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*President:* Mr. George F. DAVIDSON (Canada).

*Present:*

Representatives of the following States: Brazil, Canada, Chile, China, Costa Rica, Finland, France, Greece, Indonesia, Mexico, Netherlands, Pakistan, Poland, Sudan, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

The Chairman of the Preparatory Committee for the Special Fund.

Observers for the following Member States: Argentina, Australia, Belgium, Bulgaria, Colombia, Cuba, Czechoslovakia, Ireland, Israel, Italy, Japan, New Zealand, Panama, Portugal, Romania, Spain.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization.

The representative of the International Atomic Energy Agency.

## AGENDA ITEM 4

**Economic development of under-developed countries (E/3074 and Add.1, E/3074/Add.1/Corr.1, E/3074/Add.2, E/3098, E/3128 and Corr.1, E/3131 and Corr. 1 and 2, E/3153 and Add.1)**

1. Mr. MIR KHAN (Chairman of the Preparatory Committee for the Special Fund), introducing the Committee's report and recommendations (E/3098), said that its three main tasks were laid down in General Assembly resolution 1219 (XII), part II, paragraph 4.

2. The definition of the functions of the Special Fund, as given in part II of the General Assembly resolution, was repeated in recommendation 1 (E/3098, part III), and to the enumeration of those basic functions the Committee had added, in recommendation 2, a list of the principles and criteria by which the Managing Director and Governing Council of the Special Fund should be

guided in establishing programmes. Recommendations 3 and 4 provided that projects might be for one country or a group of countries or a region, and that projects might be approved for the period of time needed for their execution, even if more than one year.

3. Participation in the Special Fund would be open to all States Members of the United Nations, of the specialized agencies and of the International Atomic Energy Agency (IAEA).

4. Section II of the recommendations described the basic fields of assistance and types of project with which the Special Fund would be concerned; the only category excluded was that of large-scale capital-financing projects. The Committee had not attempted to enumerate the types of project which might be undertaken, but had given an illustrative list in annex 1.

5. The recommendations in sections IV, V and VI related to the administrative and operational machinery of the Special Fund, and were based on part II, paragraph 3, of the General Assembly resolution. The functions of the machinery envisaged, which consisted of a Governing Council, a Managing Director and his staff, and a Consultative Board, were described in recommendations 12 to 31. Recommendation 15, dealing with equality of representation on the Governing Council, had been inspired by the directive given in the annex to General Assembly resolution 1219 (XII).

6. In order to ensure that the Managing Director should enjoy the widest possible confidence, the Committee proposed in recommendation 23 that he should be appointed by the Secretary-General, after consultation with the Governing Council, subject to confirmation by the General Assembly. To secure the co-operation of the specialized agencies, recommendation 28 suggested that representatives of those agencies and of IAEA should be invited to the deliberations of the Consultative Board when projects falling mainly within their fields of activity were considered.

7. The object of the recommendations in section V was to ensure that the fullest possible use should be made of existing United Nations machinery; recommendation 35 in particular suggested that the Managing Director should seek advice and assistance from outside sources only in exceptional cases.

8. Recommendations 46 to 57 covered the Special Fund's finances; paragraphs 20 to 24 of the report itself dealt with governments' willingness to contribute to it. Twenty-six governments had referred to the question of contributions in their replies to the Secretary-General's inquiry, but only three had been able to give any precise indication of the amount they would contribute. The Committee had therefore decided to request the Secre-

tary-General to make a further approach to governments, the results of which were to be found in document E/3153. At the Committee's request, the Secretary-General had drawn the attention of governments to the desirability of making the highest possible contributions and had asked them, in fixing their contributions for the year 1959, to take into account the sum of \$100 million mentioned in General Assembly resolution 1219 (XII) for the operations envisaged. The Committee had expressed the hope that funds of at least that amount would be available for 1959.

9. Mr. LUNS (Netherlands) said that the present debate was an historic occasion for it would see the completion, after years of chequered progress, of the preparations for the establishment in a few months' time of the Special Fund. The Preparatory Committee's report had been submitted in response to General Assembly resolution 1219 (XII), but the latter itself had its origin in Council resolution 662 B (XXIV).

10. The recommendations of the Preparatory Committee would enable the Special Fund to operate effectively. It would have a broad field of activity designed to promote economic development in the widest sense, the only type of activity excluded for the present being large-scale capital financing. The Special Fund would be no mere extension of the Expanded Programme of Technical Assistance, for it would cover a large variety of development projects, including what was sometimes called technical assistance in depth. Moreover, the recommendations envisaged an independent structure that would enable the Special Fund to be administered efficiently in conformity with its own special nature, and would also facilitate a transition to a wider field of activity later. The need to make full use of the experience of the specialized agencies, an aspect that had been stressed by the General Assembly in resolution 1219 (XII), had not been overlooked and the Netherlands delegation believed that the proposed consultative board would be a useful, and indeed a necessary, complement to the assistance which the specialized agencies could lend.

11. Neither real capital assistance nor substantial help in building up the economic infrastructure had as yet materialized, but the Special Fund could push its activities to the borderline of capital assistance. In close conformity with the idea behind the original proposal for a Special United Nations Fund for Economic Development (SUNFED), it would be a separate and independent entity within the United Nations.

12. The Preparatory Committee had expressed the hope that a sum of at least \$100 million would be available in 1959 for the Special Fund, an amount which had provided the basis for the discussions in the General Assembly. Replies from governments about their willingness to contribute to the Special Fund were summarized in document E/3153. So far, very few governments had been able to state precisely how much they expected to be able to contribute, and many had given no indication at all. He paid a tribute to the generosity of the United States Government in asking Congress to contribute \$38 million towards a combined programme of \$100 million for the Special Fund and the Expanded

Programme of Technical Assistance. Under the proposed arrangements, the latter would preserve its identity. It should also retain its vigour and should not be deprived of the means of developing to its optimum scope and size; however, he believed that under the proposed combined programme the Expanded Programme need not necessarily aim at the minimum target of \$50 million proposed two years previously in the report entitled "The Expanded Programme of Technical Assistance: A Forward Look" (E/2885). Some projects might be transferred to the Special Fund; it was too early to draw a dividing line between the two funds, but he believed that a target of \$40 million for technical assistance activities proper, leaving \$60 million for the initial activities of the Special Fund, would be a reasonable distribution.

13. The Preparatory Committee deserved the Council's commendation for its work. It was now for the Council to forward the Committee's report, with its own views, to the General Assembly, and for the General Assembly to put in motion the machinery designed by the Preparatory Committee. The success of the Special Fund would depend on the support it received, and he earnestly hoped that that support would be generous and sustained.

14. Mr. VIDIĆ (Yugoslavia) said that in his delegation's view the work of the Preparatory Committee, of which Yugoslavia had been a member, had been satisfactory. The Committee's recommendations would enable the General Assembly at its thirteenth session to get the Special Fund going.

15. The Yugoslav delegation was sorry to see that only a few governments had replied in encouraging terms to the Secretary-General's inquiry regarding the contributions they were prepared to make. The Council should therefore give immediate and serious consideration to the drafting of appropriate recommendations to ensure that the target of \$100 million for Special Fund operations in 1959 was attained.

16. His delegation had always realized that foreign funds could do no more than supplement domestic resources, and that the main effort must be made by the country in process of development. The parts to be played by the various channels of international financing at present available should be considered in the light of that basic principle. Financing by means of public funds, which had assumed particular prominence since the end of the Second World War, could continue to play an important part provided the effort was concentrated on those branches of activity capable of making the greatest contribution to economic and social development.

17. Where financing was carried out under bilateral agreements, the under-developed countries should be given a feeling of security; economic development was a long-term process, and the effort to finance it must perforce be spread over a period of years. There must be some guarantee that parties to such bilateral agreements would respect their mutual obligations. The world as a whole could make no economic progress without stable, long-term agreements. While the foreign financial resources made available to the under-developed countries were no doubt increasing, the volume of both public and private investment still fell far short of requirements.

18. In that connexion, he quoted the statement in paragraph 126 of the Secretary-General's report on international economic assistance to the under-developed countries (E/3131) to the effect that a population of 740 million in countries with per capita national incomes of less than \$100 had received on an average \$1.4 per capita in the period 1956/57. It was illuminating to compare that figure with the annual per capita expenditure on armaments, which in some countries ranged between \$50 and \$250. The time had come for responsible leaders to devote more attention to the crucial problems of the times, and to embark upon more vigorous positive action. A realistic appraisal of the situation called for the most efficient use of available funds.

19. So far as private capital was concerned, the Secretary-General's report on the international flow of private capital, 1957 (E/3128) stated that during 1957 the flow of international private long-term capital appeared to have reached a new high level as compared with 1956, the record post-war year so far. The general post-war trends, however, had not been reversed: the bulk of private capital exported was still going to developed countries; 50 per cent of United States direct foreign investment had gone into the petroleum industry, and despite various measures taken to attract private capital, its inflow into the countries which stood in greatest need of capital was still extremely small. The international community should give priority to those forms of investment which would benefit the world economy as a whole. The establishment of the Special Fund was an expression of the common interests of all nations, and thus constituted a modest step in the right direction.

20. Mr. CHARPENTIER (France) said that he would confine himself to a few general observations on the establishment of the Special Fund, since he intended to comment in detail on the Preparatory Committee's report when it was discussed in the Economic Committee.

21. The French delegation wished first to make it clear that its acceptance of the recommendations made in the report — in itself satisfactory except for certain details — was shadowed by some regrets, for — as it had repeatedly stated in the General Assembly, in the Council and in the Preparatory Committee itself — it strongly advocated the establishment of the real Special United Nations Fund for Economic Development as conceived by the *ad hoc* committee under the chairmanship of Mr. Scheyven.

22. Hence, like the Netherlands delegation, it regarded the setting up of the Special Fund as a preliminary step, and still hoped that the experience acquired in its operation would make matters easier if and when the General Assembly decided to take a further step and, in conformity with part III of resolution 1219 (XII), considered that resources were sufficient to enter into the field of capital development, principally the development of the economic and social infrastructure of the less developed countries.

23. In that context, the French delegation welcomed the complete structural and financial autonomy which it was recommended should be accorded to the Special Fund in respect of assistance programmes already launched by the United Nations for the benefit of countries in course of development; that would not, of

course, preclude close co-operation between the Special Fund and other organs providing technical assistance. The Special Fund and the Expanded Programme of Technical Assistance must not obstruct each other in their respective tasks. Provision was made for co-ordination at both secretariat and government levels, and officials of the Technical Assistance Board — particularly regional and local officials — were to collaborate in operating the Special Fund. An effort would also be made to ensure the same co-ordination in the consultative board, the members of which were particularly well qualified in the matter of assistance to the under-developed countries. The consultative board's authority would be enhanced by the fact that representatives of the specialized agencies and of IAEA were to be invited to its deliberations when projects falling mainly within their respective spheres of activity were under consideration.

24. The French Government had informed the Secretary-General of the contribution it intended to make to the Special Fund. It had consistently favoured a policy of speeding up the development of the under-developed countries by means of technical assistance, economic reform, commodity market stabilization, the immediate creation of the Special Fund and the eventual establishment of SUNFED itself. It therefore hoped that all countries would do their best to play an active part in the new Special Fund, and that the frustration of certain hopes would not be seized upon as a pretext for abstention. Though the Special Fund might not fulfil all aspirations, it could not be said to run counter to any of them. The policy of "all or nothing" was an easy one, but it might be prejudicial to the real interests of the countries requiring assistance and of humanity as a whole.

25. Mr. FARUQI (Pakistan) said that one of the Council's aims was to focus attention on the many unresolved problems of the economic development of the under-developed countries. In recent years, there had been a growing realization of the need for speeding up the development of those areas. While the goal was still remote, the Council's discussions had led to action which had contributed substantially towards a solution. The improvement in the quality and volume of the technical assistance provided under both the regular and the expanded programmes provided an excellent example of resources distributed according to needs. The International Bank for Reconstruction and Development and the International Monetary Fund were doing useful work, and the International Finance Corporation had set about its task in a businesslike manner. Unfortunately, it had not been possible to establish SUNFED, because the attempts of the major donor countries to bring about internationally supervised disarmament had not yet succeeded. Perhaps, then, the Special Fund was the best that could be hoped for in the circumstances.

26. He complimented the Preparatory Committee on having produced a unanimous report on an extremely difficult subject. His delegation was in general agreement with the Committee's recommendations, and considered that the proposed scheme of action would meet the aims which the Council and Assembly had had in view.

27. The recommendation that contributions should be made in convertible currencies was extremely satisfactory from his country's point of view, though he hoped that provision would be made for under-developed countries whose foreign exchange situation was difficult to make contributions in currencies usable in the countries concerned. That should be possible, since the projects to be carried out with the help of the Special Fund would be mainly for the benefit of economically under-developed countries.

28. His delegation had at first been inclined to think that the proposals regarding the Special Fund's administrative machinery could have been more economical, but after listening to the representative of the Netherlands, he now thought that the recommendations in question represented the best and most effective solution.

29. His delegation noted with appreciation the various measures taken by capital exporting and importing countries to assist the flow of private capital. Extensive relief and incentive measures had been instituted through treaties and legislation, though the principle that income from foreign investments in under-developed countries should be taxed only in those countries had not yet been universally accepted, despite the fact that it was endorsed in Council resolution 416 D (XIV). The United States Government had introduced a scheme under which exemption would be granted not only from tax payable by the investor to the foreign country, but also from such tax as he would have had to pay but for the special tax concession allowed by the foreign country for investment recognized as particularly useful for its economic development. Pakistan had signed an agreement along those lines with the United States of America in July 1957.

30. His delegation was glad to note the conclusion in the Secretary-General's memorandum "Taxation in Capital-Exporting and Capital-Importing Countries of Foreign Private Investments" (E/3074, para. 35) that considerable efforts were being made in both capital-supplying and capital-receiving countries to facilitate the flow of capital. In particular, he was glad to note that the gross flow of long-term capital had been greater in 1957 than in 1956. But three significant points must be made. The first was that in 1957 the petroleum industry had accounted for a large proportion of the flow of private foreign investment (50 per cent in the case of the United States of America). The second was that the bulk of direct investment in manufacturing industry had gone to developed or semi-developed countries. The third was that most of the countries of South and South-East Asia had received very little private capital — indeed, some of them had even experienced an outflow.

31. Those conclusions confirmed his delegation's view that, so far as the countries of south and south-east Asia were concerned, the situation was not favourable — except in the petroleum industry. It might perhaps be improved by certain concerted measures to which his delegation hoped to refer in the Economic Committee.

32. The Secretary-General's report on assistance to the under-developed countries on a bilateral and multilateral basis was useful, for it gave a global picture of the assistance given and received by individual countries. He was not sure, however, that it was necessary to produce such

a report every year. Perhaps a triennial report describing the main trends would be enough.

33. In conclusion, he expressed his country's gratitude for the assistance received from international institutions and friendly countries, without which its development programme would have had to be considerably curtailed.

34. Mr. NESBITT (Canada) expressed appreciation of the useful studies on the international flow of private capital (E/3128), on international tax problems (E/3074 and Add.1 and 2) and on the economic development of under-developed countries (E/3131). He would, however, confine his remarks to the Special Fund and would first pay a tribute to the work of the Preparatory Committee. He considered that the constitution proposed for the Special Fund would ensure balanced control over its programmes by recipient and donor countries, while at the same time giving the Managing Director adequate authority and executive responsibility to ensure a dynamic and effective programme. The participation in an advisory capacity of the International Bank for Reconstruction and Development would ensure that the programmes selected would, so far as possible, result in an increased flow of capital to deserving projects. His delegation considered that the arrangements proposed would enable the administrators of the Special Fund to select sound projects and ensure their careful and economical execution.

35. The Canadian delegation had stated in the General Assembly that it would give sympathetic approval to an appropriate contribution provided that satisfactory organizational and administrative arrangements were agreed upon, and that there was broad support from other members of the United Nations family. His government was prepared to accept the recommendations of the Preparatory Committee and, provided that they were approved by the Council and that the Special Fund found support with the major donor and recipient countries, would seek parliamentary approval for a contribution.

36. The most important contribution that the present session of the Council could make to the future advancement of the under-developed countries would be to give unanimous approval to the Preparatory Committee's report. The Special Fund's success would demonstrate the ability of States Members of the United Nations to join forces in achieving the purposes of Article 55 of the Charter.

37. Mr. DONOSO SILVA (Chile) said that the General Assembly's decision to set up a separate Special Fund for assistance to under-developed countries had been a constructive one which bore witness to the fact that the efforts made by the United Nations to arouse the conscience of the nations on behalf of the Special Fund's objectives had been crowned with success.

38. The Chilean Government was satisfied with the work done by the Preparatory Committee and would firmly support the provisions and recommendations contained in the Committee's report to the Council in the hope that the experiment, which it considered to be merely a first step, would bring out even more clearly all the advantages to be obtained from the establishment of SUNFED as originally conceived.

39. With regard to the financing of the Special Fund, the Chilean delegation shared the concern expressed by previous speakers, which was largely caused by the impression of uncertainty given by the report on that point.

40. He was authorized to state that, despite the serious economic difficulties which his country was undergoing, of which all members of the Council were aware, the Chilean Government was prepared, subject to parliamentary approval, to make a financial contribution to the Special Fund not exceeding the percentage of its contribution to the Expanded Programme and payable in national currency.

41. Mr. PELT (World Federation of United Nations Associations), speaking at the invitation of the PRESIDENT, said that between the two world wars, and more especially since the second, a remarkable change had come about in the public's attitude to international problems. Before 1914 what had always been referred to as "foreign affairs" had been regarded as the domain of a few experts and professionals, whereas now international affairs commanded the passionate interest of entire nations and were often closely interwoven with home affairs. The attitude of "my country, right or wrong" was giving way to a recognition of the interdependence of nations and a sense of mutual responsibility. The World Federation of United Nations Associations (WFUNA), which was in close touch with informed public opinion in many countries, had observed a strong urge — particularly among the younger generation — to devote time and energy, and even money, to people of other nations who needed help and whom the donors often considered it their moral duty to assist. That explained the great success of such schemes as the international voluntary work camps, the United Nations Educational, Scientific and Cultural Organization (UNESCO) gift coupon scheme and fund-raising campaigns to help refugees and needy children.

42. In recent years WFUNA had become aware of an increasing concern about the social and political implications of a world divided between "have" and "have not" nations, a problem that was of major concern to the Council. People in many countries would gladly do something to remedy the situation if only they knew how to go about it. If a sound practical scheme could be devised, it was likely that many people in the industrial countries would be willing to lend part of their savings to, or invest them in, an international fund or institution administered by the United Nations and its specialized agencies for the benefit of the less developed countries.

43. The WFUNA General Assembly had adopted a resolution expressing the wish that individuals should be enabled to take a direct part in such a scheme, the psychological and educational impact of which, he believed, might make an important contribution to international understanding. It might also make it possible to tap considerable sums in the hands of a large number of small investors, who would be attracted by a scheme which would not only appeal to their sense of moral responsibility but also bring them a normal return on their investment.

44. Naturally, there were technical problems which would have to be solved before such a plan could be put into effect. The United Nations Associations of Great Britain and Northern Ireland, which had first proposed the scheme, had studied the problem and suggested that capital might be raised by issuing bonds bearing less than the commercial rate of interest, the revenue from which might be remitted to the International Bank for Reconstruction and Development, more especially for financing community development schemes. Those and other methods suggested were, however, open to reservations on the part of those competent to judge their practicability.

45. The crux of the problem appeared to be how to organize the issue of bonds or certificates in small denominations, which, although a well-known technique at the national level, was something of an innovation in the international sphere. The first step should therefore be to appoint experts to examine the problem and, if possible, dispose of the objections that were likely to be raised. WFUNA was hopeful that, provided the Council was prepared to encourage a preliminary study by experts, ways of solving the technical problems could be found. It believed that the Secretary-General of the United Nations, the President of the International Bank for Reconstruction and Development and the Managing Director of the International Monetary Fund might be prepared to start consultations of an informal and exploratory nature in the not too distant future and it would be glad to help in that preliminary effort.

46. Mr. CARANICAS (Greece) said that he would confine his remarks to the Special Fund. He congratulated the Preparatory Committee on its lucid report and thanked its chairman for his explanatory statement. The Greek delegation supported the Committee's recommendations, believing that the Special Fund would prove to be the nucleus of the multilateral fund for economic development (SUNFED) the establishment of which had been desired for a number of years by many States Members of the United Nations. He did not wish to minimize the importance of the General Assembly's decision to establish the Special Fund, but the scheme was only a pale reflection of the opportunity, which the United Nations had for the time being lost, of embarking upon the financing of the infrastructure for the economic development of the less developed countries. He did not know whether it was a sense of realism or simply lack of vision that had led to the substitution of the present rather modest and limited enterprise. The political unrest in the world and the clamour for higher standards of living showed that it was essential for the United Nations to decide upon new methods going beyond the present machinery of economic development and technical assistance. Public opinion would look to the United Nations to take full advantage of the present proposals and thus give hope to the peoples of the world that a new era had begun in which they could look forward to a better life.

47. Mr. EGGERMAN (International Federation of Christian Trade Unions), speaking at the invitation of the PRESIDENT, said that he was convinced that the Special Fund, designed to furnish assistance on a systematic and

continuing basis in fields essential to the technical, economic and social progress of under-developed countries, could help to speed up the latter's development. The support of the International Federation of Christian Trade Unions (IFCTU) for the new project should not, however, be interpreted as a change in its attitude with regard to the establishment of SUNFED as originally planned, towards the achievement of which the Special Fund should be the first step. The IFCTU hoped that the period of transition between the two schemes would not be unduly protracted.

48. The Preparatory Committee's recommendations seemed to be well designed to promote a programme which would be both flexible and comprehensive. He especially welcomed the inclusion in the fields of assistance envisaged of the study of the development of manpower resources and in that connexion he drew the Council's attention to the memorandum from the Director-General of the International Labour Organisation (A/AC.93/L.11).

49. The recommendations on the organization and management of the Special Fund showed that the Preparatory Committee had recognized the importance of associating the specialized agencies as closely as possible with the Fund's activities relating mainly to matters within their various fields of competence. Provision should also be made for close co-operation between the Special Fund and the competent non-governmental organizations — such as the international trade unions — and that point seemed to have been taken into account in several of the Committee's recommendations. Such co-operation would provide an assurance that material conditions would not be improved at the cost of cultural and spiritual values as had been the case in a number of countries which had undergone rapid industrialization.

50. As for the Preparatory Committee's recommendation that the operations of the Special Fund and those of the Expanded Programme of Technical Assistance should be fully co-ordinated, he hoped that in determining their contributions to the Special Fund governments would bear in mind the importance of continuing their support for the Expanded Programme. In any case, the Council should ensure that the two programmes were not competitive.

51. All the other documents submitted in connexion with item 4 of the agenda stressed the fact that economic assistance furnished under United Nations auspices was not the sole or the most significant form of aid which could be given to promote the economic development of under-developed countries. Long-term investments of private capital had been even greater in 1957 than in 1956, but such capital continued to be invested for the most part in the mining industries, particularly petroleum, rather than in industrial sectors which offered less security

from the economic and financial point of view. The repeated appeals by the United Nations to capital exporting and importing countries had obviously helped to create a propitious atmosphere for the investment of private capital, but the United Nations would be well advised to study the possibilities of drawing up an international investment charter designed to protect the legitimate interests of both sides.

52. Mr. RONCONI (World Veterans Federation), speaking at the invitation of the PRESIDENT, expressed the belief that the Special Fund was destined to play a most important part in the international fight against poverty and economic stagnation.

53. The Council should adopt the Preparatory Committee's suggestion that the Special Fund should study means of encouraging donations from non-governmental sources, and it might be well to extend the idea of donations to include not only cash contributions but also the services of experts, the financing of certain studies and the help of competent non-governmental organizations in granting fellowships.

54. The World Veterans Federation (WVF) had always affirmed that the non-governmental organizations could make a useful contribution to technical assistance programmes and it was convinced that they could do as much for the work to be undertaken under the Special Fund.

55. Having drawn the attention of the Economic Commission for Asia and the Far East to the economic importance of internal migration and agricultural regrouping in the region, the Federation was now co-operating with the Food and Agriculture Organization, the United Nations Technical Assistance Administration and the Government of Ceylon in organizing seminars on internal migration. The Federation had also joined with the United Nations in granting fellowships on the utilization of local building materials. Furthermore, it was collaborating with the United Nations and the competent specialized agencies in programmes for the medical and social rehabilitation of physically handicapped persons. Realizing the importance of training public administration personnel, it had endeavoured to assist the member associations of the Federation in training staff capable of administering the projects in which they were taking part.

56. By adopting the Preparatory Committee's recommendation and inviting the competent non-governmental organizations concerned to co-operate in Special Fund operations, the Council could assure the Special Fund of contributions of considerable value.

The meeting rose at 12.55 p.m.