

United Nations GENERAL ASSEMBLY

TWENTY-FIRST SESSION

Official Records



**SECOND COMMITTEE, 1087th
MEETING**

Friday, 2 December 1966,
at 3.15 p.m.

NEW YORK

CONTENTS

	Page
<i>Agenda item 37:</i>	
<i>United Nations Conference on Trade and Development: report of the Trade and Development Board (continued)</i>	375
<i>Agenda item 52:</i>	
<i>General reviews of the programmes and activities in the economic, social, technical co-operation and related fields of the United Nations, the specialized agencies, the International Atomic Energy Agency, the United Nations Children's Fund and all other institutions and agencies related to the United Nations system (concluded)</i>	
<i>Adoption of the draft report of the Committee</i>	378
<i>Agenda item 38:</i>	
<i>Establishment of a United Nations capital development fund: report of the Committee on a United Nations Capital Development Fund (continued)</i>	378
<i>Agenda item 44:</i>	
<i>Conversion to peaceful needs of the resources released by disarmament: report of the Secretary-General</i>	380

Chairman: Mr. Moraiwid M. TELL (Jordan).

AGENDA ITEM 37

United Nations Conference on Trade and Development: report of the Trade and Development Board (*continued*) (A/6303/Add.1, chap. I; A/6315, A/6501, A/C.2/L.907 and Corr.1 and Add.1 and 2, A/C.2/L.909 and Add.1, A/C.2/L.911)

1. Mr. VASILYEV (Byelorussian Soviet Socialist Republic) said that many representatives had expressed their anxiety at the deterioration in the terms of trade of the development countries, the growing deficit in their balance of payments, the instability of international financial relations and the more stringent discriminatory measures applied by certain Western countries. Such anxiety was perfectly justified. Since the first session of the United Nations Conference on Trade and Development (UNCTAD), the developing countries' share of world trade had continued to shrink and their access to the markets of the Western countries was still hampered by many limitations. The prices of cocoa, coffee and many other products imposed by the international monopolies were so low that the developing countries could not devote sufficient resources to their growth and in particular to the purchase of industrial equip-

ment. According to United Nations experts, the total losses suffered by those countries because of price fluctuations were equal to and even more than the resources they needed to ensure an annual per capita income growth rate of the order of 2 per cent. The Byelorussian delegation, which attached great importance to the implementation of the principles and recommendations adopted at the first session of UNCTAD,^{1/} associated itself with the comments made on the subject by the representatives of the socialist countries. It agreed with the criticism of the Trade and Development Board. The Board had not yet taken any practical steps to improve trade between countries with different economic and social systems which could help the trade of the developing countries. The second session of the Conference should give that problem the attention it deserved.

2. His delegation was prepared to support the draft resolution concerning an international agreement on cocoa (A/C.2/L.909) provided its sponsors agreed to take its observations into account. In draft resolution A/C.2/L.907, the words "developed countries" were used to include the socialist countries. That expression covered up the moral and material responsibility of the imperialist States for the catastrophic economic situation of the developing countries. Draft resolution A/C.2/L.907 was incomplete and one-sided and some of its provisions did not sufficiently stress the zeal that went into the implementation of the decisions of the first session of UNCTAD. In particular, the Byelorussian delegation could not support the fifth and eighth preambular paragraphs and operative paragraphs 2 and 3 of part A. The socialist countries had taken steps to implement the recommendations of UNCTAD and could not be held responsible for the fact that a number of Western countries had failed to do so. The draft resolution did not recognize the special characteristics of a socialist economy and the more favourable terms of aid, trade and technical and scientific co-operation provided by the socialist countries. The existence in the United States and other Western countries of lists of goods whose sale to other countries was banned was a serious obstacle to the normalization of international trade. Draft resolution A/C.2/L.907 should emphasize the urgent need to end such discrimination.

3. Part B of the draft resolution should also contain an appeal to the Governments which had entered reservations to the Final Act of UNCTAD to provide information on the measures they intended to take to reach broader agreement on the principles of international trade and of trade policy. The second session

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

of the Conference must take practical steps to implement the principles and recommendations formulated at its first session. In that connexion, UNCTAD would gain by ensuring that all States concerned took part in its work. The draft resolution also recognized the link between international trade and a reform of the international monetary system, yet the two questions were treated separately. The sponsors could easily remedy that defect.

4. Mr. DELGADO (Senegal) recalled that in 1964 the international community had decided to lay the foundations of a new world society by jettisoning all the practices and rules governing international economic relations hitherto. On the eve of the second session of UNCTAD everyone shared the disappointment expressed by the Secretary-General of UNCTAD when he had stated (1078th meeting) that the 5 per cent target set for the decade could not be attained. The fact of the serious imbalance in world trade was only too well known and the gap between the developing and developed countries was widening daily. Senegal's economy was suffering from the harmful consequences of that situation, for ground-nuts, which were the main source of its export earnings, continued to depend on a particularly vulnerable market for oil-yielding crops since Senegalese prices had been brought into line with those of the world market. Although Senegal was partially compensated by the European Economic Community in the form of aid for diversification, its net loss of earnings amounted to some \$20 million, or 12.5 per cent of its budget. The situation had been made still worse by the drought which had struck Senegal in 1966. It was, nevertheless, continuing to mobilize all its resources to break the stranglehold of under-development.

5. The basic reasons for the failure to implement the recommendations adopted at the first session of the Conference should certainly be sought. Working methods must be reviewed at an early stage with a view to initiating a fruitful dialogue and explore all the avenues which might lead to agreement. The Secretary-General of UNCTAD had recalled with good reason that the proliferation of meetings was a serious burden on UNCTAD's budget. The Senegalese delegation, which had taken an active part in the work of the Committee on Commodities and the Group on Preferences, had realized that the conditions for a fruitful dialogue did not yet exist. In that connexion he noted that holding the second session of UNCTAD at New Delhi would place a particularly heavy financial burden on the Governments of the developing countries. The second session of the Conference should focus its attention on a series of specific items and should be a conference of negotiation. The Trade and Development Board must, nevertheless, continue to study the most urgent matters on which agreement might be reached. However, the key to the success of the second session of the Conference was still the political will of the developed countries rather than any matters of organization. The right of peoples to self-determination, the sovereign equality of nations and international solidarity would remain empty catchwords so long as relations between nations were not scrutinized in the light of economic and social facts.

6. The Senegalese Government was actively preparing for the second session of the Conference and had set up an inter-ministerial working group for the purpose. Furthermore, the last Conference of Heads of State of the Organization of African Unity had unanimously adopted a resolution submitted by the Senegalese delegation concerning the convening at Algiers of a preparatory conference of the Third World, nicknamed the "economic Bandung of the three continents". Senegal placed great hopes in the success of the Algiers preparatory Conference which would strengthen the position of the developing countries at the second session of the Conference.

7. His delegation supported draft resolution A/C.2/L.909 and associated itself with the suggestions made by the Argentine delegation concerning the date of the second session of the Conference (1079th meeting).

Mr. Boiko (Ukrainian Soviet Socialist Republic), Vice-Chairman, took the Chair.

8. Mr. Mohamed AL-ATRASH (Syria) said that the arguments in favour of establishing a capital development fund could be summarized thus: the developing countries needed more net external financial assistance without political strings and provided on easy terms through the United Nations. The representatives of some developed countries had objected that sufficient contributions to meet the needs of the developing countries would not be forthcoming for it. Yet it was a fact that the developed countries were in a position to guarantee the success of a capital development fund. Some of them were refusing because they were reluctant to finance capital formation in the developing countries through the United Nations. They were unwilling to relinquish the use of international assistance as a tool of foreign policy.

9. With regard to the item on UNCTAD, he recalled that the trade of the developing countries faced two basic problems: the short-term drop in their export earnings and the long-term worsening of their terms of trade. Implementation of the solutions recommended by the first session of the Conference had so far been very slow. Therefore, Syria had felt obliged to join the sponsors of draft resolution A/C.2/L.907, whose main provisions he outlined. Part C was mainly concerned with the problem of international liquidity, a matter to which the Committee had not so far given sufficient attention. It was a common knowledge that international liquidity comprised the foreign exchange reserves, including the gold tranches of quotas paid into the International Monetary Fund (IMF), of the various countries. It also included short-term credits granted to those countries. Of course, it included neither foreign exchange holdings outside the control of the monetary authorities nor long-term aid for development.

10. The object of international liquidity was to enable countries to finance short-term deficits in their balances of payments, and thus to make it unnecessary for them to resort to corrective measures harmful to the growth of their economies and to the world economy. The need for liquidity became less if countries were ready to resort to certain measures such as one or more of the following: (a) exchange restrictions or the intensification of such restrictions, (b) hasty

deflation at home, and (c) depreciation. There was general agreement that there was at present no general shortage of international liquidity. Such a shortage, however, might develop in the future if the main source of international liquidity, the deficit in the United States balance of payments, ceased to exist. Many schemes had been envisaged to deal with that eventuality. One of them, which had been discussed in the Ossola Report,^{2/} aimed at increasing directly the owned reserves of a limited number of countries. The Syrian delegation was against such a scheme precisely because of its limited membership. It was aware, however, that the scheme might confer indirect benefits on the less developed countries by increasing the imports of members. The fact remained that the owned reserves of members, which were rich countries, would increase by a stroke of the pen, while the reserves of non-members, which were mostly poor countries, would increase as a result of the surrender of real resources, in other words, as a result of a surplus in their balance of payments.

11. Any scheme to increase international reserves should be open to all countries willing to join, and should take into account the shortage of international reserves existing in the developing countries. The Syrian delegation therefore supported the scheme proposed by the UNCTAD Group of Experts on International Monetary Issues, which aimed at creating owned reserves in the form of IMF units against the surrender by members of local currencies in accordance with certain quotas based on those of IMF.^{3/} In addition, that scheme proposed a link between reserve creation and the granting of assistance. While such a link was highly desirable, it should not constitute an obstacle to the acceptance of the reserve creation part of the scheme. The Syrian delegation noted with satisfaction the statement made at the joint meeting of the Boards of Governors of IMF and the World Bank by Mr. Henry H. Fowler, Secretary of the United States Treasury, that there was general agreement "that deliberately created reserve assets, as and when needed, should be distributed to all members of the Fund on the basis of IMF quotas or of similar objective criteria".

12. The developing countries should not only benefit from any reserve creation, but should also participate in the negotiations leading to any reform of the international monetary system and in the operation of the resulting arrangement.

Mr. Tell, Jordan, resumed the Chair.

13. Mr. Amjad ALI (Pakistan) said that the second annual report of the Trade and Development Board (A/6315), which dealt for the first time with the substantive work of UNCTAD—for the first report^{4/} had concentrated primarily on matters of organization—showed that the progress so far made in applying the recommendations of the first session of the Conference was very inadequate. If the success of the second session of the Conference was to be ensured, discussions

aimed at inducing the developed countries to take the necessary action should be pursued, concurrently with the preparatory work, before the Conference was convened.

14. In regard to financing, for example, the information available showed that while the needs of the developing countries were increasing, the developed countries were showing a tendency to hold back. The supplementary financial measures envisaged at the first session of the Conference would benefit the developing countries only on very strict terms, which, unfortunately, they would not themselves have fixed; nevertheless, that financing would be useful to them, and it was to be hoped that the second session of the Conference would be in a position to take at least a general decision on the question. Similarly, he hoped that a decision would be taken with reference to IMF's compensatory financing to alleviate the effects of fluctuations in primary commodity prices; although it was only temporary, such a system could be a valuable complement to the resources of the developing countries.

15. There was also room for progress in other directions before the second session of the Conference met. For example, the Kennedy Round of negotiations, which was proceeding satisfactorily, still left in existence a large number of exceptions relating to goods exported by the developing countries. If some of those exceptions could be eliminated, the results of the negotiations would be more in keeping with the aspirations of the developing countries; for example, certain developed countries could perhaps reduce, in the interval remaining before the second session of the Conference, their customs barriers to cocoa imports, a product which was exported by a small number of countries but was the sole source of exchange for some of them. Secondly, the idea of a preference system applicable to manufactured goods exported by the developing countries seemed to be winning greater acceptance; there again, some steps could be taken before the second session of the Conference met. During the same period, again, the developed countries could perhaps consider reducing their customs barriers and removing quota arrangements preventing the access to world markets of manufactured goods produced by the developing countries, which, it should not be forgotten, were still of a very elementary kind.

16. As to the work to be done by the developing countries, themselves, a subject which the Secretary-General of UNCTAD had touched on in presenting his report, the expansion of trade between the developing countries was making progress, it was true, but would take a fairly long time to achieve, for many of the countries concerned were sellers of the same goods. Pakistan, for example, had to take care that its economic co-operation with Iran and Turkey did not result in undue competition for the textile industries of those two countries.

17. Turning to agricultural production, he said that Pakistan had been carrying on agrarian reform since 1958 and had tried to ensure the profitable utilization of modern techniques. Since that time production had increased steadily, but progress was unfortunately hampered by the inadequacy of Pakistan's industrial development; the country could produce neither chemi-

^{2/} Report of the Study Group on the Creation of Reserve Assets, 31 May 1965 (United States Government Printing Office: 1965 O-783-620).

^{3/} See International Monetary Issues and the Developing Countries (United Nations publication, Sales No.: 66.II.D.2), paras. 74-86.

^{4/} Official Records of the General Assembly, Twentieth Session, Supplement No. 15.

cal fertilizers, pesticides and insecticides nor agricultural machinery in sufficient quantity to expand production. That was a problem which faced all the developing countries; as had been the experience of the United States, the European countries and Japan, they would be able to improve their agricultural productivity only to the extent that they industrialized their economies.

18. He repeated the hope that before the opening of the second session of the Conference it would be possible to put into effect some of the recommendations of the first session of the Conference.

19. The CHAIRMAN suggested that the discussion should be suspended pending the outcome of the current negotiations, and that the Committee should turn to the report of the Committee on the general review of programmes and activities.

It was so decided.

AGENDA ITEM 52

General review of the programmes and activities in the economic, social, technical co-operation and related fields of the United Nations, the specialized agencies, the International Atomic Energy Agency, the United Nations Children's Fund and all other institutions and agencies related to the United Nations system (concluded).

ADOPTION OF THE DRAFT REPORT OF THE COMMITTEE (A/C.2/L.912)

20. Mr. REISCH (Austria), Rapporteur, presented the draft report of the Committee on the general review of programmes and activities (A/C.2/L.912).

The draft report (A/C.2/L.912) was adopted.

AGENDA ITEM 38

Establishment of a United Nations capital development fund: report of the Committee on a United Nations Capital Development Fund (continued) (A/6303/Add.1, chap. II; A/6418, A/6459, A/C.2/L.910 and Add.1, A/C.2/L.913, A/C.2/L.918)

21. Mr. de SEYNES (Under-Secretary for Economic and Social Affairs), referring to the financial implications of the draft resolution (A/C.2/L.910), said that the Secretariat had some criticisms of the current practice, which, he hoped, would soon be replaced by a better procedure. He had rarely felt more doubts than in the present instance, in view of the large number of possible alternatives. He asked the Secretary of the Committee to read out the statement of the financial implications of draft resolution A/C.2/L.910.

22. Mr. KITTANI (Secretary of the Committee) read out document A/C.2/L.918.

23. Mr. FRANZI (Italy), speaking on a point of order, requested that the Committee be given enough time to study the financial implications of the draft resolution, which amounted to several hundred thousand dollars and had not been communicated to the Committee purely for information.

24. The CHAIRMAN put draft resolution A/C.2/L.910 to the vote.

25. Mr. AUCHERE (France) recalled that his delegation had asked at the last meeting for a separate vote on paragraph 2 of article IV.

At the request of the Australian representative, the vote on paragraph 2 of article IV was taken by roll-call.

Iran, having been drawn by lot by the Chairman, was called upon to vote first.

In favour: Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Kuwait, Lebanon, Lesotho, Liberia, Libya, Madagascar, Malaysia, Mali, Morocco, Niger, Nigeria, Pakistan, Panama, Paraguay, Philippines, Rwanda, Saudi Arabia, Somalia, Sudan, Syria, Thailand, Togo, Tunisia, Uganda, United Arab Republic, United Republic of Tanzania, Upper Volta, Venezuela, Yugoslavia, Zambia, Afghanistan, Algeria, Argentina, Bolivia, Brazil, Burma, Cameroon, Central African Republic, Ceylon, Chad, Chile, Colombia, Congo (Democratic Republic of), Dahomey, Dominican Republic, Ecuador, Ethiopia, Gabon, Ghana, Guinea, Honduras, India, Indonesia.

Against: Italy, Japan, Luxembourg, Malta, Mongolia, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, South Africa, Sweden, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Australia, Austria, Belgium, Bulgaria, Byelorussian Soviet Socialist Republic, Canada, Cuba, Czechoslovakia, Denmark, Finland, France, Greece, Hungary, Iceland.

Abstaining: Ireland, Israel, Malawi, Mexico, Senegal, Spain, Turkey, China, El Salvador, Guatemala.

Paragraph 2 of article IV was adopted by 59 votes to 31, with 10 abstentions.

26. The CHAIRMAN put to the vote the draft resolution, as a whole.

At the request of the representative of Kenya, the vote was taken by roll-call.

Kuwait, having been drawn by lot by the Chairman, was called upon to vote first.

In favour: Kuwait, Lebanon, Lesotho, Liberia, Libya, Madagascar, Malaysia, Mali, Morocco, Niger, Nigeria, Pakistan, Panama, Paraguay, Philippines, Rwanda, Saudi Arabia, Senegal, Somalia, Sudan, Syria, Thailand, Togo, Tunisia, Turkey, Uganda, United Arab Republic, United Republic of Tanzania, Upper Volta, Venezuela, Yugoslavia, Zambia, Afghanistan, Algeria, Argentina, Bolivia, Brazil, Burma, Cameroon, Central African Republic, Ceylon, Chad, Chile, Colombia, Congo (Democratic Republic of), Dahomey, Dominican Republic, Ecuador, Ethiopia, Gabon, Ghana, Guinea, Honduras, India, Indonesia, Iran, Iraq, Israel, Ivory Coast, Jamaica, Jordan, Kenya.

Against: Luxembourg, New Zealand, Norway, Portugal, South Africa, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Iceland, Ireland, Italy, Japan.

Abstaining: Malawi, Malta, Mexico, Mongolia, Netherlands, Poland, Romania, Spain, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics,

Bulgaria, Byelorussian Soviet Socialist Republic, China, Cuba, Czechoslovakia, El Salvador, Greece, Guatemala, Hungary.

The draft resolution, as a whole, was adopted by 62 votes to 19, with 19 abstentions.

27. Mr. LUBBERS (Netherlands) withdrew draft resolution A/C.2/L.913, which he had submitted in case draft resolution A/C.2/L.910 was not adopted.

The meeting was suspended at 5 p.m. and resumed at 6.25 p.m.

28. Mr. MURGESCU (Romania) stated that his delegation had abstained from voting on draft resolution A/C.2/L.910, not because it was opposed to the establishment of a capital development fund, which his country had always supported by its vote at the first session of UNCTAD in 1964 in favour of the recommendations contained in annexes A.IV.7 and A.IV.8 as two inseparable parts of one and the same problem, but because the draft resolution totally disregarded the recommendation A.IV.8, moving away from the idea of a gradual transformation of the United Nations Development Programme (UNDP) and ending up with the establishment of a parallel autonomous organization. His country was against the proliferation of organizations and believed that better results could be achieved by improving the activities of the existing organizations and using United Nations funds for development and not to defray additional administrative expenses.

29. It was for those reasons, moreover, that Romania had supported the amalgamation of the Special Fund and the Expanded Programme of Technical Assistance, which it had considered a first step towards the gradual transformation of the Special Fund component of the UNDP into a capital development fund. It had also voted in favour of General Assembly resolution 2042 (XX), which emphasized the connexion between the recommendations A.IV.7 and A.IV.8. The major responsibility for the present situation lay with certain delegations which were opposed to the gradual transformation of the Special Fund component of the UNDP into a capital development fund. His delegation hoped that, within the context of UNDP, they would come to realize the need for a single organization engaging simultaneously in pre-investment and investment activities.

30. Mr. CARANICAS (Greece) said he had hoped that the sponsors would withdraw draft resolution A/C.2/L.910 after the Netherlands delegation had submitted draft resolution A/C.2/L.913. The adoption of the first of those draft resolutions, which had been voted upon in a make-believe atmosphere, was in fact a decision to establish a capital development fund without any funds. It was obvious that the industrialized countries preferred to grant aid on a bilateral basis, and as the present stagnation of such aid was due primarily to the balance-of-payments difficulties they were experiencing, it was clear that less funds were now available to meet the increased needs of the developing countries. Even UNDP had not succeeded in raising the \$200 million which it would need for 1967, and was still \$30 million short of that figure. In those circumstances, to ask for additional funds to establish a new organization was unrealistic;

moreover, the main effort should concentrate on finding some better way of lightening the debt-servicing burden, which was the most urgent problem of the developing countries. He agreed with the United States representative when he stated (1083rd meeting) that, by definition, the creation of a capital development fund presumes that there will be funds made available to it to invest and of a size and type which would serve vital development goals.

31. Since 1952, his country had been one of those which had advocated the establishment of a capital development fund. It had also voted for UNCTAD recommendation A.IV.8 and for General Assembly resolution 1936 (XVIII), with respect to the gradual transformation of the United Nations Special Fund into a capital development fund in such a way as to include both pre-investment and investment activities. However, the draft resolution which had just been adopted belonged more to the realm of fancy than to the realm of fact; and his delegation had therefore been unable, for the first time, to support a draft resolution for the establishment of a capital development fund and had had to abstain.

32. Mr. ALACAM (Turkey) said that his delegation's affirmative vote should be interpreted as a logical consequence of its previous support of all similar resolutions in the General Assembly and at UNCTAD. However, the position taken by the developed countries meant that the United Nations Capital Development Fund would not have sizable resources and would be unable to bring about any marked increase in the flow of capital to developing countries. Consequently, the aim of the resolution would not be achieved.

33. Mr. PARDO (Malta) said that he had been unable to vote for the draft resolution, not because he disagreed with its aims but because he did not see the use of establishing a new organization with insufficient resources. Malta, a small country, would be obliged to pay a relatively large share of the Fund's administrative expenses, without deriving the slightest benefit. He regretted that the draft resolution had been pressed to a vote, when many other courses could have been explored. His delegation's abstention did not mean that it accepted the present situation; it was ready to consider any other proposal which might be submitted to the General Assembly.

34. Mr. MAKEEV (Union of Soviet Socialist Republics) said that his delegation's position had been stated repeatedly in the General Assembly, the Economic and Social Council and the Committee on a United Nations Capital Development Fund. It had always advocated establishing the Fund through General Assembly resolutions 1219 (XII), 1317 (XIII) and 1936 (XVIII), for that method was unquestionably the most logical and, in the view of his delegation, could be applied with the resources now available. It was, of course, regrettable that the establishment of a capital development fund had always encountered the same objections, but it was equally regrettable that the sponsors of the draft resolution which had been adopted had not taken account of the amendments to the draft statutes proposed by his delegation at the last session of the Committee on a United Nations Capital Development Fund and had thus sub-

mitted a text that was inconsistent with previous General Assembly decisions and UNCTAD recommendations and was not in the real interests of the developing countries.

35. In those circumstances, his delegation had been obliged to vote against paragraph 2 of article IV of the draft resolution, for it felt that the regular budget of the United Nations was not intended to finance the activities of a capital development fund, and it had been compelled to abstain on the draft resolution as a whole. Furthermore, his Government could not commit itself in any way with regard to a capital development fund established on the terms just adopted.

36. Mr. GALLARDO MORENO (Mexico) said that he had abstained, despite the fact that Mexico was a developing country and had always participated whole-heartedly in every effort to promote the progress of such countries. As he had said in his statement on the draft resolution (1078th meeting), his delegation did not think that a new body should be established unless it had every prospect of success. His position might have been different if he had seen a positive list of programmes in developing countries which could not be financed by existing world-wide and regional bodies.

37. Mr. PAPADOPOLO (Guatemala) said that foreign capital was particularly necessary for the development of Guatemala, which was a small country. Of course, his delegation regretted the large industrialized countries' opposition to the establishment of a capital development fund, but it feared that the establishment of such a body without additional sources of capital might threaten the resources of existing institutions, particularly the regional institutions, which were very useful to the developing countries. His delegation had therefore abstained.

AGENDA ITEM 44

Conversion to peaceful needs of the resources released by disarmament: report of the Secretary-General (A/6303, chap. XIII, sect. III and chap. XVI, sect. VIII; A/6444, E/4169 and Add.1)

38. The CHAIRMAN announced that no delegation had asked to speak on the question, and suggested that the Committee should take note with approval of Economic and Social Council resolution 1154 (XLI).

It was so decided.

The meeting rose at 7 p.m.