



ECONOMIC AND SOCIAL COUNCIL

Resumed Forty-eighth Session
OFFICIAL RECORDS

Tuesday, 19 May 1970,
at 3.20 p.m.

NEW YORK

President: Mr. J. B. P. MARAMIS (Indonesia).

AGENDA ITEM 10

Transport questions (*continued*):

- (a) Review of the activities of the United Nations system of organizations in the transport field (E/4794 and Add.1; E/4795 and Add.1-4; E/4846/Add.4);
- (b) Transport of dangerous goods (E/4783);
- (c) Question of convening a United Nations meeting on containerization (E/4796 and Add.1 and 2, E/4846/Add.4)

1. Mr. CONSOLO (International Bank for Reconstruction and Development), speaking on behalf of the World Bank group, said that some 30 per cent of the group's financing was for projects in the transport sector, with much of the emphasis in the past on road, rail and port projects. The Bank's interest in pipelines, aviation, airports and urban transportation was growing. It recognized that sound use of available resources in the transport sector could be an effective instrument in achieving broader economic and social objectives. Accordingly, its general economic missions and special transport sector review missions placed much emphasis on policies, procedures and practices. Transport sector studies were an important part of the functions of executing agency which the Bank performed on behalf of UNDP.

2. In its activities, the Bank had become aware of many issues which inhibited sound transport planning and an effective use of resources. Projects might, for example, be inadequately prepared because of data problems, poor methodology and insufficient consideration of alternatives, including those presented by new technology. Transportation investment projects in a number of countries were becoming more costly as higher levels of technology were used, and were demanding more rigorous analytical techniques, especially where a multi-country or regional strategy was necessary. It was important that an attempt should be made to deal with those problems, and much research had been undertaken to that end. Nevertheless, there was a danger that research efforts relating to common problems might be duplicated or might be of limited value because of an inadequate conceptual framework and the use of primitive research tools and techniques.

3. Moreover, there were important research gaps, particularly with respect to the economic and social implications of the technological revolution which was taking place in transport. There was no clear knowledge of the magnitude of the gaps or of the efforts being made to fill them—a fact which reflected the inadequacy of the flow of information. Not only would the quality of the Bank's work be

improved by better knowledge of the research being conducted on some of the problems involved, but many member countries would benefit from a better understanding of the economic, social and ecological implications of major decisions in the transport sector. Good transport planning required a greater supply of highly qualified people, whose work could be improved if they were given access to a flow of information which they were presently denied. Nowhere was there a comprehensive body of detailed knowledge of what was being done and how successful it was. Nor was it easy to determine whether there was duplication or whether quality could be improved and the results made available more quickly by some co-operative approach. The use of systems and network analysis and model building techniques, based on the ability of computers to analyse the complex relationship between producers, consumers and transport agencies, would unquestionably grow. It would be a duplication of effort and an inefficient use of scarce skills for many countries to repeat the development efforts of others in such fields.

4. Consequently, the Bank believed that a centre responsible for collating and disseminating information on transport research and having some modest training functions could play a useful role. It therefore supported the proposal to establish a centre along the limited lines envisaged. It was, however, doubtful whether a world conference of ministers of transport would be fruitful at present. The best course would be to establish the centre, allow it time to develop ideas and then consider whether firm proposals could be prepared for the consideration of ministers of transport in neighbouring countries.

5. Mr. DE SEYNES (Under-Secretary-General for Economic and Social Affairs) said that the statement by the World Bank representative was an excellent account of the reasons for establishing a transport centre of the kind proposed. However, he did not share that representative's doubts as to the usefulness of convening a conference of ministers of transport; the support of Governments was needed in solving transport problems and it would be better if it came direct from the decision-making authorities rather than being filtered through the normal bureaucratic processes and consequently diluted.

6. Underlying consideration of the proposal to establish the centre was the present fragmentation of responsibility, with activities spread among various agencies which did not have the benefit of the co-ordination and integration machinery which had become necessary in view of the complexity of the problems involved. It must be recognized that the determination of transport policy was essentially a function of Governments, even in countries where free enterprise prevailed, and it was the Council's task to determine how it could help Governments discharge it. That was one of their most difficult responsibilities, for if

the huge sums involved were unwisely invested, owing to lack of information, that mistake could have extremely serious consequences for a country's development effort as a whole. The present fragmentation of responsibility was a grave weakness, considering the development of modern and multidisciplinary transport technology. A veritable revolution had taken place in the transport field, which called for an integrated approach that would take account of national and international factors and the great variety of modes of transport and types of article transported. The concept of jurisdictions defined by frontiers had become outmoded as a result of technological developments. At the same time, the methodology of transport planning was more difficult than that in many other sectors. The systems involved, which were only now being developed, were highly complex, and their application would require considerable research and analysis. Debate on the subject had revealed the extreme concern felt with regard to the present institutional system and the United Nations capacity for assisting Governments in confronting the new technological problems which were now emerging. The conclusion to be drawn from the debates of the Committee for Programme and Co-ordination and the Council was that at least a minimum of integration should be introduced into the present system if it was to respond to the requirements of Governments. It was significant that the World Bank had come to the same conclusion as a result of its consideration of a whole range of modes of transport. It was not proposed that all resources should be brought under the authority of the centre although, if the present technology had existed in the mid-1940s, such a solution might have been adopted. The proposal was aimed only at the introduction of a minimal element of integration by the establishment of a centre which could view the field of transport in its entirety in order to assist Governments with their transport problems and to keep them informed of advances in other related technologies. Its functions would consist of the collection and evaluation, dissemination and analysis of information. The creation of an efficient information system was one of the most essential and complex tasks facing most modern enterprises, whether Governments, private companies or international organizations were involved. Economy was also a factor in that an integrated information system was more efficient than one which was fragmented; the Administrative Committee on Co-ordination was endeavouring to correct existing shortcomings in the specific field of computer utilization. The limited integration proposed would signal the beginning of a trend, expected to grow during the Second Development Decade, which alone could give the United Nations institutional system the strength which it needed. The centre would not be an authority but rather a service for Governments and international agencies. Its programme would not be planned in isolation; it was hoped that all organizations active in the transport field would participate.

7. Mr. OLDS (United States of America), referring to the note by the Secretary-General on the transport of dangerous goods (E/4783), said that his delegation approved the recommendations of the Committee of Experts on the Transport of Dangerous Goods, including that for the extension of the Committee's terms of reference.

8. His delegation favoured the convening of a United Nations meeting on containerization and suggested that it

should be convened jointly by the United Nations and IMCO in 1973, to allow for proper preparation and to accord with the General Assembly rule that there should be only one major special conference a year that it should last a minimum of two weeks and that it should be held at Geneva.

9. Referring to the Secretary-General's report on major transport problems of developing countries (E/4795 and Add.1-4), he said that his delegation agreed on the need to direct attention to problems in the field of transport; however, it did not consider that the solution proposed in paragraph 73 of document E/4795, i.e. the establishment of a centre for transport development, was the answer to that need. The Secretary-General's report sought to illustrate the need for such a centre, particularly in view of the implications of transport for the acceleration of development. In addition to the reasons indicated in paragraphs 52, 56 and 57 of the report, the high proportion of development funds being committed to the transport sector and the fact that little research had been done on the adaptation of developing countries to rapid advances in transport technology were cited as further arguments for the proposal.

10. Paragraph 74 outlined the functions of the centre. All of the latter, however, were functions for which existing organizations within the United Nations system were responsible. It was stated in paragraph 74, for example, that the centre would act as a clearing-house for information. Document E/4794 indicated that that was a function of the Resources and Transport Division. The Centre for Development Planning, the Centre for Housing, Building and Planning, and the United Nations Research Institute for Social Planning were all mentioned in paragraph 73, but the functions of none of those, were, in his delegation's view, analogous to those proposed for the centre.

11. With regard to the Secretariat's work in the transport field, as described in document E/4794, his delegation felt that if the activities mentioned in paragraphs 5, 36, 37 and 43, for example, were properly carried out, the needs in response to which the centre had been proposed would be largely met. Furthermore, the representative of UNCTAD, at the previous meeting, had drawn attention to the need to avoid duplication of effort in order to conserve the limited resources available. Considering the annual costs of bodies such as UNCTAD and IMCO, his delegation questioned the usefulness of any new machinery, which would require additional professional staff and would have no clearly defined task. He drew attention, in that connexion, to the statement by ICAO in paragraph 3 of document E/4795/Add.2 that the need for a transport centre had not been demonstrated.

12. His delegation wished to make five recommendations to serve as a guide before any move was made to institutionalize the handling of transport development problems. Firstly, the Secretariat should be asked to identify gaps in the present system, to which the Council could then draw the attention of the bodies concerned. Secondly, UNCTAD and IMCO should be requested to indicate what they thought was an appropriate response. Thirdly, to develop an information centre to deal with only one sector was clearly wasteful. The Committee for

Programme and Co-ordination or some other appropriate body should be urged to consider the question of co-ordinating information in the context of a more comprehensive framework. Fourthly, more adequate funds should be allocated for economic analysis if, as was claimed, a critical lack of research actually existed. UNDP, for example, allocated 3 per cent of its budget to research, and IBRD allocated 31 per cent to investment research. Fifthly, consideration of training should not be confined to one sector alone but should have a broader scope; in that connexion, the proposal to establish a United Nations university should be borne in mind.

13. Lastly, with regard to the proposed conference of ministers responsible for transport development, his delegation thought that the regional economic commissions, which were dealing with existing transport problems, should be requested to re-define and re-examine such problems before a decision was taken to call a world conference.

14. Mr. JHA (India) said that while his delegation regarded the report on the work of the Secretariat in the transport field (E/4794 and Add.1) as clear and informative, it felt that the programme of applied research into the problems of transport development, mentioned in paragraph 5 of document E/4794 as one of the Transport Section's main objectives, should be further clarified. According to paragraph 7, the Resources and Transport Division's research efforts had mostly been concentrated on the application of the new technological advances to land transport. It was not clear from paragraph 14 whether practical research or only studies had been carried out. His delegation agreed with the five points stressed in the work programme, as indicated in paragraph 43 of the report; it also welcomed the Secretary-General's report (E/4795 and Add.1-4) on the major transport problems of developing countries. He drew attention to document E/4846/Add.4, in which the Committee for Programme and Co-ordination had recognized the importance of transport development in improving economic and social conditions in developing countries and had expressed the view that the activities of the United Nations system in that field should be intensified, increased and given more positive support by international financing organizations.

15. It was stated in the Secretary-General's report on problems of transport in the developing countries that increases in economic activity caused the volume of transport to increase two to three times as fast as national product in countries with *per capita* GDP of \$400-500 or less per year; since the target growth rate of 6 per cent for the Second Development Decade would lead to a substantial increase in goods and passenger movements in many parts of Asia, Africa and Latin America, the crux of the problem for the developing countries was how to apply new transport techniques with the meagre resources available to them. India, like many other developing countries, was aware that transport facilities must be developed in order to ensure a healthy economic and social structure, but the financial situation was such that the task would be difficult and would take many years to accomplish. Roughly one fifth of the developing countries' total resources for economic development was used for building and modernizing transport facilities. It was also important to develop

indigenous industrial capacity to meet transport needs, in accordance with the geographical, demographic and trade characteristics of the country concerned.

16. His delegation would support the proposal to establish a centre for transport development, provided that the three conditions set forth in the conclusions of the Committee for Programme and Co-ordination (E/4846/Add.4) were fulfilled and that the availability of funds for its operations was assured, that its operations would not affect the autonomy of the specialized agencies concerned, and that its responsibilities would be mainly oriented towards the solution of the problem of transport in developing countries. The Committee, in its conclusions, had expressed doubt whether a meeting of ministers responsible for transport and development would serve a useful purpose. It would be for the Council to decide whether the draft agenda of the proposed meeting, as set forth in document E/4795/Add.4, dispelled those doubts. In his delegation's view, it did not, and opinions on the usefulness of such a meeting were divided; further consideration was therefore needed, but his delegation felt that it was for the Council itself ultimately to decide whether such a meeting was warranted. The Committee had not, as his delegation understood it, closed the door on an international conference of ministers on transport development. The Secretary-General could undertake additional consultations with Governments on that issue and report to the Council at its fiftieth session.

17. He agreed that any meeting of ministers responsible for transport development should deal with specific problems. Many developing countries had not yet made sufficient progress in transport development, and perhaps such a meeting could serve, *inter alia*, as a means of arousing interest and disseminating information concerning ways of overcoming problems in that field.

18. Mr. PIÑERA (Chile) said that in the field of economic development the question of transport could not be considered in isolation; although specialized agencies had been established to deal with specific fields—for example, FAO for agriculture and UNIDO for industry—transport questions were dealt with by a number of different institutions. He supported the idea of a transport centre, and felt that UNCTAD, whose objective was the promotion of trade and development for the benefit of the developing countries, should have charge of the operation of such a centre.

19. While he noted with interest the views of the Committee for Programme and Co-ordination, the latter was a subordinate body. Since technical matters such as transport must be considered within the framework of the economic development of the developing countries as a whole, it was for the Council to make the final decision. The question of establishing a transport centre should be kept on the Council's agenda. The financial implications of its establishment should be scrutinized only after the purpose to be served by the proposed body had been fully considered.

20. In view of the rapid evolution in transport techniques, a conference of ministers of transport should not be delayed too long.

21. Mr. AZEVEDO BRITO (Brazil) said that the pertinent section of the report of the Committee for Programme and Co-ordination on its fifth session (E/4846/Add.4) was a useful and basic element in the present discussion. It was clear from the documentation before the Council that transport development must play an essential role if there was to be any significant improvement in economic and social conditions in developing countries. In view of the rapid developments in transport technology, international co-operation and United Nations work programmes in the transport field must be planned on an adequate scale and with flexibility. A major concern in such planning must be the rendering of proper assistance to developing countries in such a way as to enable them to absorb the new technologies now emerging in all sectors of the transport industry.

22. It must also be recognized that any effort in the field of technical co-operation and assistance in the transport sector, in order to be fruitful, must be complemented by a positive approach on the part of the international financing organizations, since finances were the most critical aspect in devising solutions for the transport problems of developing countries. It was not only a question of providing more funds, but adequate attention would also have to be given to economic analysis and feasibility studies, which were especially important for transport projects in developing countries, especially in pioneer areas. In that connexion, he welcomed the statement in paragraph 46 of document E/4795 that transport was an important sector of the economy in its own right and increasingly considered as one of the powerful instruments for accelerated development and particularly for an optimum structural change in spatial terms.

23. His delegation fully endorsed the conclusion in the report of the Committee for Programme and Co-ordination that activities of the United Nations system in the transport field should be intensified. However, in spite of United Nations efforts to ensure the judicious utilization of scarce resources, the results fell short of expectations, owing to the tremendous disproportion between proved needs and the resources available. The Secretary-General himself had indicated, in paragraph 69 of document E/4795, that the present United Nations organizational structure and programmes in transport were not geared to deal with the new requirements and that there were no strong inland transport working arrangements equivalent to the work of UNCTAD in shipping. The Secretary-General further indicated that the regional economic commissions had neither the staff nor the funds to play the key role in transport development which would devolve upon them in the coming decade.

24. The proposal to establish a United Nations centre for transport development should be viewed in the light of the Secretary-General's decision, endorsed by the Council in its resolution 1373 (XLV), that UNCTAD should be responsible for matters relating to shipping and ports and that the Department of Economic and Social Affairs should have competence in respect of questions of "intermodal" transport as well as all forms of land transport.¹ The recommendations contained in document E/4846/Add.4 reflected

the views of the majority of the members of the Committee for Programme and Co-ordination, who had endorsed the general idea of the centre but had felt that the draft terms of reference as set forth in annex II of document E/4795 should be revised in such a way as to avoid overlapping with the spheres of competence of UNCTAD, IMCO and ICAO, while the exact position of the centre within the Department of Economic and Social Affairs should be more clearly defined. Document E/4795/Add.4 unfortunately failed to clarify the points raised by the Committee.

25. Although his delegation recognized the value of the work being done by ICAO and UNCTAD in the field of civil aviation and maritime transport, it was convinced that in regard to land transport, in all its forms, the activities of the United Nations could and should be strengthened.

26. He agreed with the view expressed by the USSR representative that questions of land transport fell mainly within the competence of each individual State. However, the United Nations had a significant role to play, especially in the field of research and assistance to the developing countries in absorbing and adopting new technology in the field of land transport. Moreover, land transport was an essential element for regional integration, and as such should receive special attention from the regional economic commissions, under the guidance of the Governments concerned. His delegation accordingly felt that the most appropriate action for the Council to take at the present session would be to recommend the strengthening of the work programme of the United Nations, both at Headquarters and in the regional economic commissions. As far as the proposed centre was concerned, his delegation agreed in general with the United States proposal that the subject should be taken up again at the sixth session of the Committee for Programme and Co-ordination, when the latter would probably be able to make a final recommendation on the basis of additional information and the current debate in the Council, with a view to further action by the Council at its forty-ninth session.

27. Mr. BRADLEY (Argentina) recalled the lengthy debate which had taken place concerning the establishment of UNCTAD's Committee on Shipping. Although such a body had not been envisaged at the outset, it had become clear that it was needed to serve as a forum for negotiations between developing and developed countries on the commercial aspects of shipping.

28. Modern technological advances in the field of transport tended to make existing structures not exactly obsolete but certainly inadequate. Supersonic jet aircraft and new methods of containerization were everywhere necessitating radical changes in facilities, affecting developed and developing countries alike. While the less developed countries had an advantage, inasmuch as they could employ the very latest techniques right from the start, the countries which were at an intermediate stage of development were burdened with outdated transport systems and had to import transport technology, which was an extremely serious problem in view of its financial implications.

29. Now that the Economic and Social Council had been expanded so as to represent the international community

¹ See *Official Records of the Economic and Social Council, Forty-fifth Session, Annexes*, agenda item 23, document E/4462, paras. 14-16.

more adequately, it should be given the necessary tools to discharge satisfactorily the task entrusted to it under the Charter of the United Nations. The Under-Secretary-General for Economic and Social Affairs had stressed that the proposed centre would be a service to Governments and not an authority. All the specialized agencies concerned with transport questions would participate in the drafting of its work programme, so that its functions would be more clearly defined and duplication avoided. UNCTAD served as a forum for a dialogue between developed and developing countries on specific problems such as freight rates. The centre, for its part, would perform tasks which were now carried out by the Resources and Transport Division but would be able to do so more fully and effectively.

30. He therefore felt that the proposed centre, as described by the Under-Secretary-General for Economic and Social Affairs, would be a very welcome institution and would not impinge on the competence of other United Nations bodies. He had no objection to the proposal that the matter should be referred back to the Committee for Programme and Co-ordination for consideration at its next session, but it was important that some action should be taken so that the matter could be ready for further consideration by the Council in the summer of 1971.

31. He did not feel that the proposed meeting of ministers responsible for transport development would prove as useful as a high-level technical conference, which would present less difficulties of a political nature. The question of the agenda and the precise purpose of the proposed meeting should be referred back to the Committee for further consideration at its sixth session.

32. On the other hand, his delegation felt that a United Nations meeting on containerization was very necessary, and it fully supported the idea. The United Nations family was making great progress on the question, and such a meeting would help to solve a number of questions of major importance and would have significant implications with regard to such matters as port facilities and related labour questions. He was in favour of setting 1973 as the date for the proposed meeting, since that would allow Governments time to make adequate preparations.

33. He would have no objection to the proposed expansion of the membership of the Committee of Experts on the Transport of Dangerous Goods, provided that the principle of equitable geographical distribution was observed.

34. Mr. ALLEN (United Kingdom) said that the report in document E/4795 made some generalizations which seemed to his delegation rather vague. The problems identified in it were by no means unique to developing countries, and the three categories of needed improvements listed in paragraph 14, when reduced to plain language, could apply equally well to his country.

35. He shared the view of the United States representative that the proposed centre would not be the logical answer to the needs demonstrated. The proposal did not, in his view, follow logically from the *exposé* in the main body of document E/4795. It was stated in the draft terms of reference for the proposed centre that the new institution

would identify important gaps in transport economics and technology and initiate action or processes that would lead to the filling of such gaps and remedying of deficiencies. It was unclear whether the centre would, in addition to its task of correcting and disseminating information, undertake studies of its own. He trusted that it would not. He agreed with the United States representative that all bodies within the United Nations family should constantly be vigilant in detecting new areas requiring action and should bring them to the attention of the organs competent to deal with them. The sponsoring of seminars had also been referred to as one of the tasks to be carried out by the centre; he would like to remind the Council that the Resources and Transport Division discharged that function at present. The reference to training responsibilities was also unclear. The draft terms of reference were, in general, vague, and the proposal to establish the centre required very careful consideration if duplication of functions and confusion regarding spheres of competence were to be avoided.

36. One of the tasks proposed for the centre, namely the collection, evaluation and dissemination of information on transport technology, would unquestionably respond to a proven need. However, that question had been touched on in *A Study of the Capacity of the United Nations Development System*,² and his delegation agreed with the United States representative that it was a matter which must be viewed in the context of United Nations activities as a whole.

37. He endorsed the conclusion of the Committee for Programme and Co-ordination that the proposed meeting of ministers responsible for transport development might not serve a very useful purpose. Moreover, in many countries, including the United Kingdom, transport development was not the exclusive concern of any one minister, so that the selection of delegates to such a meeting would be a somewhat difficult task.

38. Nor did his delegation support the proposal to convene a United Nations meeting on containerization. Most of the necessary work was already being done by such bodies as IMCO, ICAO and the International Organization for Standardization. He agreed with the view expressed by the representative of the International Chamber of Commerce at the previous meeting that the valuable work already in progress should not be held up by such a conference. The risk would be all the greater if it was scheduled for 1973 and not 1972, since a number of international conventions relating to containerization would be completed long before 1973, and it would be unfortunate if their entry into force was delayed so that they could be presented for signature at the conference.

39. A United Kingdom expert had served as Chairman of the Committee of Experts on the Transport of Dangerous Goods and his delegation had submitted to the Secretariat a draft resolution whereby the Council would take account of the Committee's report and recommend that it should continue its work along the lines it suggested. He hoped that the Council would agree that the Committee had done valuable work and should be encouraged to continue. The proposed enlargement of the Committee would enable a

² United Nations publication, Sales No.: E.70.I.10.

number of countries to contribute to its work and would also ensure more equitable geographical distribution.

40. Mr. PRAGUE (France), referring to the proposed establishment of a centre for transport development, said that his delegation felt that it was for the Committee for Programme and Co-ordination to reach its final conclusions before the Council could usefully take up the substance of the question.

41. As to the conference of ministers of transport, his delegation's view was that such a conference could more usefully be held at the regional level.

42. His delegation supported the convening by the United Nations and IMCO of a conference on containerization. Document E/4796/Add.2, however, indicated that IMCO had decided to postpone such a meeting. His delegation would welcome clarification in that connexion.

The meeting rose at 6.5 p.m.