic and Social Council of the United Nations, the Secretary-General of the United Nations, the specialized agencies, International Atomic Energy Agency and the Member Governments of these organs to take note of this resolution and asks them to play their appropriate part in carrying out its objectives and principles for the general and common benefit of the human race."

8. The Committee, at its 671st meeting, decided that the draft resolution (A/C.2/L.461) should be considered jointly with the draft "Declaration on international economic co-operation" (A/C.2/L.466) submitted by the Union of Soviet Socialist Republics.

9. The Committee considered the draft resolution (A/C.2/L.461) at its 672nd, 673rd and 675th-679th meetings.

10. At the 672nd meeting, Brazil proposed (A/C.2/L.475) that the following new sub-paragraph be inserted between operative paragraphs 5 (a) and 5 (b):

"(b) the Economic and Social Council give full consideration and, whenever possible and convenient, prompt implementation to the recommendations of the forthcoming ninth session of the Commission on International Commodity Trade (CICT);"

11. The United Arab Republic proposed (A/C.2/L.476) that the word "Reaffirms" in the operative paragraph 1 should be changed to the words "Bearing in mind",

and that the paragraph, as amended, should become the first preambular paragraph; he also proposed the insertion of the following text as the second preambular paragraph:

"Believing that the principles laid down in the Charter of the United Nations with regard to international economic and social co-operation should be reaffirmed now when so many Member States have recently joined the United Nations,".

12. At the 673rd meeting, the Ukrainian Soviet Socialist Republic proposed (A/C.2/L.477) that: (a) operative paragraph 4 (a) should be revised to read as follows:

"(a) The maintenance of a high level of economic activity and of mutually advantageous multilateral and bilateral trade to enable the less developed countries to sell more of their products in expanding markets at reasonable and stable prices and thus provide them with a real opportunity of increasing their export earnings and their own resources for financing economic development,"

and (b) the following clause should be added at the end of operative paragraph 5 (c):

"and the establishment of priorities in furnishing economic assistance to the under-developed countries should not be subordinated to political motives."

13. Pakistan proposed (A/C.2/L.478 and Corr.1 (English only)) that (a) in operative paragraph 5 (a), the word "moderating" should be replaced by the word "preventing" and the words "short term" should be deleted; (b) the following new paragraph should be inserted as operative paragraph 5 (b) and the remaining sub-paragraphs renumbered accordingly:

"(b) Urgent attention should be given by the member countries and the international organs concerned to the adoption of measures designed to assist in offsetting the effects of large fluctuations, whenever they occur, in commodity prices on balance of payments with special reference to compensatory financing, so as to enable countries with under-developed economies to contribute their own resources to the maximum extent towards sustained programmes of economic and social development."

and (c) in the new paragraph 5 (c) (formerly 5 (b)), the word "major" should be replaced by the words "an important".

14. At the 674th meeting, the Committee received amendments by Romania (A/C.2/L.480) providing that (a) in operative paragraph 5 (c) the words "and not impose unreasonable conditions upon them" should be replaced by the following: "and should not be used to gain political, economic, military or other advantages for those providing such assistance", and (b) that the following new operative paragraph should be introduced between operative paragraphs 5 and 6:

"Recommends further that the sovereign right of every State to dispose of its wealth and its natural resources should be respected and that the principles of equality, of trade on equal terms and of mutual benefit should be observed in international economic relations."

15. The Committee also received the following amendments by Tunisia (A/C.2/L.481): (a) the following new operative paragraph should be inserted between operative paragraphs 3 and 4:

"Recalls and reaffirms the provisions of General Assembly resolution 1414 (XIV) and of Economic and Social Council resolution 752 (XXIX);"

(b) operative paragraph 3 should be deleted; (c) the following paragraph should be inserted as the first preambular paragraph:

"Considering that co-operation with the under-developed countries should be directed, inter alia, towards the improvement of conditions for the marketing and production of foodstuffs and primary commodities and towards the establishment and development of a national industry,";

and (d) the following words should be added at the end of operative paragraph 4 (b): "based on mutual advantage and, where advisable, subject to international supervision."

16. At the 675th meeting, the Committee considered a revision (A/C.2/L.461/Rev.2 and Corr.1 (English only)) of the eight-Power draft resolution. The sponsors had introduced the following changes in the original text: (a) the title had been changed to read: "Concerted action for economic development;" (b) the following paragraphs had been inserted as the resolution's preamble:

"Believing that the principles laid down in the Charter of the United Nations with regard to international economic and social co-operation should be reaffirmed now when so many Member States have recently joined the United Nations,

"Bearing in mind the solemn undertaking embodied in the Charter of the United Nations to employ international machinery for the promotion of the economic and social advancement of all peoples,

"Recalling also that one of the principal objectives of the United Nations is to promote higher standards of living and that Members of the United Nations have pledged themselves to take joint and separate action to achieve this purpose,"

(c) in operative paragraph 2 (now 1), the word "further" had been replaced by the word "accelerate" and the words "and in this way to strengthen their sovereignty and independence" by the words "and thus safeguard their independence;"

(d) operative paragraph 3 (now 2) had been redrafted as follows:

"Recognizes that this social and economic advancement requires the development and diversification of economic activity and industrialization of those economies which are largely dependent on subsistence agriculture or on the export of a small range of primary commodities,"

(e) in the introductory part of operative paragraph 4 (now 3), the words "this demands": were replaced by the words "the achievement of these ends demands inter alia"; (f) operative paragraphs 4 (a), 4 (b) and 4 (c) (now 3 (a), 3 (b) and 3 (c)) had been redrafted to read as follows:

"(a) The maintenance of a high and expanding level of economic activity and of generally beneficial multilateral trade in order to enable the less developed countries to sell more of their products at stable and remunerative prices in expanding markets and so increasingly to finance their own economic development from their earnings of foreign exchange,

"(b) The increasing provision of public and private capital on acceptable terms from the more developed to the less developed countries notably through international organizations and through freely negotiated multilateral or bilateral arrangements,

"(c) The expansion of technical co-operation between countries at all stages of development, with the objective of aiding the under-developed countries to increase their knowledge of and capacity to apply modern techniques,"

(g) operative paragraphs 5 (a) to 5 (c) (now 4 (a) to 4 (e)) had been replaced by the following:

(a) Member countries and the international organs concerned should continue to seek and apply ways of eliminating excessive fluctuations in primary commodity trade, and practices or measures which have unfavourable

repercussions on the trade in basic products of the less developed countries and so to expand trade in these products;

(b) In particular, with this in mind, the Economic and Social Council should continue to give close and serious attention to the problems of commodity trade, and to the recommendations of the Commission on International Commodity Trade designed to deal with them;

(c) Technical training, education and pre-investment assistance, whether undertaken by international organizations or by individual Governments, should be regarded as an important factor in the economic developments of under-developed countries; in particular the fullest possible support should be given to the United Nations Expanded Programme of Technical Assistance, the United Nations Special Fund and to the other voluntary programmes of the United Nations which are concerned with these ends;

(d) Technical assistance and the supply of development capital, whether provided through international organizations or otherwise, should be of a kind and in a form acceptable to and in accordance with the wishes of the recipients and should involve no unreasonable conditions for them;

(e) Regional economic groupings should be designed to offer the opportunities of an expanding market to all trading nations without prejudice to the interests of third parties;

(h) in operative paragraph 6 (now 5), the word "effectively" had been inserted after the words "and asks them to play their appropriate part ..."

17. The Committee also had before it amendments by Ireland, New Zealand, and Thailand (A/C.2/L.482) whereby the words "and countries dependent on the export of a small range of primary commodities" should be inserted after the words "less developed countries" in operative paragraphs 3 (a) and 4 (a) of the revised draft resolution A/C.2/L.461/Rev.2.

18. The representative of the United Kingdom informed the Committee that the sponsors had agreed to accept further changes in the revised draft resolution (A/C.2/L.461/Rev.2) as follows: (a) in operative paragraph 3 (a), the words "free from artificial restrictions" would be inserted after the words "multilateral trade" and the words "and those dependent on the export of a small range of primary commodities" after the words "less developed countries"; (b) in operative paragraph 4 (a) the words "as a matter of urgency" would be inserted after the words "should continue"; the word "both" after the word "eliminating";

the word "restrictive" after the words "primary commodity trade, and" and the word "so" in the final clause of the paragraph would be deleted; and (c) in operative paragraph 4 (b), the words "continue to" would be deleted.

19. Brazil, the United Arab Republic and New Zealand, the latter on behalf of the three sponsoring delegations, withdrew their amendments (A/C.2/L.475, L.476, and L.482, respectively).

20. Pakistan withdrew its first and third amendments and maintained its second amendment (A/C.2/L.478 and Corr.1 (English only)).

21. The Ukrainian Soviet Socialist Republic withdrew its first amendment (A/C.2/L.477) and proposed instead that the words "and mutually advantageous bilateral" should be inserted in operative paragraph 3 (a) after the word "multilateral" (A/C.2/L.477/Rev.1). The Ukrainian Soviet Socialist Republic maintained its second amendment which now referred to operative paragraph 4 (d) instead of 5 (c).

22. Tunisia withdrew its first amendment (A/C.2/L.481), maintained its second and third amendments, and withdrew the words "based on mutual advantage" in its fourth amendment, while modifying the remainder to read "in conformity with the principles of the international undertakings entered into by the parties." (A/C.2/L.481/Rev.1). These words were to be added at the end of operative paragraph 3 (b).

23. The Ukrainian Soviet Socialist Republic proposed the following further amendments (A/C.2/L.483) to the revised text of the joint draft resolution:

- (a) the words "that a great gap exists between the levels of living of the peoples of the economically developed and under-developed countries and" should be inserted in the third preambular paragraph after the words "Recalling also" and the words "for all peoples" added after the words "higher standards of living";
- (b) the following new paragraph should be inserted between operative paragraphs 2 and 3:

"Recognizes further that it also requires an acceleration in the rate at which all under-developed countries accumulate their own resources for the financing of their economic development, so that their own resources may play the leading role in such financing:"

(c) the following words should be added at the end of operative paragraph 3 (c):

"particularly through assistance in the training of qualified personnel from among

the local population of these countries", and (d) the word "pre-investment" in operative paragraph 4 (c) should be deleted.

24. India and Indonesia proposed that the words "should be increased and" should be inserted after the words "or otherwise" in operative paragraph 4 (d) (A/C.2/L.484).

25. At the 676th meeting, Guinea proposed that the following paragraphs should be added after the third preambular paragraph (A/C.2/L.485):

"Considering, however, that many countries are still economically under-developed, and that their peoples have a very low level of living,

"Recognizing the compelling need to assist the peoples concerned by every means and, first and foremost, with a view to diversifying single-crop economies, to promote the development of economically under-developed areas in order to enable the under-developed countries to carry out adequate development programmes,".

26. Brazil, Ceylon, Indonesia, and Iraq proposed that operative paragraph 4 (d) should be redrafted to read as follows (A/C.2/L.488):

"(d) Technical assistance and the supply of development capital, whether provided through existing and future international organizations and institutions or otherwise, should be of a kind and in a form acceptable to and in accordance with the wishes of the recipients, and should involve no unreasonable conditions for them."

27. The two-Power amendment (A/C.2/L.484) and the four-Power amendment (A/C.2/L.488) were combined as a five-Power amendment (A/C.2/L.489), whereby operative paragraph 4 (d) should be revised to read as follows:

"(d) Technical assistance and the supply of development capital, whether provided through existing or future international organizations and institutions, or otherwise should be increased and should be of a kind and in a form acceptable to and in accordance with the wishes of the recipients, and should involve no unreasonable conditions for them."

28. At the 677th meeting, the Committee considered a second revision (A/C.2/L.461/Rev.3)^{1/} of the eight-Power draft resolution. The sponsors had introduced the following additional changes in the text: (a) in operative paragraph 1, the words "safeguard their independence" had been replaced by the

^{1/} A/C.2/L.461/Rev.1 was in French only.

words "both safeguarding their independence and helping to close the gap in standards of living between the more developed and the less developed countries"; b) operative paragraph 2 had been redrafted as follows:

"Recognizes that this social and economic advancement requires the development and diversification of economic activity: that is to say the improvement of conditions for the marketing and production of foodstuffs and industrialization of those economies which are largely dependent on subsistence agriculture or on the export of a small range of primary commodities;"

(c) the words "and bilateral" had been inserted after the words "and of generally beneficial multilateral" in operative paragraph 3 (a); (d) the words "people of" had been inserted after the words "with the objective of aiding the" in operative paragraph 3 (c); (e) the words "and those dependent on the export of a small range of primary products" had been inserted in operative paragraph 4 (a) after the words "of the less developed countries"; (f) the following words had been added at the end of operative paragraph 4 (b): "including those relating to off-setting the effects of large fluctuations"; and (g) in operative paragraph 4 (d), the word "increasing" had been inserted after the words "technical assistance and the"; the words "existing and future" after the words "whether provided through"; and the words "and institutions" after the words "international organizations"; and the words "political, economic, military or other" had been added at the end.

29. The Ukrainian Soviet Socialist Republic withdrew its first set of amendments (A/C.2/L.477/Rev.1) and the first and third amendments of its second set (A/C.2/L.483); it maintained the second and fourth amendments.

30. Romania withdrew its first amendment (A/C.2/L.480); it likewise withdrew the second part of its second amendment. It maintained the first part of its second amendment, i.e. the part reading: "Recommends further that the sovereign right of every State to dispose of its wealth and its natural resources should be respected...."

31. Tunisia withdrew its amendments (A/C.2/L.481/Rev.1).

32. Guinea withdrew the first paragraph of its amendment but maintained the second paragraph (A/C.2/L.485).

33. Indonesia, on behalf of the sponsors of the five-Power amendment (A/C.2/L.489), withdrew those parts of the amendment which had been accepted by the sponsors (see para. 28, heading (g), second and third insertions). They maintained their amendment insofar as the addition of the words "and should be increased" was concerned.

34. The United States proposed a sub-amendment (A/C.2/L.496) to the second amendment (A/C.2/L.480) by Romania, as modified by the sponsor (see para. 30, above), whereby the words "with due regard to the rights and duties of States under international law and the desirability of promoting foreign investment;" would be added at the end of the text proposed by Romania. Subsequently, the United States ~~deleted~~ the words "and the desirability of promoting foreign investment" from its sub-amendment (A/C.2/L.496/Rev.1).

35. At the 678th meeting, the Committee had before it a third revision (A/C.2/L.461/Rev.4) of the eight-Power draft resolution. The sponsors had introduced the following additional changes in the text: (a) in operative paragraph 1, the words "contributing to" replaced the word "both"; (b) in operative paragraph 4 (b), the words "such as compensatory financing" had been inserted after the words "including those"; (c) in operative paragraph 4 (d) the words "technical assistance and the increasing supply of development capital" had been replaced by the words "technical assistance and the supply of development capital which are increasing and should be increased further"; the words "acceptable to and" had been deleted; and the word "unreasonable" replaced by the word "unacceptable"; (d) in operative paragraph 4 (e) the words "without prejudice to" had been replaced by the words "taking into account;" and (e) the following new paragraph 5 had been introduced:

"Recommends further that the sovereign right of every State to dispose of its wealth and its natural resources should be respected in conformity with the rights and duties of States under international law;"

and the former operative paragraph 5 had become operative paragraph 6.

36. Pakistan withdrew its remaining amendment (A/C.2/L.478, amendment 2) which had been taken into account by the sponsors.

37. Romania withdrew its remaining amendment (A/C.2/L.480, amendment 2, first part) and the United States withdrew its sub-amendment (A/C.2/L.496/Rev.1).

38. The five sponsors of the amendment (A/C.2/L.489) agreed to withdraw their amendment while Ceylon proposed orally that the word "and" following the words "which are increasing" in operative paragraph 4 (d) should be deleted and inserted following the words "institutions or otherwise,".
39. Ukrainian Soviet Socialist Republic maintained its second amendment and modified its fourth amendment (A/C.2/L.483) to propose that the words "and other assistance" should be inserted after the words "pre-investment assistance" in operative paragraph 4 (c) (A/C.2/L.483/Rev.1).
40. Bulgaria proposed that the last part of operative paragraph 4 (d) reading "and should involve no unacceptable conditions for them political, economic, military or other" should be amended to read "and should involve no economic or other conditions unacceptable to the recipients, or political or military conditions" (A/C.2/L.497).
41. Poland proposed that the title of the joint draft resolution should be changed to read "concerted action for economic development of economically less developed countries".
42. At the 679th meeting, the United Kingdom stated, on behalf of the sponsors, that the oral proposal regarding the title which had been made by Poland and the oral amendment of Ceylon had both been accepted. The sponsors had also decided to delete the words "political, economic, military or other" at the end of operative paragraph 4 (d).
43. The Ukrainian Soviet Socialist Republic withdrew the second of its two remaining amendments (A/C.2/L.483/Rev.1) while maintaining the first amendment.
44. Romania proposed that the words "political, economic, military or other" should be reintroduced at the end of operative paragraph 4 (d).
45. Guinea and the Ukrainian Soviet Socialist Republics requested roll-call votes on their amendments.
46. The Committee voted in the following way on the eight-Power draft resolution (A/C.2/L.461/Rev.4), as modified by the sponsors and on the amendments to it:
- (a) The amendment of the Ukrainian Soviet Socialist Republic (A/C.2/L.483/Rev.1, amendment 1) was rejected by 30 votes to 18, with 36 abstentions. The voting was as follows:

In favour: Albania, Bulgaria, Byelorussian Soviet Socialist Republic, Cuba, Czechoslovakia, Ethiopia, Guinea, Hungary, Indonesia, Libya, Mali, Poland, Romania, Saudi Arabia, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Yugoslavia.

Against: Australia, Austria, Belgium, Canada, China, Colombia, Costa Rica, Cyprus, Denmark, Ecuador, El Salvador, Federation of Malaya, Finland, France, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Sweden, Turkey, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay.

Abstaining: Afghanistan, Argentina, Brazil, Burma, Cambodia, Ceylon, Chile, Dominican Republic, Ghana, Greece, Guatemala, India, Iran, Iraq, Israel, Laos, Lebanon, Liberia, Madagascar, Mexico, Morocco, Nepal, Niger, Pakistan, Panama, Peru, Philippines, Portugal, Senegal, Spain, Sudan, Thailand, Togo, United Arab Republic, Venezuela, Yemen.

(b) The amendment of Guinea (A/C.2/L.485, second paragraph only) was rejected by 23 votes to 21, with 40 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Cuba, Czechoslovakia, Ethiopia, Ghana, Guinea, Hungary, Libya, Mali, Morocco, Poland, Romania, Saudi Arabia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Yugoslavia.

Against: Australia, Belgium, Canada, China, Colombia, Costa Rica, Denmark, Federation of Malaya, Greece, Italy, Japan, Luxembourg, Netherlands, New Zealand, Nicaragua, Norway, Spain, Sweden, Turkey, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay.

Abstaining: Argentina, Austria, Brazil, Ceylon, Chile, Cyprus, Dominican Republic, Ecuador, El Salvador, Finland, France, Guatemala, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Laos, Lebanon, Liberia, Madagascar, Mexico, Nepal, Niger, Nigeria, Pakistan, Panama, Peru, Philippines, Portugal, Senegal, Sudan, Thailand, Togo, Tunisia, United Arab Republic, Venezuela, Yemen.

(c) The amendment of Bulgaria (A/C.2/L.497) was rejected by 35 votes to 20, with 28 abstentions;

(d) The oral amendment by Romania (see para. 44 above) was adopted by 53 votes to 2, with 22 abstentions.

(e) The phrase "in conformity with the rights and duties of States under international law" in operative paragraph 5 of the joint draft resolution, on which a separate vote had been requested by Cuba, was adopted by 54 votes to none, with 26 abstentions.

(f) The eight-Power revised draft resolution as a whole, as amended, was adopted unanimously.

47. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution I, as set forth in the annex to the present report.

II

48. The draft "Declaration on International Economic Co-operation" submitted by the Union of Soviet Socialist Republics (A/C.2/L.466) was introduced by its sponsor at the 672nd meeting. The draft declaration reads as follows:

"Draft Declaration on International Economic Co-operation

"The States Members of the United Nations which have signed this Declaration, starting from the premise that war as a means of settling international political, economic and other problems must be banished from the life of nations, declare their determination to join their efforts in seeking ways and means of ensuring the peaceful coexistence of States with different social systems in conformity with the United Nations Charter.

"The States signatories to the Declaration, being agreed that peaceful coexistence and peaceful competition presuppose a general expansion of economic, cultural and other ties among various countries irrespective of their social systems and that economic co-operation among nations in turn creates a good basis for improving political relations among States and consolidating peace and mutual trust,

"Jointly declare that:

"The interests of economic and social progress in the world require the strengthening and development of economic relations among States irrespective of differences in their social and economic systems;

"Economic competition among countries with different social systems should not lead to the economic isolation of some countries or to economic warfare;

"Economic and trade relations among countries should be founded on the principles of equality, mutual benefit and non-interference in internal affairs;

"Countries should adhere to the principle of the most-favoured-nation treatment in their mutual trade relations;

"Barriers and artificial discriminatory restrictions in international trade should be gradually removed with a view to creating the most favourable conditions for the exchanges of goods and services among nations;

"The formation of subregional economic organizations and alignments should not prejudice the interests of third countries.

"The States signatories to this Declaration agree that economically less developed countries are in need of economic and technical aid from more developed countries, an aid which should be provided subject to the following basic principles:

"Assistance to less developed countries in the attainment of their economic independence and in raising the levels of living of their peoples, first and foremost by doing away with the single-crop economy, accelerating their economic development and establishing and developing their national industry;

"Respect for the sovereignty of less developed countries and non-interference in their internal affairs, inadmissibility of making any political, economic or military claims on the recipient States.

"This Declaration, which is fully in conformity with the purposes of the United Nations, is open for accession by all other States which accept its principles."

49. At the 671st meeting, the Committee had agreed that the draft declaration should be considered jointly with the draft resolution (A/C.2/L.459) submitted by the United Kingdom.

50. The Committee considered the draft declaration at its 672nd, 673rd and 674th meetings. Statements regarding the draft declaration were also made at the 676th meeting.

51. During the discussion of this draft declaration, certain suggestions for changes in the text were made to the sponsor.

52. At the 673rd meeting, the representative of Afghanistan made a procedural proposal that the draft declaration be transmitted to the Economic and Social Council for consideration at the Council's thirty-second session together with the proceedings of the General Assembly's discussions thereon.

53. Following a further discussion of the declaration, the Committee approved at its 674th meeting, the following motion by Afghanistan:

"The representative of Afghanistan said that the declaration was of such importance that it should be discussed by the Economic and Social Council, taking the views expressed in the Committee into consideration. The representative of the Union of Soviet Socialist Republics, though he would have preferred the adoption of the draft declaration, agreed with the proposal of the representative of Afghanistan."

III

54. The draft resolution submitted by Pakistan (A/C.2/L.469) was introduced by the sponsor at the 683rd meeting. The text of the draft resolution reads as follows:

"Economic and social consequences of Disarmament

"The General Assembly,

"Recalling its resolution 1378 (XIV),

"Conscious that the impact of disarmament is likely to set in motion great changes in the domestic economies of States and in international economic relations, as a result of the progressive diversion of human and material resources from military to peaceful purposes,

"Recognizing that effective action at the national and international levels will need to be taken to make use of material and human resources becoming available as a consequence of disarmament in order to promote social progress and better standards of life in the world,

"Bearing in mind the importance of comprehensive and systematic studies in this field to enable Member States, especially those which are under-developed, to make the necessary economic and social adjustments in the event of disarmament,

"Convinced that it is both timely and desirable to undertake such studies,

"1. Decides to establish a committee of _____ highly qualified experts, one from each of the following countries: 1/

to examine:

(a) The national economic and social consequences of disarmament in countries with different economic systems and at different stages of economic development, including, in particular, the problems of replacing military expenditures with alternative private and public civil expenditures so as to maintain effective demand and to absorb the human and material resources released from military uses;

1/ The number of experts and the names of the countries to be determined by the Committee.

(b) The impact of disarmament on international economic relations including its effect on world trade and especially on the trade of under-developed countries;

(c) The utilization of resources released by disarmament, for the purpose of economic and social development, in particular, of the under-developed countries;

"2. Requests the committee of experts to submit the results of its deliberations to the Economic and Social Council at its _____ session; 1/

"3. Requests the Secretary-General to place at the disposal of the committee such assistance, including documentation, as it may require."

55. The Committee considered this draft resolution at its 683rd to 686th meetings.

56. At the 683rd meeting, Poland proposed (A/C.2/L.510) that the following new operative paragraph should be inserted between operative paragraphs 1 and 2:

"Appeals to the Governments of States Members of the United Nations to extend to the Committee of Experts all the assistance necessary for the performance of the tasks entrusted to it;"

57. At the 685th meeting Lebanon proposed (A/C.2/L.511) the addition of a new sub-paragraph (b) reading as follows, to operative paragraph 1, renumbering the subsequent sub-paragraphs accordingly:

"The possible development of structural imbalances in national economies as a result of the cessation of capital investment in armaments industries and the possible corrective effect of expanded capital assistance to the under-developed countries on such imbalances".

58. Several oral suggestions were also made during the course of the discussion.

59. Pakistan, at the 686th meeting, submitted a revised text (A/C.2/L.469/Rev.1) of its draft resolution, in which the following changes were made:

(a) In operative paragraph 1, the introductory part reading "Decides to establish a committee of _____ highly qualified experts, one from each of the following countries: _____ to examine:" had been replaced by the words "Requests the Secretary-General to examine".

1/ The session to which the experts will submit their report to be determined by the Committee.

/...

(b) Operative paragraphs 2 and 3 were replaced by the following text:

"2. Recommends that the Secretary-General should conduct the proposed examination with the assistance of expert consultants to be appointed by him with due regard to their qualifications and to the need of geographical representation and intimate knowledge of countries with different economic systems and at different stages of economic development;

"3. Requests the Secretary-General to submit a preliminary report on the results of the examination to the Economic and Social Council at its thirty-third session;

"4. Requests the Economic and Social Council to transmit the report with its views to the General Assembly at its seventeenth session;

"5. Appeals to Governments to give full co-operation to the Secretary-General in the fulfilment of the task entrusted to him."

60. Poland withdrew its amendment (A/C.2/L.510).

61. The representative of Lebanon, acting on a suggestion by the representative of the Philippines, orally modified his amendment (A/C.2/L.511), adding a new subparagraph to operative paragraph 1, by rewording the last phrase to read:

"... and the adoption of possible corrective measures to prevent such imbalances, including expanded capital assistance to the under-developed countries."

62. The representative of Italy suggested, and the sponsor agreed, that operative paragraph 5 should become operative paragraph 3, and operative paragraphs 3 and 4 be renumbered 4 and 5 respectively.

63. The Committee heard a statement (subsequently issued as A/C.2/L.469/Rev.1/Add.1) by the representative of the Secretary-General concerning the financial implications of the revised draft resolution.

64. The Committee then voted at its 686th meeting as follows on the amendment by Lebanon (A/C.2/L.511, as modified) and the revised draft resolution (A/C.2/L.469/Rev.1), as modified by the sponsor:

(a) The amendment by Lebanon (A/C.2/L.511) as modified, was adopted by 19 votes to 15, with 35 abstentions.

(b) The draft resolution as a whole, as amended and modified, was adopted by 66 votes to none, with 4 abstentions.

65. The Committee therefore recommends to the General Assembly the adoption of draft resolution II as set forth in the annex to the present report.

IV

66. The draft resolution submitted by Argentina, Denmark, Netherlands, New Zealand, Pakistan, Peru, Thailand and Tunisia (A/C.2/L.492) was introduced by the representative of Peru at the 694th meeting. The text of the draft resolution read as follows:

"Projections

"The General Assembly,

"Considering the importance of projections of certain major international economic trends, particularly in the field of primary products,

"Aware of the special importance of such projections to the less developed countries, including those which have recently achieved their political independence, for the formulation of their long-term policies for the development of their natural resources,

"Recalling its resolution 1428 (XIV) on world economic development,

"Taking note of the activities of the Economic and Social Council in this field and, in particular, of its resolution 777 (XXX) concerning the solution of problems relating to methodology, comparability and collation of relevant data.

"Believing that the need to accelerate the economic development of the under-developed countries calls for an intensification of all activities conducted in this field in order to make available even tentative data on the medium- and long-term prospects for the production and exports of those countries in the light of the longer-term trends prevailing in the world economy,

"1. Endorses resolution 777 (XXX) of the Economic and Social Council;

"2. Requests the Economic and Social Council to intensify its work in the field of economic and social projections;

"3. Recommends that the regional economic commissions continue and intensify their activities in this field;

"4. Invites the Commission on International Commodity Trade to continue the consideration of this question at its next session and to make such recommendations as it deems appropriate;

"5. Requests the Secretary-General, bearing in mind the recommendations of the afore-mentioned Commission to prepare, in consultation with the Director-General of the Food and Agriculture Organization and in co-operation with the Executive Secretaries of the regional economic commissions, a study containing tentative medium- and long-term projections of the prospective international demand for, and supply of, selected major primary commodities at present exported by the under-developed countries; and

"6. Further requests the Secretary-General to submit this study, together with a note on the methodology used, to the Economic and Social Council for consideration at its thirty-fourth session and for transmission, with its observations, to the General Assembly at its seventeenth session."

67. The Committee considered this draft resolution at its 694th to 696th meetings.

68. At the 695th meeting, Burma proposed (A/C.2/L.523) the insertion of the following as the second preambular paragraph:

"Considering further the importance of projections in drawing up plans of economic development,"

and of the following as a new operative paragraph between operative paragraphs 4 and 5:

"Urges that the technical assistance programmes of the United Nations and of the regional economic commissions give particular attention to the technique of projections for purposes of drawing up plans of economic development."

69. Several oral suggestions were also made to the sponsors during the course of the discussion. The sponsors then agreed to introduce the following changes in the text of their draft resolution (A/C.2/L.492); (a) in the second preambular paragraph, they replaced the words "for the formulation of their long-term policies for the development of their natural resources" by the words "for the formulation of their long-term policies and plans for economic development, including the use of their natural resources"; (b) in operative paragraph 4, they replaced the words "Invites the Commission on International Commodity Trade" by the words "Welcomes the decision of the Commission on International Commodity Trade" and inserted the words "invites it" before the words "to make such

recommendations;" and (c) they expanded the phrase in operative paragraph 6 "together with a note on the methodology used" to read "together with a detailed note on the methodology used and the problems encountered".

70. Burma withdrew its first amendment and agreed not to press its second amendment (A/C.2/L.523).

71. At the 695th meeting the Committee unanimously adopted the joint draft resolution (A/C.2/L.492), as modified by the sponsors.

72. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution III as set forth in the annex to this report.

V

73. The draft resolution submitted by Argentina, Burma, El Salvador, Ethiopia, Gabon, Ghana, Liberia, Libya, Morocco, Sudan, Thailand, United Arab Republic, Venezuela and Yugoslavia (A/C.2/L.470) and by Somalia (A/C.2/L.470/Add.1) read as follows:

Decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions

"The General Assembly,

"Expressing its satisfaction that the Economic and Social Council recognized the value of regional co-operation in the establishment of the United Nations system of regional economic commissions to which the Economic Commission for Africa was added in 1958,

"Noting with approval the conclusion of the Committee on Programme Appraisal of the Economic and Social Council 1/ as endorsed by resolution 793 (XXX) that the regional economic commissions were steadily gaining in importance as focal centres for the discussion and the promotion of economic development, including its social aspects, and that it was in the Commissions that experts, planners and administrators met, who had primary responsibility for the economic development of the respective countries in the several regions,

"Welcoming also resolution 795 (XXX) on 'Co-ordination in the field', adopted by the Economic and Social Council on 3 August 1960, and being aware of the need for regional co-ordination requiring the co-operation of the Resident Representatives of the Technical Assistance Board in individual countries with the regional economic commissions,

"Recognizing that the regional economic commissions are not limited under their terms of reference to studies and deliberations, and are actually performing various operational functions through their secretariats,

"Reaffirming its resolution 1158 (XII) on 'Activities of the regional economic commissions' of 26 November 1957,

"Bearing in mind particularly resolutions 11 (II) and 19 (II) of the Economic Commission for Africa, resolution 31 (XVI) of the Economic Commission for Asia and the Far East, resolutions 153 (VIII), 155 (VIII), 172 (AC.45) and 173 (AC.45) of the Economic Commission for Latin America and resolution 4 (XV) of the Economic Commission for Europe,

"1. Reiterates the view expressed by the Economic and Social Council in resolution 793 (XXX) that the regional economic commissions have an increasingly important role to play in assisting in the initiation, implementation and co-ordination of economic and social programmes and activities of member countries at the regional level, including appropriate technical assistance projects;

"2. Invites all States Members of the United Nations to advance further their active support of the activities of the United Nations regional economic commissions, and all States Members of the respective commissions to take further advantage of the facilities and services which could be made available by or through their secretariats;

"3. Urges the regional commissions to strengthen co-operation among themselves, including exchange of the results of work and experiences gained;

"4. Requests the Secretary-General to consult the regional economic commissions at their next annual sessions and to report to the thirty-second session of the Economic and Social Council and to the sixteenth session of the General Assembly on the steps he has taken in implementation of resolution 793 (XXX) regarding the decentralization of activities and operations and the increased utilization of the services of the regional economic commissions."

74. Nigeria proposed (A/C.2/L.473) the insertion of the following new operative paragraph between operative paragraphs 3 and 4:

"Invites the Secretary-General to make every effort to strengthen the secretariats of the regional economic commissions and in particular to develop, in co-operation with the independent African States, the secretariat of the Economic Commission for Africa to the level required for the adequate discharge of its important tasks;"

75. The sponsors, now including Argentina, Brazil, Burma, Chile, Colombia, El Salvador, Ethiopia, Gabon, Ghana, Greece, Guinea, India, Iraq, Liberia, Libya, Morocco, Nigeria, Pakistan, Sudan, Thailand, Togo, Tunisia, United Arab Republic, Venezuela and Yugoslavia, submitted a revised version (A/C.2/L.470/Rev.1 and Add.1) of their joint draft resolution before the Committee began to consider it. This revised draft resolution, which took into account the amendment by Nigeria (A/C.2/L.473) was introduced by the representative of Ghana at the 687th meeting. It read as follows:

Decentralization of the United Nations economic and social activities
and strengthening of the regional economic commissions

"The General Assembly,

"Expressing its satisfaction that the Economic and Social Council recognized the value of regional co-operation in the establishment of the United Nations system of regional economic commissions to which the Economic Commission for Africa was added in 1958,

"Welcoming resolution 795 (XXX) on 'Co-ordination in the field', adopted by the Economic and Social Council on 3 August 1960, and being aware of the need for regional co-ordination requiring the co-operation of the Resident Representatives of the Technical Assistance Board in individual countries with the regional economic commissions,

"Recognizing that the regional economic commissions are not limited under their terms of reference to studies and deliberations, and are actually performing various operational functions through their secretariats,

"Reaffirming its resolution 1158 (XII) on 'Activities of the regional economic commissions' of 26 November 1957,

"Bearing in mind particularly resolutions 11 (II) and 19 (II) of the Economic Commission for Africa, resolution 31 (XVI) of the Economic Commission for Asia and the Far East, resolutions 153 (VIII), 155 (VIII), 172 (AC.45) and 173 (AC.45) of the Economic Commission for Latin America and resolution 4 (XV) of the Economic Commission for Europe.

"1. Notes with satisfaction the conclusion of the Committee on Programme Appraisal of the Economic and Social Council 1/ as endorsed by resolution 793 (XXX) that the regional economic commissions are playing an increasingly important role in the preparation and carrying out of programmes and activities, in the economic and social fields, both as focal centres for the promotion of economic and social development, and as meeting grounds for experts who contribute to this development in their respective countries in the several regions;

"2. Invites all States Members of the United Nations to advance further their active support of the activities of the United Nations regional economic commissions, and all States Members of the respective commissions to take further advantage of the facilities and services which could be made available by or through their secretariat;

"3. Urges the regional economic commissions to strengthen co-operation among themselves, including exchange of the results of work and experiences gained on problems of common interest;

"4. Requests the Secretary-General to make every effort to strengthen the secretariat of the regional economic commissions, and in particular to promote and assist, in continuing co-operation with the independent African States, the effective functioning of the secretariat of the Economic Commission for Africa;

"5. Requests the Secretary-General to consult the regional economic commissions at their next annual sessions and to report to the thirty-second session of the Economic and Social Council and to the sixteenth session of the General Assembly on the steps he has taken in implementation of resolution 793 (XXX) regarding the decentralization of activities and operations and the increased utilization of the services of the regional economic commissions."

76. The Committee considered this revised draft resolution at its 687th to 689th meetings.

77. At the 687th meeting, the United States of America (A/C.2/L.513) proposed that (a) the words "requiring the co-operation of the Resident Representatives of the Technical Assistance Board in individual countries with the regional economic commissions" in the second preambular paragraph should be replaced by the words "among local and regional representatives of the Secretary-General, of the Technical Assistance Board and of the specialized agencies"; and (b) the words "the Economic and Social Council to take all steps it considers appropriate to ensure that" should be inserted after the word "Urges" in operative paragraph 3, and the word "to" in the same line should be deleted.

78. Various oral suggestions were also made, and at the 688th meeting a second revision (A/C.2/L.470/Rev.2) of the draft resolution, containing the following changes, was received by the Committee:

(a) Second preambular paragraph, the words "requiring the co-operation of the resident representatives of the Technical Assistance Board in individual countries with the regional economic commissions" was replaced by "among the representatives of the Technical Assistance Board and of the specialized agencies, with the executive secretaries of the regional economic commissions";

(b) Operative paragraph 1, the words "endorsed by" were replaced by the words "mentioned in";

(c) Operative paragraph 3, the words "and among their executive secretaries" were inserted after the words "strengthen co-operation among themselves".

79. The United States of America withdrew its first amendment while maintaining its second amendment (A/C.2/L.513).

80. The United Kingdom of Great Britain and Northern Ireland proposed amendments (A/C.2/L.515) to the second revised text of the draft resolution by which:

(a) The title would be amended to read "Strengthening of the regional economic commissions and co-ordination in the field",

(b) Second preambular paragraph, the words "and being aware of the need for regional co-ordination among the representatives of the Technical Assistance Board and of the specialized agencies, with the executive secretaries of the regional economic commissions" would be replaced by the words "and being aware of the continuing need for regional co-ordination which requires liaison and co-operation between the representatives of the Technical Assistance Board and the specialized agencies and the executive secretaries of the regional economic commissions";

(c) Operative paragraph 5, the words "and the specialized agencies" would be inserted between the word "sessions" and the words "and to report to the thirty-second session".

81. Israel submitted an amendment (A/C.2/L.516) by which the following phrase would be added at the end of operative paragraph 3: "with due regard to the need for the most effective use of over-all resources".

82. Certain oral suggestions were also made during the discussion.

83. At the 689th meeting, a new revision (A/C.2/L.470/Rev.3) was received by the Committee which incorporated the second and third amendments by the United Kingdom (A/C.2/L.515), and in which the phrase "... with due regard to the relevant resolutions of the Economic and Social Council ..." had been inserted in operative paragraph 3 after the words "Urges the regional economic commissions".

84. In the light of the revised text of operative paragraph 3, the United States withdrew its second amendment (A/C.2/L.513).

85. The United Kingdom withdrew its first amendment (A/C.2/L.515).

86. The Committee then voted on the revised draft resolution (A/C.2/L.470/Rev.3) and on the amendment by Israel (A/C.2/L.516) with the following results:

(a) The amendment by Israel (A/C.2/L.516) was rejected by 25 votes to 19, with 22 abstentions;

(b) The second preambular paragraph, on which a separate vote had been requested by the Union of Soviet Socialist Republics, was adopted by 57 votes to 9, with 1 abstention.

(c) Operative paragraph 4, on which a separate vote had been requested by Spain, was adopted by 60 votes to none, with 6 abstentions.

(d) The revised draft resolution as a whole was adopted unanimously.

The Committee, therefore, recommends to the General Assembly the adoption of draft resolution IV, as set forth in the annex to the present report.

VI

87. The draft resolution by Bulgaria, Czechoslovakia and Poland (A/C.2/L.471) was introduced by the representative of Poland at the 689th meeting. The text of the draft resolution reads as follows:

Strengthening and development of the world market and improvement of the trade conditions of the economically less developed countries

"The General Assembly,

"Recalling its resolution 1421 (XIV) of 5 December 1959 on strengthening and developing of the world market and improvement of the trade conditions of the economically less developed countries,

"Recognizing that expansion of trade between all countries, and, in particular, between those of different social and economic systems and those at markedly different stages of economic development is of vital importance for the progress and welfare of all peoples and for the strengthening of peace, and constitutes one of the most efficient means of accelerating the increase in the rate of development of the less developed economies,

"Considering the endeavours made in this direction by the different United Nations bodies, and, in particular, by the Economic Commission for Europe, as far as trade between countries of different economic systems is concerned,

"Being aware that regional trade co-operation presents an important step towards world economic and trade co-operation,

"Taking note of resolution 778 (XXX) of the Economic and Social Council and of resolution 6 (XV) of the Economic Commission for Europe,

"Reiterating the high priority of this field of work of the United Nations in its activities related to the world economy,

"Requests the Economic and Social Council:

"(1) To recommend to the Economic Commission for Europe to step up the studies envisaged in its resolution 6 (XV);

"(2) To recommend to the regional economic commissions to discuss the causes and obstacles which have prevented a substantial rise in the volume of exports of the economically less developed countries to the highly industrialized ones, as well as the ways and means of improving the existing situation and to present their views on these matters to the thirty-second session of the Economic and Social Council;

"(3) To recommend to the Economic Commissions for Europe, for Asia and the Far East, for Latin America and for Africa to elaborate further appropriate measures to promote intra-regional trade co-operation, bearing in mind the necessity to observe the principles of mutually beneficial and non-discriminatory international trade;

"(4) To discuss at its thirty-second session under a separate item the findings of the studies recommended in sub-paragraphs (1), (2) and (3) of this resolution along with the report 1/ being prepared under General Assembly resolution 1421 (XIV) on 'ways and means of promoting wider trade co-operation among States', in order to submit those studies together with the Council's comments to the XVth session of the General Assembly."

88. The Committee considered this draft resolution at its 689th, 690th and 691st meetings.

89. At the 689th meeting, the United States of America proposed the following amendments (A/C.2/L.517):

(a) The second preambular paragraph would be replaced by the following text:

"Recognizing that expansion of peaceful trade is of importance for the progress and welfare of all peoples and constitutes one of the most efficient means of accelerating the increase in the rate of development of the less developed economies,"

(b) The words "to step up" in operative sub-paragraph (1) would be replaced by the words "to ensure the preparation of", and the words "in time for the thirty-second session of the Council" would be added at the end of the sub-paragraph;

(c) The words "to the highly industrialized ones" in operative sub-paragraph (2) would be deleted;

(d) The last part of operative sub-paragraph (3), beginning with the words "Bearing in mind ..." would be deleted;

(e) The words "under a separate item" in operative sub-paragraph (4) would be deleted.

90. At the 690th meeting, the sponsors submitted a revised text (A/C.2/L.471/Rev.1) of the joint draft resolution containing the following changes:

(a) The second preambular paragraph was revised to read as follows:

1/ E/3389 and Corr.1/Rev.1, and the further report to be submitted to the Economic and Social Council at its thirty-second session.

"Recognizing that expansion of international trade and, in particular, of trade between countries of different social and economic systems as well as of trade between countries at markedly different stages of economic development is of importance for the progress and welfare of all peoples, contributes to the strengthening of peace, and constitutes one of the most efficient means of accelerating the increase in the rate of development of the less developed economies,"

(b) The last part of operative sub-paragraph (3) beginning with the words "bearing in mind ..." (see amendment (d) in the preceding paragraph) were transferred to the preamble and incorporated as the third preambular paragraph;

(c) In the fifth (formerly fourth) preambular paragraph, the words "which does not prejudice the interests of other countries or the interest of world trade at large" were inserted after the words "regional trade co-operation";

(d) In operative sub-paragraph (1) the words "to step up" were replaced by the words "to ensure the preparation of" and the words "in time for the thirty-second session of the Council" were added at the end of the paragraph;

(e) The words "continue to" were inserted in operative sub-paragraph (2) after the words "to recommend to the regional economic commissions to" and the words "in particular" before the words "to the highly industrialized ones".

91. The United States thereupon withdrew its first and second amendments, maintained its third and fifth amendments, and modified its fourth amendment orally, to propose the insertion of the words "the General Agreement of Tariffs and Trade concerning" after the words "the principles of" in the new third preambular paragraph.

92. A number of oral suggestions were made to the sponsors of the joint draft resolution by other delegations.

93. At the 691st meeting, the sponsors submitted a second revised text (A/C.2/L.471/Rev.2) of their joint draft resolution, which contained the following additional changes:

(a) In the second preambular paragraph, the last word "economies", was replaced by the words "countries, many of which have recently become Members of the United Nations,";

(b) The third preambular paragraph was revised to read as follows:

"Bearing in mind the importance of maintaining and developing generally beneficial trade free from artificial restrictions,"

(c) The words "by the Economic Commission for Europe", in the fourth preambular paragraph were transferred to the end of the paragraph and were replaced by the words "by the Commission on International Commodity Trade and";

(d) Operative sub-paragraph (2) was revised to read as follows:

"To recommend to the Commission on International Commodity Trade and to the regional economic commissions to continue to study the causes and obstacles which have resulted in substantial fluctuations, whether in volume or prices, of exports of the economically less developed countries, as well as the ways and means of improving the existing situation and to present their views on these matters to the thirty-second session of the Economic and Social Council, which in its studies and recommendations should take into account the problems of all member countries including those which at present do not belong to any regional economic commission;"

(e) The words "after a preliminary exchange of views of the executive secretaries of the regional economic commissions together with the Chairman of the Commission on International Commodity Trade," were inserted in operative sub-paragraph (4) after the words "to discuss at its thirty-second session,".

94. The United States thereupon withdrew its third and fourth amendments (A/C.2/L.517), maintaining only its fifth amendment.

95. The representative of Haiti proposed orally that the word "real" be inserted before the word "importance" in the second and third preambular paragraphs. This suggestion was accepted by the sponsors.

96. The Committee then voted on the revised draft resolution (A/C.2/L.471/Rev.2) as further changed by the sponsors, and the amendment to it as follows:

(a) The amendment by the United States of America (A/C.2/L.517, amendment 5) was adopted by 30 votes to 20, with 24 abstentions;

(b) The word "real" in the second preambular paragraph, on which a separate vote had been requested by Denmark, was adopted by 33 votes to 2, with 37 abstentions;

(c) The words "and, in particular, of trade between countries of different social and economic systems as well as of trade between countries at markedly different stages of economic development is of importance for the progress and welfare of all peoples, contributes to the strengthening of peace, and" in the second preambular paragraph, on which a separate vote had been requested by New Zealand, were adopted by 38 votes to 18, with 17 abstentions;

(d) Operative sub-paragraph (1), on which a separate vote had been requested by Italy, was adopted by 30 votes to 17, with 27 abstentions;

(e) The revised draft resolution as a whole, as amended, was adopted by 64 votes to none, with 13 abstentions.

97. The Committee therefore recommends to the General Assembly the adoption of draft resolution V in the annex to the present report.

VII

98. The draft resolution submitted by Colombia and Costa Rica (A/C.2/L.493) read as follows:

"Improvement of the terms of trade between the industrial and the under-developed countries"

"The General Assembly,

"Noting that the greatest economic development problem in most of the under-developed countries is the imbalance between the prices of the products they export and those of the merchandise and other goods which they need to import,

"Considering that for the above-mentioned reason the terms of trade have been deteriorating year after year, thereby creating a difficult situation of economic and social instability in the countries concerned,

"Appreciating that the means these countries can adopt in isolation to protect the prices of the raw materials or primary products which they produce are very weak and for the most part ineffective,

"Observing that the industrial countries have established the practice of negotiating the sale of their agricultural surpluses by means of inter-State agreements,

"Recognizing that by this procedure a considerable improvement could be brought about in the terms of trade between the industrial and the under-developed countries,

"Decides:

"1. To recommend the Economic and Social Council and the Commission on International Commodity Trade to study measures which might be adopted in order to generalize the procedure of inter-State agreements with a view to the sale of the primary products which form the basis of the economies of the under-developed countries;

"2. To request the Economic and Social Council and the Commission on International Commodity Trade to report to the General Assembly at its next session on any results of its study which might promote the above end."

99. The sponsors submitted a revised version (A/C.2/L.493/Rev.1) of their draft resolution before the Committee began to consider it. This revised draft resolution, which was introduced by the representative of Colombia at the 700th meeting, read as follows:

"Improvement of the terms of trade between the industrial and
the under-developed countries

"The General Assembly,

"Recalling that the greatest economic development problem in most of the under-developed countries is the imbalance between the prices of the products they export and those of the merchandise and other goods which they need to import,

"Considering that the terms of trade of the under-developed countries have been deteriorating year after year, thereby creating a difficult situation of economic and social instability in the countries concerned,

"Appreciating that the means these countries can adopt in isolation to protect the prices of the raw materials or primary products which they produce are very weak and for the most part ineffective,

"Noting that the international agreements concluded between producers and consumers in the case of sugar, wheat and tin might be extended to all commodities and might be broadened on new bases more favourable to the under-developed countries,

"Observing further that the industrial countries have established the practice of negotiating the sale of their agricultural surpluses by means of inter-State agreements,

"Recognizing that by such procedures a considerable improvement could be brought about in the terms of trade between the industrial and the under-developed countries,

"Decides:

"1. To recommend that the Economic and Social Council and the Commission on International Commodity Trade intensify the study of measures which might be adopted in order to generalize and improve the procedure of inter-State agreements with a view to the sale of the primary products which form the basis of the economies of the under-developed countries;

"2. To request the Economic and Social Council and the Commission on International Commodity Trade to report to the General Assembly at its next session on any results of its study which might promote the above end."

100. The Committee considered this revised draft resolution at its 700th and 705th meetings.

101. At the 705th meeting, the sponsors submitted a second revision (A/C.2/L.493/Rev.2) of their draft resolution, which contained the following changes: (a) the words "year after year, thereby creating a" in the second

preambular paragraph had been replaced by the words "steadily in recent years, thereby contributing to the"; (b) the words "all commodities" in the fourth preambular paragraph had been replaced by the words "other commodities"; (c) the fifth preambular paragraph had been replaced by the following:

"Noting further that there are other measures which States Members of the United Nations and of the specialized agencies might take to alleviate the export problems of under-developed countries through improving their access to the markets of the more developed countries for their present and potential export products",

and (d) operative paragraphs 1 and 2 had been replaced by the following text:

"1. To recommend that the Economic and Social Council and the Commission on International Commodity Trade intensify the study of measures, including, in particular, agreements among States, which might be adopted in order to extend and improve markets for the sale of primary commodities which form the basis of the economies of the under-developed countries;

"2. To request the Economic and Social Council and the Commission on International Commodity Trade to report to the General Assembly at its next session on any results of such studies as well as other similar studies now under way in various international organizations which might promote the above ends."

102. During the course of the discussion, several oral suggestions were made to the sponsors.

103. The representative of Colombia, on behalf of the sponsors, made the following additional changes in the text of the revised draft resolution: (a) the words "the greatest economic development problem" in the first preambular paragraph should be replaced by the words "one of the greatest economic development problems"; (b) the fourth preambular paragraph should be redrafted as follows:

"Expressing the hope that agreements similar to the international agreements concluded between producers and consumers in the case of sugar, wheat and tin could be concluded in the case of other primary commodities and implemented on a wider basis more favourable to the under-developed countries",

(c) the word "multilateral" should be inserted in operative paragraph 1 before the words "agreements among States,"; and (d) the words "and the Commission on International Commodity Trade" should be deleted from operative paragraph 2.

104. The revised draft resolution (A/C.2/L.493/Rev.2), as modified by the sponsors, was adopted unanimously.

105. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution VI as set forth in the annex to the present report.

/...

VIII

106. The draft resolution submitted by Afghanistan, Argentina, Bolivia, Brazil, Cambodia, Ceylon, Chile, Colombia, Cuba, Ecuador, Ethiopia, Ghana, Guinea, India, Indonesia, Iran, Iraq, Jordan, Laos, Lebanon, Liberia, Libya, Mali, Morocco, Nepal, Nigeria, Pakistan, Peru, Philippines, Somalia, Sudan, Thailand, Tunisia, Turkey, United Arab Republic, Uruguay, Yemen and Yugoslavia (A/C.2/L.472), later joined as co-sponsors by Burma, Cyprus, Federation of Malaya, Panama, Saudi Arabia, Sudan and Togo (A/C.2/L.472/Add.1-4) was introduced by the representative of Yugoslavia at the 691st meeting. The text of the draft resolution read as follows:

Establishment of a United Nations Capital
Development Fund

"The General Assembly,

"Bearing in mind the determination of the peoples of the United Nations to employ international machinery for the promotion of economic and social advancement of all peoples,

"Recognizing the urgency of accelerating the economic and social development of under-developed countries,

"Recognizing further that the present flow of capital from the economically advanced countries to the under-developed countries for the economic and social development of the latter is wholly inadequate in nature and scope,

"Considering the need for the United Nations to supplement all existing efforts for capital assistance to the under-developed countries,

"Recalling its resolution 1219 (XII), 1240 (XIII), 1317 (XIII) and 1424 (XIV) and Economic and Social Council resolutions 662 (XXIV) and 740 (XXVIII),

"1. Decides to establish a United Nations Capital Development Fund;

"2. Resolves that the Draft Statutes of the United Nations Capital Development Fund shall be prepared by a Committee of representatives of Member States to be designated by the President of the General Assembly, on the basis of an equitable geographical distribution;

"3. Requests the above Committee to submit the Draft Statutes to the thirty-second session of the Economic and Social Council, which shall transmit it together with its comments to the sixteenth session of the General Assembly for action;

/...

"4. Requests the Secretary-General to provide the above-mentioned Committee with the necessary facilities."

107. The Committee considered this draft resolution at its 691st to 693rd, 699th and 705th meetings.

108. Denmark, Greece, Netherlands, and Sweden proposed the following amendments (A/C.2/L.514):

(a) Operative paragraphs 1 and 2 would be replaced by the following paragraphs:

"1. Looks forward to the earliest possible establishment of a United Nations Capital Development Fund;

"2. Decides that the concrete possibilities for the establishment of such a fund shall be considered by a Committee of ... representatives of Member States to be appointed by the President of the General Assembly;"

(b) The following new operative paragraph would be inserted between operative paragraphs 2 and 3:

"3. Recommends that the Committee, mentioned in paragraph 2, shall take into account:

"(a) The need to accelerate the economic and social development of the less developed countries by increased capital investments;

"(b) The necessity to have the fullest possible use of existing machinery for international assistance of the economic and social development of the less developed countries, especially the United Nations Special Fund;

"(c) The need for close working relationships and effective co-ordination between all organs active in the field of international financing of the economic and social development of the less developed countries."

and

(c) the words "the Draft Statutes" in operative paragraph 3 (now 4) would be replaced by the words "its recommendations".

109. At the 699th meeting, the sponsors submitted a revision (A/C.2/L.472/Rev.1) of the joint draft resolution, of which Chad became a co-sponsor

(A/C.2/L.472/Rev.1/Add.1) contained the following changes:

(a) Operative paragraph 1 had been revised to read:

"1. Decides that a United Nations Capital Development Fund shall be established;"

(b) Operative paragraph 2 was revised to read as follows:

"2. Resolves that a Committee of twenty-five representatives of Member States to be designated by the President of the General Assembly, on the basis of equitable geographical distribution, shall consider all concrete preparatory measures, including draft legislation, necessary to that end;"

(c) The words "the Draft Statutes" in operative paragraph 3 were replaced by the words "its recommendations, including the draft legislation,"; and the word "it" by the word "them".

110. At the 705th meeting, the sponsors of the four-Power amendments (A/C.2/L.514) withdrew them.

111. Denmark, Greece, and the Netherlands proposed the following amendments (A/C.2/L.535):

(a) Operative paragraph 1 would be revised to read:

"Decides in principle that a United Nations Capital Development Fund shall be established;"

and

(b) The following new operative paragraph would be inserted between operative paragraphs 2 and 3:

"3. Recommends that the Committee, mentioned in paragraph 2, shall take into account:

"(a) The need to accelerate the economic and social development of the less developed countries by increased capital investments;

"(b) The necessity to have the fullest possible use of existing machinery for international assistance of the economic and social development of the less developed countries, especially the United Nations Special Fund;

"(c) The need for close working relationships and effective co-ordination between all organs active in the field of international financing of the economic and social development of the less developed countries."

112. The representative of Burma, on behalf of the sponsors of the revised draft resolution (A/C.2/L.472/Rev.1), accepted the first of the three-Power amendments (A/C.2/L.535).

113. The representative of Greece, on behalf of the sponsors of the amendments, withdrew the second amendment, on the understanding that, as has been stated by the representative of Burma, the forty-four sponsors had no objections in principle to the proposed new operative paragraph 3, but the provisions thereof were not

comprehensive enough and it would take too long to draft a comprehensive text acceptable to all. Furthermore, the Committee to be appointed under this resolution would take into consideration the suggestions embodied in this amendment. The representative of Burma, on behalf of the sponsors, concurred with this understanding.

114. Ghana requested a roll-call vote on the draft resolution as a whole and Ethiopia requested a roll-call vote on operative paragraph 1.

115. The Committee then voted, as follows, on the revised draft resolution (A/C.2/L.472/Rev.1), as modified by the sponsors:

(a) The third preambular paragraph, on which a separate vote had been requested by France, was adopted by 65 votes to 6, with 7 abstentions.

(b) Operative paragraph 1 on which a separate vote had been requested by Sweden, was voted on separately by roll-call and was adopted by 67 votes to 5, with 8 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Austria, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, Chad, Chile, China, Colombia, Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Ethiopia, Federation of Malaya, Gabon, Ghana, Greece, Guinea, Hungary, Iceland, India, Indonesia, Iran, Iraq, Israel, Italy, Jordan, Lebanon, Liberia, Libya, Mali, Mexico, Morocco, Nepal, Netherlands, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Poland, Portugal, Romania, Saudi Arabia, Senegal, Somalia, Spain, Sudan, Thailand, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: Australia, France, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Belgium, Canada, Finland, Haiti, Ireland, Japan, New Zealand, Sweden.

(c) The revised draft resolution, as a whole and as modified, was adopted by a roll-call vote of 68 votes to 4, with 8 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Austria, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, Chad, Chile, China, Colombia, Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Ethiopia, Federation of Malaya,

Gabon, Ghana, Greece, Guinea, Haiti, Hungary, Iceland, India, Indonesia, Iran, Iraq, Israel, Italy, Jordan, Lebanon, Liberia, Libya, Mali, Mexico, Morocco, Nepal, Netherlands, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Poland, Portugal, Romania, Saudi Arabia, Senegal, Somalia, Spain, Sudan, Thailand, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: Australia, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Belgium, Canada, Finland, France, Ireland, Japan, New Zealand, Sweden.

116. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution VII as set forth in the annex to the present report.

IX

117. The draft resolution submitted by Afghanistan, Burma, Ceylon, Ghana, India, Indonesia, Iraq, Nigeria, United Arab Republic, and Yugoslavia (A/C.2/L.474), and by Chad, Nepal, Pakistan, Sudan, and Yemen (A/C.2/L.474/Add.1-2 and A/C.2/L.474/Rev.1/Add.1) was introduced by the representative of India at the 694th meeting. The text of the draft resolution read as follows:

"Accelerated flow of Capital and Technical Assistance
to the Developing Countries

"The General Assembly,

"Bearing in mind the responsibilities laid upon Member States by Article 55 of the Charter to promote higher standards of living, full employment and conditions of economic and social progress and development, and by Article 56 to take joint action in co-operation with the United Nations for the achievement of these purposes,

"Bearing also in mind the widening gap in standards of living between the economically advanced and the less developed countries and the necessity to deal with it through international co-operative action,

"Recognizing the urgency and importance of accelerating the economic and social development of the under-developed countries for the maintenance of world peace and security and the promotion of better understanding among nations,

"Recognizing further that the nature and volume of the present flow of capital and the scope of technical assistance from the economically advanced countries to the under-developed countries for their economic and social development are inadequate,

"1. Urges all economically advanced States to ensure as a matter of continuing national policy that the total annual net outflow of funds from their own countries for promoting the economic development of the under-developed States is increased to and maintained at a level not below approximately 1 per cent of their national income;

"2. Urges further that while the outflow of funds to the under-developed countries could be through public or private channels whether bilaterally, multilaterally, or through international organizations, as much as possible of these funds should be channelled through the United Nations and its specialized agencies and in such a manner as not to bear heavily on the future balance of payments of less developed countries;

"3. Recommends that States take such legal and organizational steps as may be necessary to achieve the above-mentioned objectives;

"4. Requests the Secretary-General to report annually to the General Assembly on the progress made towards the objectives of this resolution." /.

118. The Committee considered this draft resolution at its 694th, 701st, 704th, 705th, 709th and 710th meetings.

119. The Committee heard general comments on the draft resolution at the 701st and 704th meetings, during the course of which certain oral suggestions were made to the sponsors.

120. At the 705th meeting, India, on behalf of the sponsors, introduced a revised text (A/C.2/L.474/Rev.1) of the joint draft resolution which embodied the following changes: (a) The fourth preambular paragraph and operative paragraph 1 had been replaced by the following paragraphs:

"Recognizing further that while the primary responsibility for their economic development, whether through the creation of appropriate social and economic conditions or the generation of internal capital, is and must remain that of the economically under-developed countries themselves, this development would be greatly aided by improving the nature and increasing the volume of the present flow of capital and the scope of technical assistance from the economically advanced countries to the under-developed countries,

"Appreciating the steady contribution already made over the years to the promotion of development by the regular outflow of international assistance,

"Believing however that this present flow is inadequate,

"1. Expresses the hope that this outflow of international assistance, which, according to the definitions employed by the United Nations already runs at the rate of about 1/2 per cent of the national incomes of the economically advanced countries, should be further increased substantially so as to reach approximately 1 per cent of their national incomes as soon as possible."

(b) The words "Urges further" had been replaced by the word "Urges" at the beginning of operative paragraph 2; and (c) the words "such legal and organizational steps" had been replaced by the words "such measures" in operative paragraph 3.

121. At the 709th meeting, India, on behalf of the sponsors, introduced a second revision (A/C.2/L.474/Rev.2) of the joint draft resolution which contained the following additional changes: (a) Operative paragraph 1 had been reworded as follows:

"Expresses the hope that this outflow of international assistance should be increased substantially so as to reach as soon as possible approximately 1 per cent of the combined national incomes of the economically advanced countries;"

and (b) the word "the" had been inserted before the words "less developed countries" at the end of operative paragraph 2.

122. Netherlands proposed (A/C.2/L.540) that operative paragraph 4 of the joint draft resolution should be replaced by the following:

"4. Requests the Secretary-General to report annually on this question within the framework of his reporting pursuant to General Assembly resolution 1034 (XI) and Economic and Social Council resolution 780 (XXX)."

123. Italy proposed (A/C.2/L.541) that the word "States" in operative paragraph 3 should be replaced by the words "Member States".

124. France proposed (A/C.2/L.543) that the words "as much as possible" in operative paragraph 2 should be replaced by the words "an appropriate part".

125. At the 710th meeting, India, on behalf of the sponsors, introduced a third revision (A/C.2/L.474/Rev.3) of the joint draft resolution which contained the following further changes: (a) The word "outflow" in the fifth preambular paragraph and operative paragraph 1 had been replaced by the word "flow"; (b) the word "funds" in operative paragraph 2 had been replaced by the words "capital and technical assistance" and the words "as much as possible of these funds" by the words "an appropriate part thereof"; and (c) operative paragraphs 3 and 4 had been redrafted to read as follows:

"3. Recommends that all countries, economically advanced as well as under-developed, take such measures as may be appropriate both to accelerate the flow of capital and technical assistance, and to ensure its effective utilization;

"4. Requests the Secretary-General to report annually to the General Assembly through the Economic and Social Council on the progress made towards the objectives of this resolution, taking into account General Assembly resolution 1034 (XI) and Economic and Social Council resolution 780 (XXX)."

126. France and the Netherlands withdrew their amendments (A/C.2/L.540 and A/C.2/L.543).

127. Italy maintained its amendment (A/C.2/L.541) modified to provide that the word "States" in operative paragraph 3 would be replaced by the words "States Members of the United Nations and the specialized agencies".

128. The Committee then voted on the revised draft resolution (A/C.2/L.474/Rev.3) and the amendment to it, as follows:

(a) The amendment of Italy (A/C.2/L.541), as modified by the sponsor, was adopted by a roll-call vote (requested by Iraq) of 39 to 35, with 3 abstentions. The voting was as follows:

In favour: Argentina, Australia, Austria, Belgium, Brazil, Canada, China, Colombia, Congo (Brazzaville), Cyprus, Denmark, Dominican Republic, Ecuador, Federation of Malaya, Finland, France, Greece, Iceland, Iran, Ireland, Italy, Japan, Lebanon, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Peru, Philippines, Portugal, Spain, Sweden, Thailand, Turkey, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela.

Against: Afghanistan, Albania, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, Chile, Czechoslovakia, Ethiopia, Ghana, Guinea, Hungary, India, Indonesia, Iraq, Liberia, Libya, Mali, Morocco, Nepal, Niger, Nigeria, Pakistan, Poland, Romania, Saudi Arabia, Sudan, Togo, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Upper Volta, Yemen, Yugoslavia.

Abstaining: Israel, Jordan, Somalia.

(b) The words "so as to reach as soon as possible approximately 1 per cent of the combined national incomes of the economically advanced countries;" in operative paragraph 1, on which a separate roll-call vote had been requested by the United States was adopted by 28 votes to 14, with 36 abstentions. The voting was as follows:

In favour: Afghanistan, Burma, Ceylon, Congo (Brazzaville), Ethiopia, Ghana, Guinea, India, Indonesia, Iran, Iraq, Jordan, Lebanon, Liberia, Libya, Mexico, Morocco, Nepal, Niger, Nigeria, Pakistan, Saudi Arabia, Sudan, Sweden, United Arab Republic, Upper Volta, Yemen, Yugoslavia.

Against: Australia, Belgium, China, Denmark, France, Italy, Japan, Luxembourg, Netherlands, Philippines, Spain, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Albania, Argentina, Austria, Brazil, Bulgaria, Byelorussian Soviet Socialist Republic, Cambodia, Canada, Chile, Colombia, Cuba, Cyprus, Czechoslovakia, Dominican Republic, Ecuador, Federation of Malaya, Finland, Greece, Hungary, Iceland, Ireland, Israel, Mali, New Zealand, Norway, Peru, Poland, Portugal, Romania, Somalia, Thailand, Togo, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Venezuela.

(c) The remainder of the draft resolution as amended, i.e. all of it except the words voted on under sub-paragraph (b) above, on which a separate roll-call vote had been requested by the United Kingdom, was adopted by 77 votes to 1, with no abstention. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Canada, Ceylon, Chile, China, Colombia, Congo (Brazzaville), Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Ethiopia, Federation of Malaya, Finland, France, Ghana, Greece, Guinea, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Japan, Jordan, Lebanon, Liberia, Libya, Luxembourg, Mali, Mexico, Morocco, Nepal, Netherlands, New Zealand, Niger, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Romania, Saudi Arabia, Somalia, Spain, Sudan, Sweden, Thailand, Togo, Turkey, Ukrainian Soviet Socialist Republic, Union of South Africa, Union of Soviet Socialist Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela, Yemen, Yugoslavia.

Against: Upper Volta.^{1/}

Abstaining: None.

(d) The joint draft resolution, as a whole and as amended, was adopted by a roll-call vote (requested by Lebanon) of 74 to none, with 4 abstentions. The voting was as follows:

^{1/} The representative of Upper Volta announced subsequently that he had intended to vote in favour of these parts of the draft resolution.

In favour: Afghanistan, Albania, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Canada, Ceylon, Chile, China, Colombia, Congo (Brazzaville), Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Ethiopia, Federation of Malaya, Finland, France, Ghana, Greece, Guatemala, Guinea, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Jordan, Lebanon, Liberia, Libya, Luxembourg, Mali, Mexico, Morocco, Nepal, Netherlands, New Zealand, Niger, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Romania, Saudi Arabia, Somalia, Spain, Sudan, Sweden, Thailand, Togo, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Upper Volta, Venezuela, Yemen, Yugoslavia.

Against: None.

Abstaining: Japan, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America.

129. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution VIII as set forth in the annex to the present report.

X

130. The draft resolution submitted by Pakistan (A/C.2/L.495) read as follows:

International credit insurance

"The General Assembly,

"Recalling its resolution 1318 (XIII) of 12 December 1958,

"Taking note with appreciation of the Secretary-General's report on the promotion of the international flow of capital,

"Taking note also of resolution 762 (XXIX) of 21 April 1960 of the Economic and Social Council,

"Conscious that all feasible measures should be adopted at the earliest possible date to assist and expand the flow of private funds for the purpose of development of the economically less developed countries,

"Requests the Secretary-General to report on the feasibility of establishing national and international credit insurance institutions or arrangements along with other measures designed to promote the flow of private capital as envisaged in Economic and Social Council resolution 762 (XXIX) of 21 April 1960."

131. Pakistan and Indonesia submitted a revised version (A/C.2/L.495/Rev.1) of this draft resolution before the Committee began to consider it. In this revised draft resolution, which was introduced by the representative of Pakistan at the 706th meeting, the operative paragraph read as follows:

"Requests the Secretary-General to report on the feasibility of establishing national and international credit insurance institutions or arrangements along with other measures designed to promote the flow of private capital as envisaged in Economic and Social Council resolution 762 (XXIX) of 21 April 1960, keeping in view especially the difficulties encountered by economically less developed countries with regard to their balance of payments."

132. The Committee considered this revised draft resolution at its 706th meeting.

133. Several oral suggestions were made during the course of the discussion.

134. The sponsors agreed that the operative paragraph should be revised to read as follows:

"Requests the Secretary-General, when reporting on measures designed to promote the flow of private capital as envisaged in Economic and Social Council resolution 762 (XXIX) of 21 April 1960, to report also on the feasibility of extending the scope of activities of existing national credit institutions, of creating new institutions or arrangements of this kind, and of establishing international credit insurance organizations, keeping in view especially the difficulties encountered by the economically less developed countries with regard to their balance of payments."

135. The revised draft resolution (A/C.2/L.495/Rev.1), as modified by the sponsors, was adopted by 54 votes to none, with 9 abstentions.

136. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution IX as set forth in the annex to the present report.

XI

137. The draft resolution submitted by Czechoslovakia (A/C.2/L.465) was introduced by the sponsor at the 678th meeting. The text of the draft resolution reads as follows:

Financing of economic development through long-term loans
extended at low rate of interest and changing the structure
of international division of labour in favour of the less
developed countries

"The General Assembly,

"Bearing in mind the requirement of financing the development of the less developed countries with a view to accelerating the industrialization of such countries,

"Recognizing the necessity of speeding up the establishment of industrial bases in the less developed countries by means of adopting purposeful measures in the field of financing basic capital investments under favourable conditions,

"Realizing that industrialization will make possible the diversification of the economies of the less developed countries which is becoming increasingly more urgent in view of the instability of their export profits and their limited financial resources,

"Noting that the establishment of modern industries in the less developed countries requires the inclusion of such industries in the international division of labour whereby the less developed countries would be given the opportunity of having greater participation in the world market and, especially, of gaining larger profits from exports of both their traditional products and products of the newly established industries, necessary for financing their economic development,

"1. Recommends all Member States:

"(a) To encourage, on bilateral or multilateral basis, the extending of medium- and long-term credits at low rate of interest as an advantageous form of providing assistance to the economic development of the less developed countries;

"(b) To direct co-operation at financing primarily the building of industries and other productive branches of economy in harmony with the needs and requirements of the development programmes of the less developed countries;

"2. Calls upon Governments to actively encourage such development of the structure of the international division of labour as would be conducive to an increased share of the less developed countries in the world trade in industrial products;

"3. Calls upon regional economic commissions to study this important question."

138. The Committee considered this draft resolution at its 678th to 682nd meetings.

139. At the 679th meeting Afghanistan and the United Arab Republic proposed the following amendments (A/C.2/L.487/Rev.1):

(a) The word "industrialization" in the first preambular paragraph should be replaced by the words "economic development";

(b) The word "profits" in the third preambular paragraph would be replaced by the word "earnings";

(c) The words "the inclusion of such industries in the international division of labour whereby the less developed countries would be given", in the fourth preambular paragraph, would be replaced by the words "the diversification and development of their economies in such a manner as to provide them with"; and the word "profits" by the word "earnings"; the words "necessary for financing their economic development" would be deleted;

(d) Operative paragraph 1 (a) would be replaced by the following:

"To encourage, on a bilateral and a multilateral basis, the extending of credits - and particularly long-term credits - on favourable terms, such terms to include the lowest possible interest rates, the longest possible periods for repayment of loans, and repayment in kind or in local currencies to the maximum extent feasible, as an advantageous form of providing assistance to the economic development of the less developed countries, and to encourage as well the influx of other forms of foreign capital and assistance which are important factors in the achievement of development in the less developed countries"; 1/

1/ In A/C.2/L.487, this paragraph had read as follows:

"to encourage, on a bilateral and a multilateral basis, the extending primarily of long-term credits on favourable terms, including the lowest possible interest rates, the longest possible periods for repayment of loans, and repayment in kind or in local currencies to the maximum extent feasible, as an advantageous form of providing assistance to the economic development of the less developed countries, as well as the influx of other forms of foreign capital and assistance which are an important factor in the achievement of development in the less developed countries;"

/...

(e) The word "productive" in operative paragraph 1 (b) would be replaced by the words "economic and social";

(f) Operative paragraph 2 would be replaced by the following text:

"Calls upon Member Governments to encourage the development and the diversification of the economies of the less developed countries with a view to increasing their share in world trade including trade in industrial products;"

140. The United States of America proposed (A/C.2/L.486) the addition of the following fifth preambular paragraph:

"Taking into account the establishment of the International Development Association as a new international source of credits on advantageous terms,"

141. Canada submitted the following amendments (A/C.2/L.498):

(a) The title of the draft resolution would be replaced by the following:

"Financing the economic development of the less developed countries and ensuring a share in world trade for their products";

(b) In the second preambular paragraph, the words "means of" should be deleted and the words "under favourable conditions" should be replaced by the words "in a manner acceptable to the receiving countries";

(c) In operative paragraph 3, the words "to continue" would be inserted after the word "commissions".

142. A sub-amendment was also submitted by Canada (A/C.2/L.499) proposing to modify the two-Power amendment to operative paragraph 1 (a) (A/C.2/L.487/Rev.1) by replacing the words "as an advantageous form" by the words "as well as grants, interest-free loans and other advantageous forms".

143. At the 680th meeting, a sub-amendment was also submitted by New Zealand (A/C.2/L.500) proposing to modify the two-Power amendment to operative paragraph 1 (a) (A/C.2/L.487/Rev.1) by replacing the words "the extending of" by the words "the extension as appropriate of grants, or".

144. The United Kingdom of Great Britain and Northern Ireland submitted an amendment (A/C.2/L.501) proposing to insert the following new sub-paragraph between sub-paragraphs (a) and (b) of operative paragraph 1.

"(b) To avoid extensive reliance on the practices of restricting economic aid to particular sources of supply or to particular projects,"

145. Several oral suggestions were also made to the sponsors during the course of the discussion.

146. At the 681st meeting, the sponsor introduced a revised text (A/C.2/L.465/Rev.1) of the draft resolution, in which the following changes had been incorporated:

(a) The title of the draft resolution had been revised to read "Financing of economic development of less developed countries through long-term loans and in other advantageous ways and ensuring an increasing share in world trade for their products".

(b) The first preambular paragraph had been revised to read as follows:

"Bearing in mind the urgent necessity of further facilitating the financing of the development of the less developed countries with a view to accelerating the economic development of such countries,"

(c) In the second preambular paragraph, the words "by means of adopting purposeful measures" had been replaced by the words "by adopting appropriate measures", and the words "under favourable conditions" by the words "in a manner acceptable to the receiving countries";

(d) In the third preambular paragraph the words "will make possible" had been replaced by the word "means" and the words "export profits" by the words "export earnings";

(e) The fourth preambular paragraph had been reworded as follows:

"Noting that the establishment of modern industries in the less developed countries requires the diversification and development of their economies in such a manner as to provide them with an opportunity to participate to a greater extent in the world market and, especially, to realize larger earnings from exports of both their traditional products and products of their newly established industries;"

(f) Operative paragraph 1 (a) was replaced by the following text:

"To encourage, on a bilateral and a multilateral basis, the extending of long-term loans and credits on favourable terms, including interest-free loans or loans at the lowest possible interest rates, the longest possible repayment periods and repayment in local currencies or in other beneficial forms, as well as the influx of other forms of foreign capital and assistance which are an important factor in that development;"

(g) In operative paragraph 1 (b) the words "To direct co-operation at financing primarily the building of industries and other productive branches of economy" were replaced by the words "To direct co-operation towards financing

primarily the building of industrial, agricultural and social projects for productive purposes";

(h) Operative paragraphs 2 and 3 were replaced by the following:

"2. Calls upon Member Governments to encourage the development and the diversification of the economies of the less developed countries with a view to increasing their share in world production and world trade including trade in industrial products;

"3. Calls upon the Economic and Social Council and the Committee for Industrial Development, and the regional economic commissions to study this important question."

147. Following the submission of the revised text (A/C.2/L.465/Rev.1) Afghanistan and the United Arab Republic withdrew their amendments (A/C.2/L.487/Rev.1) and Canada its sub-amendment to their amendments (A/C.2/L.499), as well as its amendment (A/C.2/L.498) to the draft resolution. New Zealand maintained its sub-amendment (A/C.2/L.500) to the amendments by Afghanistan and the United Arab Republic (A/C.2/L.487/Rev.1) but, since the latter had been withdrawn, as an amendment to operative paragraph 1 (a).

148. The United Kingdom revised (A/C.2/L.501/Rev.1) its amendment to the original text by proposing the insertion of the following sub-paragraph between sub-paragraphs (a) and (b) of operative paragraph 1:

"(b) To avoid extensive reliance on the practices of restricting economic aid to particular sources of supply or to particular projects; when aid involves the supply of goods or services, they should be made available at no more than competitive world prices;"

149. Subsequently the United Kingdom further revised (A/C.2/L.501/Rev.2) the proposed new sub-paragraph by replacing the word "practices" by "practice" and by deleting the words "or to particular projects".

150. Greece proposed the following amendments (A/C.2/L.505):

(a) In operative paragraph 1 (b), the words "direct co-operation towards" would be replaced by the words "co-operate in the"; the words "primarily the building" should be deleted; and the words "and social projects" replaced by the words "social and other projects"; and

(b) In operative paragraph 3, the words "and the Committee for Industrial Development" would be deleted and the final phrase reworded to read "and its regional economic commissions to continue to study this important question".

151. Argentina proposed a sub-amendment (A/C.2/L.504) to the amendment of the United States of America (A/C.2/L.486) by which the words "the International Development Association as a" and the words "on advantageous terms" would be deleted and the word "source" would be replaced by the word "sources".
152. India proposed (A/C.2/L.506) to re-insert in the amendment submitted by the United Kingdom (A/C.2/L.501/Rev.2) the words "or to particular projects" after the words "sources of supply".
153. Turkey proposed (A/C.2/L.503) to replace the second preambular paragraph by the following:

"Recognizing the need to accelerate the industrialization of the less developed countries through the provision of an increasing flow of public and private capital in a manner acceptable to the receiving countries,"

154. Italy proposed (A/C.2/L.507) that the following words be inserted at the end of operative paragraph 3: "and requests the Committee for Industrial Development to make suggestions in this connexion". This amendment was later revised (A/C.2/L.507/Rev.1) so as to propose that operative paragraph 3 be replaced by the following:

"Calls upon the Economic and Social Council, its appropriate committees and its regional economic commissions to continue to study this important question."

155. At the 682nd meeting, Mexico proposed (A/C.2/L.508) that in the fourth preambular paragraph the words "of both their traditional products and products of their newly established industries" should be replaced by the words "of their products, including exports of products of their newly established industries".
156. A second revision of the draft resolution (A/C.2/L.465/Rev.2) incorporating some of the amendments and oral suggestions which had been made was submitted by the sponsor at the 682nd meeting. It contained the following changes:

- (a) The second preambular paragraph had been reworded as follows:

"Recognizing the need to accelerate the industrialization of the less developed countries through the provision of an increasing flow of capital in a manner acceptable to the receiving countries,"

- (b) In operative paragraph 1 (a) the words "including grants" had been inserted after the words "foreign capital and assistance,".

(c) A new sub-paragraph had been inserted between sub-paragraphs (a) and (b) of operative paragraph 1, as follows:

"To avoid extensive reliance on the practices of restricting economic aid to particular sources of supply or to particular projects; when aid involves the supply of goods or services, they should be made available at no more than competitive world prices;"

(d) Operative paragraph 1 (c) (formerly 1 (b)) had been reworded as follows:

"To co-operate in financing primarily the building of industrial, agricultural and social projects for productive purposes in harmony with the needs and requirements of the development programmes of the less developed countries;"

(e) Operative paragraph 3 had been reworded as follows:

"Calls upon the Economic and Social Council and its regional economic commissions to continue to study this important question, and request the Committee for Industrial Development to make suggestions on that matter."

157. The representative of the United States accepted the sub-amendment of Argentina (A/C.2/L.504) to his amendment (A/C.2/L.486), and the modified text was then accepted by Czechoslovakia and was inserted as the fifth preambular paragraph of the revised draft resolution.

158. The sponsor then made the following changes to the second revised text (A/C.2/L.465/Rev.2) of the draft resolution:

(a) The third preambular paragraph was reworded as follows:

"Realizing that the diversification of the economies of the less developed countries implies industrialization and is becoming increasingly more urgent in view of the instability of their export earnings and their limited financial resources,".

(b) The opening phrase of the fourth preambular paragraph was reworded to read "Believing that diversification, the establishment of modern industries in the less developed countries and development of their economies must take place in such..." and the words "both their traditional productions and" at the end of the paragraph were replaced by the words "their products including exports of".

(c) In operative paragraph 1 (a) the words "the extending of long-term loans and credits" were replaced by the words "the extension as appropriate of long-term loans, grants, or credits on favourable terms"; the words "including grants" near the end of the paragraph were deleted and the final clause "which are an important

/...

factor in that development" was replaced by "which are important factors in the economic and social progress of the less developed countries".

(d) In operative paragraph 1 (b) the words "to avoid extensive reliance" were replaced by the words "To avoid, except for balance of payments reasons, reliance"; the word "exclusively" was inserted after the words "sources of supply or"; and the words "no more than" were deleted.

(e) In operative paragraph 1 (c), the opening phrase was reworded as follows: "To co-operate in financing industrial, agricultural, social and other projects...".

159. New Zealand, Turkey, Greece, Mexico and the United Kingdom withdrew their amendments (A/C.2/L.500, L.503, L.505, L.508 and L.501/Rev.2, respectively) and India withdrew its sub-amendment (A/C.2/L.506) to the United Kingdom amendment (A/C.2/L.501/Rev.2).

160. The Committee then voted on the revised draft resolution (A/C.2/L.465/Rev.2) as further modified by the sponsor, and the amendment to it (A/C.2/L.507/Rev.1) as follows:

(a) The amendment by Italy (A/C.2/L.507/Rev.1) was rejected by 25 votes to 24, with 23 abstentions.

(b) The word "grants" in operative paragraph 1, on which a separate vote had been requested by Afghanistan, was adopted by 48 votes to none, with 20 abstentions.

(c) Operative paragraph 1 (b), on which a separate vote had been requested by France, was adopted by 63 votes to none, with 7 abstentions.

(d) The draft resolution as a whole, as revised and modified, was adopted unanimously.

161. The Committee therefore recommends to the General Assembly the adoption of draft resolution X as set forth in the annex to the present report.

XII

162. The draft resolution submitted by Brazil (A/C.2/L.494) read as follows:

Development of petroleum industry in less developed countries

"The General Assembly,

"Recalling General Assembly resolutions 1319 (XIII) and 1425 (XIV),

"Noting Economic and Social Council resolution 758 (XXIX) concerning technical assistance to less developed countries in the field of petroleum resources,

"Considering that the locating and exploiting of petroleum deposits, as well as the development of all phases of that industry - from refining to the marketing of petroleum and its by-products - are of vital importance to the development of less developed countries and the strengthening of their economies,

"Considering that the efficient operation of all stages of that industry would be enormously speeded-up and facilitated under a system of broad international co-operation, which would provide less developed countries and their Governments with advice as well as economic aid through the United Nations and its specialized agencies,

"Bearing in mind that in some countries the policy of State monopoly under which two stages of the petroleum industry (those of prospecting and of extracting) are operated is an imperative requirement of a non-partisan, national approach to the petroleum problem,

"Recognizing that those same countries follow a policy of limited restrictions regarding the refining stage of the industry, and of unrestricted freedom in the stages of transportation and of marketing, not only of petroleum but of all its by-products as well,

"1. Requests the Secretary-General to give high priority to a study of the possibilities of international co-operation, through the United Nations and its specialized agencies, in the granting of long-term, low interest credits to the petroleum industry in less-developed countries, sufficient to enable them:

"(a) To purchase or manufacture all the equipment necessary to modernize and render more efficient the prospecting and extracting of petroleum;

"(b) To secure the services of international experts, for the training of national personnel at different levels;

"2. Requests the Executive Chairman of the Technical Assistance Board (TAB) to provide all possible assistance, at the request of interested Governments, to the petroleum industry of less developed countries, bearing in mind the techniques required for petroleum development;

"3. Invites the Commission on International Commodity Trade (CICT) to include petroleum and its by-products in the projections of future supply and demand of primary commodities;

"4. Requests that a Report by the Secretary-General, on the possibilities mentioned above, in the first operative paragraph, be submitted to the Economic and Social Council at its thirty-second session and to the General Assembly at its sixteenth session."

163. Brazil submitted a revised version (A/C.2/L.494/Rev.1) of its draft resolution before the Committee began to consider it. This revised draft resolution, which was introduced by the representative of Brazil at the 707th meeting, modified the last two paragraphs of the preamble to read as follows:

"Bearing in mind the diversity of approach to petroleum development in less developed countries, including the reliance upon different forms of State monopoly, as well as upon private and joint enterprises;

"Recognizing that some less developed countries follow a policy of limited restrictions regarding the refining stage of the industry, and of unrestricted freedom in the stages of transportation and of marketing, not only of petroleum but of all its by-products as well,".

164. The Committee considered this revised draft resolution at its 707th meeting. The sponsor deleted the sixth preambular paragraph. Various oral suggestions were made regarding the text of the draft resolution.

165. 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.

XIII

166. The draft resolution submitted by Cuba, Ethiopia, Ghana, Guinea, Liberia, Libya, Nigeria, Poland, Saudi Arabia, Somalia, Sudan, Togo, Tunisia and Yugoslavia (A/C.2/L.491), later joined as co-sponsors by Afghanistan, Brazil, Burma, Central African Republic, Chad, Czechoslovakia, Dahomey, Gabon, Greece, Haiti, Indonesia, Iraq, Ivory Coast, Lebanon, Mali, Morocco, Niger, Pakistan, Peru, Romania, Senegal, Ukrainian SSR, United Arab Republic, United Kingdom of Great Britain and Northern Ireland and Upper Volta (A/C.2/L.491/Add.1-6) was introduced by the representatives of Sudan and Poland at the 702nd meeting. The text of the draft resolution read as follows:

Activities of the United Nations in the field of
industrial development

"The General Assembly,

"Recalling General Assembly resolution 1431 (XIV) which recommended that the Economic and Social Council 'give consideration to the prompt establishment of a commission for industrial development',

"Noting Economic and Social Council resolution 751 (XXIX) on the establishment of the Committee for Industrial Development,

"Taking into consideration the substantial interest of the economically less developed countries in developing their national industries as one of the main ways of diversifying their economic structures and developing their national economies generally,

"Being convinced that the activities of the United Nations in the field of industrial development should be widened and accelerated,

"1. Recommends that the Committee for Industrial Development should consider, in drawing up its programme of work, in addition to the functions set forth in Economic and Social Council resolution 751 (XXIX), the following functions:

"(a) to review the methods and techniques of programming general industrial development which have been evolved by different countries and regions and to contribute to international co-operation in this field;

"(b) to work out general conclusions on the basis of the experience of industrial development in all countries with a view to becoming a centre for the exchange of experience in the field of industrial development between countries of different regions and having differing economic systems;

/...

"(c) to draw up long-term economic projections in the field of industrial development taking into account social aspects of industrialization in the economically less developed countries, as well as its influence on international economic relations and trade;

"(d) to follow developments in the field of the financing of new industries in the economically less developed countries and to make appropriate recommendations thereon;

"2. Recommends that the Economic and Social Council at its resumed thirtieth session enlarge the membership of the Committee for Industrial Development to thirty members in order to assure the just representation in that Committee, taking into account, in particular, the countries of Africa;

"3. Appeals to the Governments of the States members of the Committee for Industrial Development to designate their representatives to the Committee in the near future and in accordance with the principle set forth in paragraph 6 of Economic and Social Council resolution 751 (XXIX);

"4. Decides beginning with the sixteenth session of the General Assembly, to include in the Assembly's agenda an item entitled 'Industrial Development and activities of the organs of the United Nations in the field of industrialization'."

167. The Committee considered this draft resolution at its 702nd and 703rd meetings.

168. At the 702nd meeting, Italy proposed (A/C.2/L.536) that operative paragraph 2 should be replaced by the following:

"2. Recommends that the Economic and Social Council at its resumed thirtieth session should consider the possibility of enlarging the membership of the Committee for Industrial Development in order to ensure more balanced representation of Member States in that Committee, in accordance with the principles enunciated in paragraph 4 of Economic and Social Council resolution 751 (XXIX) and taking account of the admission to the United Nations of the new independent countries of Africa".

169. At the 703rd meeting, the representative of Sudan, on behalf of the sponsors, modified the text of the draft resolution as follows: (1) In the third preambular paragraph, the word "national" was replaced by the word "own"; (2) in operative paragraph 1 (b) the words "becoming a centre for" were replaced by the word "promoting"; and (3) in operative paragraph 1 (c), the words "draw up" were replaced by the words "encourage the preparation of".

170. As regards operative paragraph 2, the sponsors agreed to replace the words "assure the just representation in that Committee" by the words "ensure more balanced representation of Member States in that Committee, in accordance with the

principles enunciated in paragraph 4 of Economic and Social Council resolution 751 (XXIX) and".

171. Italy then withdrew its amendment (A/C.2/L.536).

172. The sponsors also accepted an oral suggestion to replace the words "addition to" in the introductory part of operative paragraph 1 by the words "conjunction with".

173. The draft resolution, as modified by the sponsors, was adopted unanimously.

174. The Committee therefore recommends to the General Assembly the adoption of draft resolution XI as set forth in the annex in the present report.

XIV

175. The draft resolution submitted by Bolivia, Cuba, Ghana, Iraq, United Arab Republic and Yugoslavia (A/C.2/L.490) was introduced by the representative of Cuba at the 696th meeting. The text of the joint draft resolution read as follows:

"Land reform"

"The General Assembly,

"Bearing in mind that land reform is one of the main prerequisites for the general improvement of agricultural productivity, that the needs foreseen and the difficulties encountered still constitute a serious obstacle to the economic development of many under-developed countries and that the necessary remedies have not been applied,

"Convinced that the reports submitted by the Secretary-General for the consideration of the Economic and Social Council and the General Assembly, in accordance with Assembly resolutions 401 (V) of 20 November 1950, 524 (VI) of 12 January 1952, 625 A (VII) of 21 December 1952, 826 (IX) of 11 December 1954 and 1426 (XIV) of 5 December 1959 and Council resolutions 370 (XIII) of 7 September 1951, 512 C (XVII) of 30 April 1954, 649 B (XXIII) of 2 May 1957 and 712 (XXVII) of 17 April 1959, by no means indicate that the subject of land reform has been exhausted either from the standpoint of economic development or from that of the maximum utilization of resources,

"1. Recommends that the Secretary-General should continue to study the progress achieved by countries which have carried out or are carrying out programmes for the transformation of their agrarian structure and should submit for the consideration of the Economic and Social Council a comprehensive analytical survey every three years, the first of which would be presented in 1962, devoting particular attention to a detailed and critical examination of the basic problems of land reform in the under-developed countries.

"2. Further recommends that the Secretary-General, prior to his report of 1962, should inform the General Assembly at its sixteenth session of the progress achieved in implementation of resolution 1426 (XIV);

"3. Invites the Secretary-General, in complying with the terms of paragraph 1 and after prior consultation with the Governments concerned, to consider the possibility of:

"(a) undertaking studies with a view to ascertaining the demographic, legal, social and economic factors which impede structural changes in the system of land tenure in those countries that are carrying out land reform programmes and consequently impede the application of the recommendations made in Economic and Social Council resolution 370 (XIII);

"(b) carrying out country studies in order to determine how tax, financial and budgetary factors, as well as the present utilization of land, can impede or expedite the execution of national land reform programmes in the under-developed countries;

"(c) evaluating the role of co-operatives and credit agencies in programmes for the transformation of the agrarian structure;

"4. Requests the Secretary-General to ensure that the question of land reform, in view of its importance for the economic development of the under-developed countries, should continue to be considered by the Economic and Social Council in collaboration with FAO and the specialized agencies concerned;

"5. Renews the hope, expressed in its resolution 1426 (XIV), that existing United Nations organs for technical and financial assistance and any new organs which may be set up by the United Nations give as much assistance as possible and the necessary high priority to projects connected with the execution of agrarian reform programmes."

176. The Committee considered this draft resolution at its 696th to 698th meetings.

177. At the 696th meeting, the representative of Cuba, on behalf of the sponsors, introduced a revised version of the draft resolution (A/C.2/L.490/Rev.1) containing the following changes:

(a) The word "frequently" was inserted in the first preambular paragraph after the words "that land reform is"; and the word "applied" was replaced by the words "set forth".

(b) In the second preambular paragraph, the references to Assembly resolution 1426 (XIV) of 5 December 1959 and to Economic and Social Council resolution 712 (XXVII) of 17 April 1959 were deleted, and the last part of the paragraph beginning "by no means indicate..." was changed to read as follows: "have provided valuable information on land reform but by no means indicate that the subject of land reform has been exhausted either from the standpoint of economic development and social well-being, or that of the maximum utilization of resources".

(c) The following insertions were made in operative paragraph 1: the words "in co-operation with the Director-General of the Food and Agriculture Organization of the United Nations" were added after the words "Recommends that the Secretary-General"; the words "at their request" after the words "programmes for the transformation of their agrarian structure"; and the words "in accordance

with Assembly resolution 1426 (XIV) of 5 December 1959 and Council resolution 712 (XXVII) of 17 April 1959" after the words "would be presented in 1962".

(d) The words "resolution 1426 (XIV)" at the end of operative paragraph 2 had been replaced by the words "Assembly resolution 1426 (XIV) and Council resolution 712 (XXVII)".

(e) The words "and after prior consultation with the Governments concerned" in the introductory part of operative paragraph 3 were replaced by the words "and after appropriate consultation with, and at the request of, the Governments concerned in the carrying out of land reform programmes, as well as with the Director-General of the Food and Agriculture Organization of the United Nations and the executive heads of interested specialized agencies,".

(f) Operative paragraph 3 (a) was modified to read as follows:

"(a) Undertaking studies with a view to ascertaining the demographic, legal, social, economic or other principal factors which may impede or expedite structural changes in the system of land tenure and consequently influence the application of the recommendations made in Economic and Social Council resolution 370 (XIII).

(g) The words "Requests the Secretary-General to ensure that" in operative paragraph 4 were replaced by the words "Deems it convenient that"; and the words "should" before the words "continue to be considered" was deleted.

178. During this and the 697th meeting several speakers suggested changes in the text of the joint draft resolution.

179. The representative of Cuba, on behalf of the sponsors, agreed to accept the following further changes:

(a) The insertion of the following words as a third preambular paragraph:

"Recognizing the usefulness of studies concerning the obstacles which impede or render difficult the implementation of land reform".

(b) The insertion of the words "and the executive heads of the other specialized agencies concerned" after the words "in co-operation with the Director-General of the Food and Agriculture Organization of the United Nations" in operative paragraph 1; and the addition of the words "as mentioned in paragraph 55 of the 1959 report by the Secretary-General (E/3208)" at the end of that paragraph;

(c) The replacement of the words "paragraph 1" by the words "the present resolution" in the introductory part of operative paragraph 3.

180. The six-Power draft revised resolution (A/C.2/L.490/Rev.1), as modified by the sponsors, was adopted unanimously.

181. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution XII as set forth in the annex to the present report.

182. The Committee agreed at its 645th meeting to consider the question of "Programme appraisals in the economic, social and human rights fields" (see paragraph 3 above) during the course of its general discussion on items 12, 29 and 74. Several delegations also made statements related to this question during the Committee's consideration of the twenty-four-Power draft resolution on "Decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions" (see section V above).
183. Since this question had been allocated to the Fifth Committee for action, the Chairman of the Second Committee, with the consent of the Committee, addressed two letters, dated 22 November and 5 December 1960, to the President of the General Assembly for the information of the Fifth Committee. These communications indicated briefly the way in which the Second Committee had dealt with this question and contained relevant extracts from the statements made by representatives.
184. The Committee also agreed at its 645th meeting to consider the question of "consultation with the specialized agencies" (see paragraph 3 above) during the general discussion on items 12, 29 and 74. Since this question had been allocated to the Sixth Committee for action, the Chairman of the Second Committee - with the consent of the Committee - addressed a letter dated 18 November 1960 to the President of the General Assembly for the information of the Sixth Committee, in which he informed him that no comments had been registered on this question during the Committee's general discussion.

ANNEX

DRAFT RESOLUTION I

Concerted Action for Economic Development of Economically
Less Developed Countries

The General Assembly,

Believing that the principles laid down in the Charter of the United Nations with regard to international economic and social co-operation should be reaffirmed now when so many Member States have recently joined the United Nations,

Bearing in mind the solemn undertaking embodied in the Charter to employ international machinery for the promotion of the economic and social advancement of all peoples,

Recalling also that one of the principal objectives of the United Nations is to promote higher standards of living and that Members of the United Nations have pledged themselves to take joint and separate action to achieve this purpose,

1. Reiterates that a prime duty of the United Nations is to accelerate the economic and social advancement of the less developed countries of the world, thus contributing to safeguarding their independence and helping to close the gap in standards of living between the more developed and the less developed countries;

2. Recognizes that this social and economic advancement requires the development and diversification of economic activity: that is to say the improvement of conditions for the marketing and production of foodstuffs and the industrialization of those economies which are largely dependent on subsistence agriculture or on the export of a small range of primary commodities;

3. Believes that in present circumstances the achievement of these ends demands, inter alia:

(a) The maintenance of a high and expanding level of economic activity and of generally beneficial multilateral and bilateral trade free from artificial restrictions in order to enable the less developed countries and those dependent on the export of a small range of primary commodities to sell more of their products at stable and remunerative prices in expanding markets, and so increasingly to finance their own economic development from their earnings of foreign exchange;

(b) The increasing provision of public and private capital on acceptable terms from the more developed to the less developed countries notably through international organizations and through freely negotiated multilateral or bilateral arrangements;

(c) The expansion of technical co-operation between countries at all stages of development, with the objective of aiding the people of under-developed countries to increase their knowledge of, and capacity to apply, modern techniques;

(d) Scientific and cultural co-operation and the encouragement of research;

(e) Proper regard for the human and social aspects of economic development;

4. Recommends with these objects in view that:

(a) Member States and the international organs concerned should continue as a matter of urgency to seek and apply ways of eliminating both excessive fluctuations in primary commodity trade, and restrictive practices or measures which have unfavourable repercussions on the trade in basic products of the less developed countries and those dependent on the export of a small range of primary products, and to expand trade in these products;

(b) In particular, with this in mind, the Economic and Social Council should give close and serious attention to the problems of commodity trade, and to the recommendations of the Commission on International Commodity Trade designed to deal with them, including those such as compensatory financing relating to off-setting the effects of large fluctuations;

(c) Technical training, education and pre-investment assistance, whether undertaken by international organizations or by individual Governments, should be regarded as an important factor in the economic development of under-developed countries; in particular the fullest possible support should be given to the United Nations Expanded Programme of Technical Assistance, to the United Nations Special Fund and to the other voluntary programmes of the United Nations which are concerned with these ends;

(d) Technical assistance and the supply of development capital which are increasing should be increased further, whether provided through existing and future international organizations and institutions or otherwise, and should be of a kind and in a form in accordance with the wishes of the recipients and should involve no unacceptable conditions for them, political, economic, military or other;

...
/...

(e) Regional economic groupings should be designed to offer the opportunities of an expanding market to all trading nations, taking into account the interests of third parties;

5. Recommends further that the sovereign right of every State to dispose of its wealth and its natural resources should be respected in conformity with the rights and duties of States under international law;

6. Requests the Economic and Social Council of the United Nations, the Secretary-General of the United Nations, the specialized agencies, the International Atomic Energy Agency and the Member Governments of these organizations to take note of this resolution and asks them to play their appropriate part effectively in carrying out its objectives and principles for the general and common benefit of the human race.

DRAFT RESOLUTION II

Economic and Social Consequences of Disarmament

The General Assembly,

Recalling its resolution 1378 (XIV) of 20 November 1959,

Conscious that the impact of disarmament is likely to set in motion great changes in the domestic economies of States and in international economic relations, as a result of the progressive diversion of human and material resources from military to peaceful purposes,

Recognizing that effective action at the national and international levels will need to be taken to make use of material and human resources becoming available as a consequence of disarmament, in order to promote social progress and better standards of living in the world,

Bearing in mind the importance of comprehensive and systematic studies in this field to enable Member States, especially those which are under-developed, to make the necessary economic and social adjustments in the event of disarmament,

Convinced that it is both timely and desirable to undertake such studies,

1. Requests the Secretary-General to examine:

(a) The national economic and social consequences of disarmament in countries with different economic systems and at different stages of economic development, including, in particular, the problems of replacing military expenditures with alternative private and public civil expenditures so as to maintain effective demand and to absorb the human and material resources released from military uses;

(b) The possible development of structural imbalances in national economies as a result of the cessation of capital investment in armaments industries, and the adoption of possible corrective measures to prevent such imbalances, including expanded capital assistance to the under-developed countries;

(c) The impact of disarmament on international economic relations, including its effect on world trade and especially on the trade of under-developed countries;

(d) The utilization of resources released by disarmament, for the purpose of economic and social development, in particular of the under-developed countries;

2. Recommends that the Secretary-General should conduct the proposed examination with the assistance of expert consultants to be appointed by him with due regard to their qualifications and to the need of geographical representation and intimate knowledge of countries with different economic systems and at different stages of economic development;

3. Appeals to Governments of States Members of the United Nations to give full co-operation to the Secretary-General in the fulfilment of the task entrusted to him;

4. Requests the Secretary-General to submit a preliminary report on the results of the examination to the Economic and Social Council at its thirty-third session;

5. Requests the Economic and Social Council to transmit the report with its views to the General Assembly at its seventeenth session.

DRAFT RESOLUTION III

Projections

The General Assembly,

Considering the importance of projections of certain major international economic trends, particularly in the field of primary products,

Aware of the special importance of such projections to the less developed countries, including those which have recently achieved their political independence, for the formulation of their long-term policies and plans for economic development, including the use of their natural resources,

Recalling its resolution 1428 (XIV) of 5 December 1959 on world economic development,

Taking note of the activities of the Economic and Social Council in this field and, in particular, of its resolution 777 (XXX) concerning the solution of problems relating to methodology, comparability and collation of relevant data,

Believing that the need to accelerate the economic development of the under-developed countries calls for an intensification of all activities conducted in this field in order to make available even tentative data on the medium- and long-term prospects for the production and exports of those countries in the light of the longer-term trends prevailing in the world economy,

1. Endorses Economic and Social Council resolution 777 (XXX) of 3 August 1960;

2. Requests the Economic and Social Council to intensify its work in the field of economic and social projections;

3. Recommends that the regional economic commissions continue and intensify their activities in this field;

4. Welcomes the decision of the Commission on International Commodity Trade to continue the consideration of this question at its next session and invites it to make such recommendations as it deems appropriate;

5. Requests the Secretary-General, bearing in mind the recommendations of the aforementioned Commission to prepare, in consultation with the Director-General of the Food and Agriculture Organization of the United Nations and in co-operation with the executive secretaries of the regional economic commissions,

a study containing tentative medium- and long-term projections of the prospective international demand for, and supply of, selected major primary commodities at present exported by the under-developed countries;

6. Further requests the Secretary-General to submit this study, together with a detailed note on the methodology used and the problems encountered, to the Economic and Social Council for consideration at its thirty-fourth session and for transmission, with its observations, to the General Assembly at its seventeenth session.

DRAFT RESOLUTION IV

Decentralization of the United Nations Economic and Social Activities and Strengthening of the Regional Economic Commissions

The General Assembly,

Expressing its satisfaction that the Economic and Social Council recognized the value of regional co-operation in the establishment of the United Nations system of regional economic commissions to which the Economic Commission for Africa was added in 1958,

Welcoming resolution 795 (XXX) on co-ordination in the field, adopted by the Economic and Social Council on 3 August 1960, and being aware of the continuing need for regional co-ordination which requires liaison and co-operation between the representatives of the Technical Assistance Board and the specialized agencies and the executive secretaries of the regional economic commissions,

Recognizing that the regional economic commissions are not limited under their terms of reference to studies and deliberations and are actually performing various operational functions through their secretariats,

Reaffirming its resolution 1158 (XII) of 26 November 1957 on activities of the regional economic commissions,

Bearing in mind particularly Economic Commission for Africa resolutions 11 (II) of 3 February 1960 "Multilateral Economic and Financial Assistance to Africa", and 19 (II) of 4 February 1960 on "Concerted Action"; Economic Commission for Asia and the Far East resolution 31 (XVI) of 18 March 1960 on "Regional Economic Co-operation for development of trade and industries"; Economic Commission for Latin America

resolutions 153 (VIII) of 22 May 1959 on "Joint ECLA/TAO Economic Development Training Programme", 155 (VIII) of 22 May 1959 on "Economic Development Advisory Groups", 172 (AC.45) of 28 March 1960 on "Latin American Common Market", 173 (AC.45) of 28 March 1960 on "Central American Economic Integration; and Economic Commission for Europe resolution 4 (XXV) of 5 May 1960 on "Assistance to the Less Developed Countries".

1. Notes with satisfaction the conclusion of the Committee on Programme Appraisal of the Economic and Social Council,^{1/} as mentioned in resolutions 793 (XXX), that the regional economic commissions are playing an increasingly important role in the preparation and carrying out of programmes and activities, in the economic and social fields, both as focal centres for the promotion of economic and social development and as meeting grounds for experts who contribute to this development in their respective countries in the several regions;

2. Invites all States Members of the United Nations to advance further their active support of the activities of the United Nations regional economic commissions and all States members of the respective commissions to take further advantage of the facilities and services which could be made available by or through their secretariats;

3. Urges the regional economic commissions, with due regard to the relevant resolutions of the Economic and Social Council, to strengthen co-operation among themselves and among their executive secretaries, including the exchange of the results of work and experiences gained on problems of common interest;

4. Requests the Secretary-General to make every effort to strengthen the secretariats of the regional economic commissions, and in particular to promote and assist, in continuing co-operation with the independent African States, the effective functioning of the secretariat of the Economic Commission for Africa;

5. Requests the Secretary-General to consult the regional economic commissions at their next annual sessions and the specialized agencies, and to report to the Economic and Social Council at its thirty-second session and to the General Assembly at its sixteenth session on the steps taken in implementation of Council resolution 793 (XXX) regarding the decentralization of activities and operations and the increased utilization of the services of the regional economic commissions.

^{1/} E/3347/Rev.1, para. 318.

DRAFT RESOLUTION V

Strengthening and Development of the World Market and Improvement of the Trade Conditions of the Economically Less Developed Countries

The General Assembly,

Recalling its resolution 1421 (XIV) of 5 December 1959 on strengthening and development of the world market and improvement of the trade conditions of the economically less developed countries,

Recognizing that expansion of international trade, and in particular of trade between countries of different social and economic systems as well as of trade between countries at markedly different stages of economic development, is of real importance for the progress and welfare of all peoples, contributes to the strengthening of peace and constitutes one of the most efficient means of accelerating the increase in the rate of development of the less developed countries, many of which have recently become Members of the United Nations,

Bearing in mind the real importance of maintaining and developing generally beneficial trade free from artificial restrictions,

Considering the endeavours made in this direction by the different United Nations bodies, and in particular by the Commission on International Commodity Trade and, as far as trade between countries of different economic systems is concerned, by the Economic Commission for Europe,

Being aware that regional trade co-operation which does not prejudice the interests of other countries or the interest of world trade at large represents an important step towards world economic and trade co-operation,

Taking note of Economic and Social Council resolution 778 (XXX) of 3 August 1960 and of resolution 6 (XV) of the Economic Commission for Europe,

Reiterating the high priority of this field of work of the United Nations in its activities related to the world economy,

Requests the Economic and Social Council:

1. To recommend to the Economic Commission for Europe that it ensure the preparation of the studies envisaged in its resolution 6 (XV) in time for the thirty-second session of the Council;

2. To recommend to the Commission on International Commodity Trade and to the regional economic commissions that they continue to study the causes and obstacles which have resulted in substantial fluctuations, whether in volume or prices, of exports of the economically less developed countries, as well as the ways and means of improving the existing situation and present their views on these matters to the thirty-second session of the Economic and Social Council, which should take into account in its studies and recommendations the problems of all Member countries including those which at present do not belong to any regional economic commission;

3. To recommend to the Economic Commissions for Europe, for Asia and the Far East, for Latin America and for Africa that they elaborate further appropriate measures to promote intra-regional trade co-operation;

4. To discuss at its thirty-second session, after a preliminary exchange of views among the executive secretaries of the regional economic commissions and the Chairman of the Commission on International Commodity Trade, the findings of the studies recommended in paragraphs 1, 2 and 3 of the present resolution together with the report^{1/} being prepared under General Assembly resolution 1421 (XIV) on ways and means of promoting wider trade co-operation among States, in order to submit those studies together with the Council's comments to the General Assembly at its sixteenth session.

DRAFT RESOLUTION VI

Improvement of the Terms of Trade Between the Industrial and the Under-developed Countries

The General Assembly,

Recalling that one of the greatest economic development problems in most of the under-developed countries is the imbalance between the prices of the products they export and those of the merchandise and other goods which they need to import,

1/ E/3589 and Corr.1/Rev.1, and the further report to be submitted to the Economic and Social Council at its thirty-second session.

/...

Considering that these terms of trade have been deteriorating steadily in recent years, thereby contributing to the difficult situation of economic and social instability in the countries concerned,

Appreciating that the means these countries can adopt in isolation to protect the prices of the raw materials or primary products which they produce are very weak and for the most part ineffective,

Expressing the hope that agreements similar to the international agreements, concluded between producers and consumers in the case of sugar, wheat and tin might be concluded in the case of other primary commodities and implemented on a wider basis more favourable to the under-developed countries,

Noting further that there are other measures which States Members of the United Nations and of the specialized agencies might take to alleviate the export problems of under-developed countries through improving their access to the markets of the more developed countries for their present and potential export products,

Recognizing that by such procedures a considerable improvement could be brought about in the terms of trade between the industrial and the under-developed countries,

1. Recommends that the Economic and Social Council and the Commission on International Commodity Trade intensify the study of measures, including in particular multilateral agreements among States, which might be adopted in order to extend and improve markets for the sale of primary commodities which form the basis of the economies of the under-developed countries;

2. Requests the Economic and Social Council to report to the General Assembly at its sixteenth session on any results of such studies as well as other similar studies now under way in various international organizations which might promote the above ends.

DRAFT RESOLUTION VII

Establishment of a United Nations Capital Development Fund

The General Assembly,

Bearing in mind the determination of the peoples of the United Nations to employ international machinery for the promotion of economic and social advancement of all peoples,

Recognizing the urgency of accelerating the economic and social development of under-developed countries,

Recognizing further that the present flow of capital from the economically advanced countries to the under-developed countries for the economic and social development of the latter is wholly inadequate in nature and scope,

Considering the need for the United Nations to supplement all existing efforts for capital assistance to the under-developed countries,

Recalling its resolutions 1219 (XII) of 14 December 1957, 1240 (XIII) of 14 October 1958, 1317 (XIII) of 12 December 1958 and 1424 (XIV) of 5 December 1959 and Economic and Social Council resolutions 662 (XXIV) of 30 and 31 July 1957 and 740 (XXVIII) of 31 July 1959,

1. Decides in principle that a United Nations Capital Development Fund shall be established;

2. Resolves that a Committee of twenty-five representatives of Member States, to be designated by the President of the General Assembly on the basis of equitable geographical distribution, shall consider all concrete preparatory measures, including draft legislation, necessary to that end;

3. Requests the above-mentioned Committee to submit its recommendations, including the draft legislation, to the thirty-second session of the Economic and Social Council which shall transmit them together with its comments to the General Assembly at its sixteenth session for action;

4. Requests the Secretary-General to provide the above-mentioned Committee with the necessary facilities.

DRAFT RESOLUTION VIII

Accelerated Flow of Capital and Technical Assistance
to the Developing Countries

The General Assembly,

Bearing in mind the responsibilities laid upon Member States by Article 55 of the Charter of the United Nations to promote higher standards of living, full employment and conditions of economic and social progress and development, and by Article 56 to take joint action in co-operation with the United Nations for the achievement of these purposes,

Bearing also in mind the widening gap in standards of living between the economically advanced and the less developed countries, and the necessity to deal with it through international co-operative action,

Recognizing the urgency and importance of accelerating the economic and social development of the under-developed countries for the maintenance of world peace and security and the promotion of better understanding among nations,

Recognizing further that while the primary responsibility for their economic development, whether through the creation of appropriate social and economic conditions or the generation of internal capital, is and must remain that of the economically under-developed countries themselves, this development would be greatly aided by improving the nature and increasing the volume of the present flow of capital and the scope of technical assistance from the economically advanced countries to the under-developed countries,

Appreciating the steady contribution already made over the years to the promotion of development by the regular flow of international assistance,

Believing however that this present flow is inadequate,

1. Expresses the hope that the flow of international assistance should be increased substantially so as to reach as soon as possible approximately 1 per cent of the combined national incomes of the economically advanced countries;
2. Urges that, while the flow of capital and technical assistance to the under-developed countries could be through public or private channels whether bilaterally, multilaterally, or through international organizations,

an appropriate part thereof should be channelled through the United Nations and its specialized agencies, and in such a manner as not to bear heavily on the future balance of payments of the less developed countries;

3. Recommends that all States Members of the United Nations and of the specialized agencies, economically advanced as well as under-developed, take such measures as may be appropriate both to accelerate the flow of capital and technical assistance and to ensure its effective utilization;

4. Requests the Secretary-General to report annually to the General Assembly through the Economic and Social Council on the progress made towards the objectives of the present resolution, taking into account Assembly resolution 1034 (XI) of 26 February 1957 and Council resolution 780 (XXX) of 3 August 1960.

DRAFT RESOLUTION IX

International Credit Insurance

The General Assembly,

Recalling its resolution 1318 (XIII) of 12 December 1958,

Taking note with appreciation of the Secretary-General's report on the promotion of the international flow of capital,^{1/}

Taking note also of Economic and Social Council resolution 762 (XXIX) of 21 April 1960,

Conscious that all feasible measures should be adopted at the earliest possible date to assist and expand the flow of private funds for the purpose of development of the economically less developed countries,

Requests the Secretary-General, when reporting on measures designed to promote the flow of private capital as envisaged in Economic and Social Council resolution 762 (XXIX) of 21 April 1960, to report also on the feasibility of extending the scope of activities of existing national credit insurance

1/ Official Records of the Economic and Social Council, Twenty-Ninth Session, Annexes, agenda item 5, document E/3325.

institutions, of creating new institutions or arrangements of this kind, and of establishing international credit insurance organizations, keeping in view especially the difficulties encountered by the economically less developed countries with regard to their balance of payments.

DRAFT RESOLUTION X

Financing of Economic Development of Less Developed Countries Through Long-term Loans and in Other Advantageous Ways and Ensuring an Increasing Share in World Trade for their Products

The General Assembly,

Bearing in mind the urgent necessity of further facilitating the financing of the development of the less developed countries with a view to accelerating the economic development of such countries,

Recognizing the need to accelerate the industrialization of the less developed countries through the provision of an increasing flow of capital in a manner acceptable to the receiving countries,

Realizing that the diversification of the economies of the less developed countries implies industrialization and is becoming increasingly more urgent in view of the instability of their export earnings and their limited financial resources,

Believing that diversification, the establishment of modern industries in the less developed countries and the development of their economies must take place in such a manner as to provide them with an opportunity to participate to a greater extent in the world market and, especially, to realize larger earnings from exports of their products, including exports of products of their newly established industries,

Taking into account the establishment of new international sources of credit,

1. Recommends all Member States:

(a) To encourage, on a bilateral and a multilateral basis, the extension as appropriate of long-term loans, grants, or credits on favourable terms, including

interest-free loans or loans at the lowest possible interest rates, the longest possible repayment periods and repayment in local currencies or in other beneficial forms, as well as the influx of other forms of foreign capital and assistance, which are important factors in the economic and social progress of the less developed countries;

(b) To avoid, except for balance of payments reasons, reliance on the practices of restricting economic aid to particular sources of supply or exclusively to particular projects; when aid involves the supply of goods or services, they should be made available at competitive world prices;

(c) To co-operate in financing industrial, agricultural, social and other projects for productive purposes in harmony with the needs and requirements of the development programmes of the less developed countries;

2. Calls upon Governments of Member States to encourage the development and the diversification of the economies of the less developed countries with a view to increasing their share in world production and world trade, including trade in industrial products;

3. Calls upon the Economic and Social Council and its regional economic commissions to continue to study this important question, and requests the Committee for Industrial Development to make suggestions on the matter.

DRAFT RESOLUTION XI

Activities of the United Nations in the Field of Industrial Development

The General Assembly,

Recalling its resolution 1431 (XIV) of 5 December 1959, which recommended that the Economic and Social Council "give consideration to the prompt establishment of a commission for industrial development",

Noting Economic and Social Council resolution 751 (XXIX) of 12 April 1960 on the establishment of the Committee for Industrial Development,

Taking into consideration the substantial interest of the economically less developed countries in developing their own industries as one of the main ways

of diversifying their economic structures and developing their national economies generally,

Being convinced that the activities of the United Nations in the field of industrial development should be widened and accelerated,

1. Recommends that the Committee for Industrial Development should consider in drawing up its programme of work, in conjunction with the functions set forth in Economic and Social Council resolution 751 (XXIX), the following functions:

(a) To review the methods and techniques of programming general industrial development which have been evolved by different countries and regions, and to contribute to international co-operation in this field;

(b) To work out general conclusions on the basis of the experience of industrial development in all countries with a view to promoting the exchange of experience in the field of industrial development between countries of different regions and having differing economic systems;

(c) To encourage the preparation of long-term economic projections in the field of industrial development, taking into account social aspects of industrialization in the economically less developed countries as well as its influence on international economic relations and trade;

(d) To follow developments in the field of the financing of new industries in the economically less developed countries and to make appropriate recommendations thereon;

2. Recommends that the Economic and Social Council at its resumed thirtieth session enlarge the membership of the Committee for Industrial Development to thirty members in order to ensure more balanced representation of Member States in that Committee, in accordance with the principles enunciated in paragraph 4 of the Economic and Social Council resolution 751 (XXIX), and taking into account, in particular, the countries of Africa;

3. Appeals to the Governments of the States members of the Committee for Industrial Development to designate their representatives to the Committee in the near future and in accordance with the principle set forth in paragraph 6 of Economic and Social Council resolution 751 (XXIX);

4. Decides, to include in the General Assembly's agenda, beginning with the sixteenth session, an item entitled "Industrial development and activities of the organs of the United Nations in the field of industrialization."

DRAFT RESOLUTION XII

Land Reform

The General Assembly,

Bearing in mind that land reform is frequently one of the main prerequisites for the general improvement of agricultural productivity, that the needs foreseen and the difficulties encountered still constitute a serious obstacle to the economic development of many under-developed countries^{1/} and that the necessary remedies to this end have not been set forth,

Convinced that the reports submitted by the Secretary-General for the consideration of the Economic and Social Council and the General Assembly, in accordance with Assembly resolutions 401 (V) of 20 November 1950, 524 (VI) of 12 January 1952, 625 A (VII) of 21 December 1952 and 826 (IX) of 11 December 1954, and Council resolutions 370 (XIII) of 7 September 1951, 512 C (XVII) of 30 April 1954 and 649 B (XXIII) of 2 May 1957, have provided valuable information on land reform but by no means indicate that the subject of land reform has been exhausted either from the standpoint of economic development and social well-being or that of the maximum utilization of resources,

Recognizing the usefulness of studies concerning obstacles which impede or render difficult the implementation of land reform,

1. Recommends that the Secretary-General, in co-operation with the Director-General of the Food and Agriculture Organization of the United Nations, and the executive heads of the other specialized agencies concerned, should continue to study the progress achieved by countries which have carried out or are

^{1/} See Land Reform: Defects in Agrarian Structure as Obstacles to Economic Development (United Nations publication catalogue No: 51.II.B.3).

carrying out programmes for the transformation of their agrarian structure at their request and should submit for the consideration of the Economic and Social Council a comprehensive analytical survey every three years, the first of which would be presented in 1962, in accordance with General Assembly resolution 1426 (XIV) of 5 December 1959 and Economic and Social Council resolution 712 (XXVII) of 17 April 1959, devoting particular attention to a detailed and critical examination of the basic problems of land reform in under-developed countries, as mentioned in paragraph 55 of the 1959 report by the Secretary-General;^{2/}

2. Further recommends that the Secretary-General, prior to his report of 1962, should inform the General Assembly at its sixteenth session of the progress achieved in implementation of Assembly resolution 1426 (XIV) and Economic and Social Council resolution 712 (XXVII);

3. Invites the Secretary-General, in complying with the terms of the present resolution and after appropriate consultation with, and at the request of, the Governments concerned in the carrying out of land reform programmes, as well as with the Director-General of the Food and Agriculture Organization and the executive heads of interested specialized agencies, to consider the possibility of:

(a) Undertaking studies with a view to ascertaining the demographic, legal, social, economic or other principal factors which may impede or expedite structural changes in the system of land tenure and consequently influence the application of the recommendations made in Economic and Social Council resolution 370 (XIII);

(b) Carrying out country studies in order to determine how tax, financial and budgetary factors, as well as the present utilization of land, can impede or expedite the execution of national land reform programmes in the under-developed countries;

(c) Evaluating the role of co-operatives and credit agencies in facilitating programmes for the transformation of the agrarian structure;

4. Deems it convenient that the question of land reform, in view of its importance for the economic development of the under-developed countries, continues to be considered by the Economic and Social Council in collaboration with the Food and Agriculture Organization and the specialized agencies concerned;

5. Renews the hope, expressed in its resolution 1426 (XIV), that existing United Nations organs for technical and financial assistance and any new organs which may be set up by the United Nations give as much assistance as possible and the necessary high priority to projects connected with the execution of agrarian reform programmes.
