



ECONOMIC AND SOCIAL COUNCIL

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President: Mr. Tewfik BOUATTOURA (Algeria).

Present:

Representatives of the following States members of the Council: Algeria, Cameroon, Canada, Chile, Czechoslovakia, Dahomey, Ecuador, France, Gabon, Greece, India, Iran, Iraq, Luxembourg, Morocco, Pakistan, Panama, Peru, Philippines, Romania, Sierra Leone, Sweden, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Venezuela.

Observers for the following Member States: Australia, Belgium, Bulgaria, Byelorussian Soviet Socialist Republic, China, Cuba, Finland, Israel, Italy, Japan, Jordan, Kuwait, Libya, Malta, Mexico, Norway, Senegal, South Africa, Turkey, United Arab Republic, Yugoslavia.

Observers for the following non-member States: Federal Republic of Germany, 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; World Health Organization; International Bank for Reconstruction and Development.

The representative of the International Atomic Energy Agency.

In the absence of the President, Mr. C. Murgescu (Romania), First Vice-President, took the Chair.

AGENDA ITEM 5

International Symposium on Industrial Development (E/4276 and Corr.1 and Add.1 and 2, E/4277)

1. Mr. KAUL (India) announced that his Government had decided to withdraw its offer to act as host to the International Symposium on Industrial Development.

His delegation hoped that that decision would make the Council's choice of a venue and date for the Symposium easier.

2. Mr. FORSHELL (Sweden) said that the Council's decision on the date of the Symposium should take into account the time needed by the Secretariat to complete its preparations. He asked the Commissioner for Industrial Development how much time would be required for that purpose.

3. Mr. ABDEL-RAHMAN (Commissioner for Industrial Development) replied that the Secretariat would be ready at any time from August 1967 onwards.

4. Mr. LOPEZ (Philippines) said that his delegation wished to submit the following draft resolution for consideration by the Council:

"The Economic and Social Council,

"Recalling its resolution 1180 (XLI) of 5 August 1966, concerning regional and international symposia on industrial development,

"Decides to amend rule 14 of the draft rules of procedure for the International Symposium on Industrial Development contained in annex II of the above-mentioned resolution to read as follows:

"Chinese, English, French, Russian and Spanish shall be the working languages of the Symposium."

5. Mr. VIAUD (France) said that his delegation had no objection to interpretation from Chinese into the other official languages for the Symposium, but the designation of a language as a "working language" implied that the documents distributed also had to be made available in that language.

6. Mr. ZOLLNER (Dahomey) added that the Philippine proposal, taken in conjunction with rule 13 of the draft rules of procedure, might require background documents to be distributed in Chinese.

7. Mr. LOPEZ (Philippines) explained that the aim of his proposal was to include Chinese as a language of the Symposium for the purpose of interpretation only.

8. Mr. KITTANI (Secretary of the Council) observed that the estimated costs of the Symposium, as outlined in the Secretary-General's report (E/4276 and Corr.1 and Add.1 and 2), made no provision for interpretation into and from Chinese. On the assumption that the Council made a formal decision or adopted a resolution providing for that service, the additional cost would be \$6,600, of which \$3,500 would be for salaries and \$3,100 for travel and subsistence costs.

9. The PRESIDENT put to the vote the draft resolution submitted by the representative of the Philippines.

The draft resolution was adopted unanimously.

10. Sir Edward WARNER (United Kingdom) said that, in view of the comments of the Advisory Committee on Administrative and Budgetary Questions on the cost estimates for the Symposium (E/4277, para. 3), there should be no summary records or formal resolutions at the Symposium. A decision to that effect would enable representatives to express themselves more freely.

11. Mr. AHMED (Pakistan) said the sponsors of the draft rules of procedure which had been recommended by the Council in its resolution 1180 (XLI) had made provision in rule 16 for summary records of the proceedings of the Symposium because they believed that records would be extremely useful, not only to the participants, but to their national industrial development authorities. His delegation understood the concern of the Advisory Committee about the high cost of producing records, however, and hoped some way could be found of keeping them short and so reducing expenditure.

12. Mr. ABDEL-RAHMAN (Commissioner for Industrial Development) said that, if the Council so desired, the Secretary-General would ascertain how maximum economy could be ensured in the preparation of summary records. The Council might consider whether records were required of all proceedings; they would, of course, be extremely useful in some instances.

13. Mr. RAHNEMA (Iran) pointed out that most developing countries lacked facilities for adequate representation at international conferences and the absence of records would severely handicap them. The statement made by the Commissioner for Industrial Development was reassuring and his delegation hoped the solution he proposed would prove feasible.

14. Mr. KADRY (Iraq) said that the records of the Symposium would be of immense value to those concerned with industrial development in the developing countries and in the United Nations itself. His delegation appreciated the need for economy, however, and hoped that some way could be found of reducing the cost.

15. Mr. KITTANI (Secretary of the Council) said that, if the Council so desired, it could take a formal decision on the suggestion of the Commissioner for Industrial Development. After referring in its decision to resolution 1180 (XLI) and rule 16 of the draft rules of procedure in annex II of that resolution, to the ninth report of the Advisory Committee^{1/} and to the note by the Secretary-General (E/4277), the Council might recommend that the Secretary-General should take steps to ensure the maximum economy in the preparation of the records, bearing in mind the recommendations of the Advisory Committee. The item \$115,000 for the provision of summary records would thus remain in the budget, but every possible effort would be made to reduce expenditure on the records.

16. Mr. Donald MACDONALD (Canada) agreed that a record of the proceedings would be most useful to the Governments of the participating countries.

It should be remembered, however, that most, if not all Member States, would send representatives to the Symposium who could make adequate reports to their home offices. A report embodying the conclusions and results of the proceedings was also to be produced. In any event, the Symposium was intended to provide an opportunity for the exchange of opinions and experiences, for which formal records were inappropriate. It was unlikely that, if there were to be records, effective savings could be made, since the records would have to be edited and distributed. His delegation considered that the Symposium provided an opportunity for reducing administrative expenditure without impairing efficiency and, accordingly, it supported the observations of the United Kingdom representative.

17. Mr. VIAUD (France) thought that the most important documents would be those published before the Symposium. Although it would be useful to have summary records, they need not be drawn up in detail. He therefore supported the proposal put forward by the Commissioner for Industrial Development that the Secretary-General should exercise the greatest possible economy in the preparation of records.

18. Mr. RAHNEMA (Iran) suggested that, if the Symposium was going to dispense with records, it should publish a more detailed report.

19. Mr. KAUL (India) agreed with the Commissioner for Industrial Development that the cost of records should be reduced to a minimum. Summary records of reasonable length might be drawn up for the plenary meetings; whereas no records would be kept of the smaller bodies.

20. Mr. LOPEZ (Philippines) proposed that the Council should delete draft rule 16 of the draft rules of procedure recommended for the Symposium.

21. Mr. ABDEL-RAHMAN (Commissioner for Industrial Development) said it would be possible to prepare summary records to which representatives could refer during the Symposium. He drew attention to rule 18 of the draft rules of procedure which stated that the report of the Symposium, together with a selection of documents submitted to it or summaries thereof, would be prepared and published by the Secretary-General.

22. In reply to a question from Mr. ROOSEVELT (United States of America), Mr. LOPEZ (Philippines) explained that his proposal to delete rule 16 was intended to do away with the regular kind of summary record. However, it might be possible to draw up brief reports of the meetings for the use of delegations.

23. Mr. ROOSEVELT (United States of America) thought the Council was entitled to know exactly what kind of records would be provided and what their cost would be.

24. Mr. PEREZ GUERRERO (Venezuela) said it would be inadvisable to economize in such a way as to prejudice the results of the Symposium. If summary records were to be eliminated, the report of the Symposium should be much more substantial.

25. Mr. Amjad ALI (Pakistan) pointed out that a considerable amount of preparation had already gone

^{1/} See *Official Records of the General Assembly, Twenty-first Session, Annexes*, agenda item 74, document A/6457, para. 15.

into the Symposium and it was the first of its kind to be held. It would be unfortunate if there were no summary records of the proceedings which representatives could consult in the course of the Symposium. The report would appear only some weeks after the Symposium was over. He therefore suggested that the Council should defer a decision on the matter and allow the Secretariat to work out a compromise between the various proposals that had been put forward.

26. Mr. MAKEEV (Union of Soviet Socialist Republics) said his delegation, eager as it was to economize, favoured the preparation of summary records since they would provide the basis for a more accurate report. It was the first time that such a Symposium had been held and participants would benefit from consulting the records in their exchange of views. It might be possible to economize in other ways, for example, by not publishing press releases, and he agreed with the Commissioner for Industrial Development that the Secretary-General should seek to achieve the maximum possible savings in the preparation of the records.

27. Mr. RAHNEMA (Iran) proposed that the Commissioner for Industrial Development and the Secretary of the Council should prepare a draft decision on the summary records for the Symposium, taking into account the views just expressed.

It was so decided.

AGENDA ITEM 1

Financing of economic development: establishment of a United Nations capital development fund (E/4219, chap. IX; E/4284, A/AC.102/9 and Corr.1 and Add.1)

28. Mr. KAUL (India) said that the developing countries had long been pressing for a capital development fund. As early as 1960, in its resolution 1521 (XV) the General Assembly had decided "in principle that a United Nations capital development fund shall be established". In the report on the fifth session of the Committee on a United Nations Capital Development Fund,² transmitted to the Council by note of the Secretary-General (E/4284), the majority had again urged early establishment of the fund.

29. However, the developed countries remained opposed to the idea. Some delegations felt that the United Nations Special Fund should be gradually transformed into a capital development fund; others wanted an entirely separate organization. India took the latter view on the grounds that, if the United Nations Development Programme embarked on investment proper, its pre-investment activities would be correspondingly weakened. The United Nations Conference on Trade and Development had recommended "the channelling of external resources, whenever possible and appropriate, through multilateral institutions", and had advocated the gradual transformation of the United Nations Special Fund so as to include not only pre-investment but also investment proper.³

² *Ibid.*, agenda item 38, document A/6418.

³ 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), annexes A.IV.1 and A.IV.8.

His delegation hoped that due weight would be given to those recommendations. Without a sufficient supply of capital, the developing countries could not improve their present disappointing position. Their frustration had increased now that the flow of capital from the developed countries had begun to stagnate in spite of the expansion of the national income in those countries.

30. The developed countries continued to maintain that the necessary amounts of capital should come from bilateral sources or from existing institutions. However, bilateral aid was often restrictive and used for political purposes, a fact of some concern to the developing countries which were jealous of their independence. Moreover, the existing financial institutions, such as the International Bank for Reconstruction and Development, the International Development Association and the International Finance Corporation, were too much under the influence of the capital-supplying countries and their membership was not as wide as the United Nations itself. For that reason, the developing countries sought a truly multilateral organization in which both developed and developing countries would have a voice. If such an organization were to be established, the developed countries would be relieved of the responsibilities and criticisms inherent in bilateral aid and the developing countries would be assured of capital on impartial terms. He hoped therefore that the opponents of the scheme would reconsider their position.

31. Sir Edward WARNER (United Kingdom) said his delegation reserved its position on the substance of the question.

32. Mr. ROOSEVELT (United States of America) said that his delegation's position on the subject had not changed.

33. Mr. Amjad ALI (Pakistan) said the fact remained that a large majority of the States Members of the United Nations had been urging the establishment of a capital development fund for some considerable time. He hoped that view would be reflected in the Council's report.

34. Mr. CARANICAS (Greece), supported by Sir Edward WARNER (United Kingdom) and Mr. ELM (Iran), proposed that the Council should take note of the report of the Committee on a United Nations Capital Development Fund.

It was so agreed.

AGENDA ITEM 4

Establishment of an international institute for documentation on housing, building and planning (E/4275)

35. Mr. Donald MACDONALD (Canada) said that Canada welcomed the decision of the Council to establish an international institute for documentation on housing, building and planning at New Delhi (resolution 1166 (XLI)), and approved of the administrative arrangements outlined in the Secretary-General's report (E/4275, paras. 5-14). However, his delegation was concerned that no provision had been made for consideration of the institute's work at a higher level and believed that the Director should report to the Under-Secretary for Economic and Social Affairs

through the Centre for Housing, Building and Planning. The advisory board, referred to in paragraph 13 of the report, should act in a purely advisory and not in a policy-making capacity.

36. While it was difficult to make accurate forecasts, the problem of financing was likely to be difficult and the possible sources, including contributions in cash and in kind, should be further explored. If such contributions were not forthcoming, the institute might wish to sub-contract certain parts of its work, such as the preparation of abstracts, bibliographies and indexes, to other international organizations already in existence. The Canadian delegation hoped that the success of the new institute would not be jeopardized by the lack of resources.

37. Mr. KAUL (India) said that his delegation fully supported the recommendations contained in the Secretary-General's report. However, it believed that, in addition to the functions set out in paragraph 5 of the report, the institute should in due course also sponsor research programmes, in order to fill the gaps in existing knowledge, particularly in the developing countries.

38. Mr. MAKEEV (Union of Soviet Socialist Republics) said that further time would be needed for adequate consideration of the institute's programme and financing. In particular, the sum of \$2.5 million referred to in paragraph 16 of the report would probably prove to be inadequate. The Council could therefore take note of the Secretary-General's report as a general background document and await the preparation of the technical report mentioned in paragraph 16 of the Secretary-General's report, which would contain more specific information and recommendations.

39. Mr. ROOSEVELT (United States of America) pointed out a minor error in paragraph 13 of the report: it was not the intention of the Committee on Housing, Building and Planning that the World Health Organization should represent the specialized agencies for all time, but rather that it should be the specialized agency to be represented on the Advisory Board for the initial period.

40. Some concern had been expressed as to how the institute was to be financed, and he hoped that the technical report referred to in paragraph 16 would be prepared before any attempt was made to raise the necessary funds. The questions raised in paragraph 15 which the technical report would answer were of the highest importance, and it was difficult to see how any fund-raising programme could be carried out without first deciding on them.

41. His delegation endorsed the view that the Council should take note of the report.

42. Mr. CROOKS (Secretariat) said that, although the specialized agencies would be represented on the Advisory Board initially by the World Health Organization, it was likely that a system of rotation would subsequently be introduced. It was the Secretary-General's intention that the technical report should be completed and approved before any funds were solicited, so that it could be made available to Governments at the appropriate time.

43. Mr. DJOUDI (Algeria) said that it was important to know whether the person appointed to the Advisory Board from the secretariat of one of the regional economic commissions would be representing that commission or all the regional economic commissions. It was also to be hoped that all the points in paragraph 15 would be fully dealt with in the forthcoming technical report.

44. Mr. LE DIRAISON (France) said that his delegation supported, as a whole, the recommendations contained in the Secretary-General's report and the view that the institute should confine its operations to documentation, since research work was already covered by other programmes. France agreed that a more detailed study of the institute's financing was required.

45. The PRESIDENT said that the reservations and comments made would be reflected in the addendum to the Council's report and suggested that the Council should take note of the Secretary-General's report (E/4275).

It was so decided.

The meeting rose at 5.30 p.m.