



ECONOMIC AND SOCIAL COUNCIL

Forty-eighth Session
OFFICIAL RECORDS

Wednesday, 1 April 1970,
at 3.25 p.m.

NEW YORK

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

(b) Natural resources satellites (E/4779 and Corr.1-3, E/L.1307)

AGENDA ITEM 9

Proposals regarding the agenda for the forty-ninth session of the Council and the preparations for the celebration of the twenty-fifth anniversary of the United Nations (concluded) (E/L.1298)

1. The PRESIDENT said that in the absence of proposals by delegations, he would suggest that the Council should request the Secretary-General, when making preparations for the forty-ninth session, to take into account the discussion on item 9 held by the Council at its 1668th meeting.

It was so decided.

AGENDA ITEM 7

Report of the Committee for Programme and Co-ordination (concluded) (E/4787)

2. The PRESIDENT suggested that the Council should adopt the following draft resolution, which took into account the amendments proposed at the 1668th meeting:

"The Economic and Social Council

"1. Takes note of the report of the Committee for Programme and Co-ordination on its fourth session, and of the conclusions and recommendations contained therein;

"2. Endorses the recommendations of the Committee for Programme and Co-ordination contained in paragraphs 32 and 33 of its report;

"3. Requests the Committee for Programme and Co-ordination, in defining and carrying out its programme of work, to take into account the views expressed in the Council at its 1668th meeting."

The draft resolution was adopted.

AGENDA ITEM 2

Development of Natural Resources (continued)*:

(a) Report of the *Ad Hoc* Committee on the Survey Programme for the Development of Natural Resources (E/4797, E/4801 and Add.1; E/L.1306)

3. The PRESIDENT invited the representative of Kenya to introduce, on behalf of the sponsors, draft resolution E/L.1306 concerning the development of natural resources.

4. Mr. KITI (Kenya) requested the President to suspend the meeting to enable the consultations which were being held with regard to the draft resolution to be continued.

The meeting was suspended at 3.45 p.m. and resumed at 4.15 p.m.

5. Mr. OSANYA-NYYNEQUE (Kenya) said that draft resolution E/L.1306 was simply a formal summary of the extensive discussion of the question which had taken place in the Council. The first preambular paragraph referred to three previous resolutions of the Council which stressed, *inter alia*, the importance of the development of natural resources for the economic development of the developing countries. The second preambular paragraph referred to the report of the *Ad Hoc* Committee on the Survey Programme for the Development of Natural Resources (E/4797 and Corr.1-3) and the report of the Secretary-General (E/4801) to that Committee, which had both been considered in detail by the Council and accordingly constituted an appropriate basis for the operative part of the draft resolution. The third and fourth preambular paragraphs stressed the need for intergovernmental leadership and guidance. In view of the discussion which had taken place on the question and the attention given to it by the Secretary-General and the *Ad Hoc* Committee, it appeared that there was sufficient information available for certain measures to be contemplated.

6. The operative paragraphs of the draft resolution could be divided into three sections. Operative paragraphs 1 and 2 were of an institutional nature and concerned the establishment of a functional Committee on Natural Resources and the term of office of its members. Operative paragraph 3, which was divided into ten sub-paragraphs, might be considered the essential paragraph of the draft resolution, dealing as it did with the possible responsibilities of the proposed Committee. Sub-paragraphs (a) and (h) were actually the most important. Sub-paragraph (a), in particular, dealt with the role which the United Nations might play in helping the developing countries to formulate policies for the development of their water, energy and mineral resources. In mentioning those three areas of co-operation explicitly, the sponsors of the draft resolution had taken the organization of the Resources and Transport Division as a basis. They had also referred to the Second Development Decade because many delegations had repeatedly stressed that the rate of development of natural resources in the developing countries should be accelerated in order to

* Resumed from the 1667th meeting.

ensure the best chance of success for United Nations activities with regard to the Second United Nations Development Decade.

7. Sub-paragraphs (b) to (g) only expressed explicitly what was implicit in sub-paragraph (a). The sponsors had also wished to take account of the desire expressed by some delegations to emphasize certain specific aspects in order to allow no room for ambiguity.

8. Sub-paragraph (h) was also very important. It dealt with a point to which his delegation had already drawn attention during the general debate, namely, the relations existing between the financing and executing bodies. For the moment, the financing and executing functions were carried out respectively by UNDP and the Resources and Transport Division. Unfortunately, those two bodies often appeared to be in conflict, to judge from Kenya's own experience. Perhaps a third party, such as the committee whose establishment was the subject of the draft resolution, would be able to neutralize those conflicts. The same observations applied to sub-paragraph (i), except that the bodies concerned in that case were the Economic and Social Council and the Committee for Programme and Co-ordination, on the one hand, and the regional economic commissions, the specialized agencies and the International Atomic Energy Agency (IAEA), on the other.

9. Operative paragraphs 4, 5 and 6 were administrative provisions and dealt in particular with the frequency of the Committee's meetings, the preparation of summary records and documentation.

10. The debate which had taken place in the Council had led his delegation to believe that there must be general agreement on the need to establish a body to co-ordinate and increase the assistance provided by the United Nations to the developing countries for the development of their natural resources. It had been said repeatedly that the problem of the developing countries concerned the whole world. He therefore hoped that all members of the Economic and Social Council would support draft resolution E/L.1306, and he appealed to the representatives of the developed countries, in particular, to do so.

11. Mr. AZEVEDO BRITO (Brazil), noting that his delegation had already made its views on the question known at the beginning of the general debate, said, that since the representative of Kenya had introduced the draft resolution in an appropriate and objective manner, he wished only to recapitulate the main reasons why the draft resolution seemed to him to deserve the approval of the Council.

12. Since the optimum utilization of natural resources was one of the essential factors of development, it should be given special attention during the Second Development Decade. Furthermore, since the question was closely related to development planning in the various countries, the formulation of policies and programmes should be carried out under the strict control of the Governments concerned and should take into account the need to avoid any infringement of national sovereignty. Current programmes and activities relating to natural resources must be reviewed and reformulated in order to make them more responsive to

the preferences and needs of Governments. Only an intergovernmental body would be able to carry out such a review, which might also provide the basis for better co-ordination of the activities relating to natural resources undertaken by all organizations in the United Nations system. In addition to improving the effectiveness of those activities, such co-ordination of programmes would be in accordance with the principle that the main co-ordinating role in economic and social matters belonged to the Economic and Social Council; it should also facilitate the work of the specialized agencies. Moreover, a more thorough study of the general problems which arose with regard to natural resources would facilitate the formulation of specific projects for UNDP. Lastly, the establishment of a functional committee for natural resources would in no way prejudice any decisions which might be taken with a view to improving the sessional work of the Council and the General Assembly.

13. Mr. AKWEI (Ghana) said that he hardly needed to emphasize the fact that the development of natural resources was of prime importance to the developing countries, since it enabled them to obtain the capital and foreign exchange required to develop other sectors of their economy. The shortage of capital and investments could even inhibit the search for natural resources; the exploitation of those resources depended on the country's infrastructure—its power, transport and communications. The Department of Economic and Social Affairs should therefore encourage national and sub-regional hydroelectric power programmes which would provide both electricity and cheap water transport. In developing natural resources, attention should also be paid to the industries whose establishment those resources made possible. Some raw materials, instead of being exported, could be processed locally, thus enabling the country concerned to offer more jobs and improve its industrial and managerial skills. His delegation hoped that the Department of Economic and Social Affairs would continue to encourage and help Governments and subregional groups in the training of technicians, geologists, engineers and other personnel essential to development.

14. Many developing countries, aware of the benefits that could accrue to them from the exploitation of their natural resources, had offered incentives to investors; nevertheless, part of the profits which investors realized should be ploughed back to assist the economic development of the countries concerned. The developing countries must also be assured of stable prices for their raw materials and the products resulting from their exploitation. Lastly, while the development of natural resources was essential to the survival and progress of the developing countries, it must be pursued in a rational and orderly manner, so as not to destroy the human environment and impede long-term economic and social development. The regional commissions could prove helpful in that area.

15. Turning to the documents under consideration, his delegation noted with appreciation the work done by the *Ad Hoc* Committee on the Survey Programme for the Development of Natural Resources and endorsed the Committee's request in paragraph 16 of its report (E/4797). The report of the Secretary-General (E/4801 and Add.1) also was most interesting; in particular, his delegation had

carefully studied the proposal to establish an intergovernmental body which would provide adequate leadership and consider more comprehensively the contribution of the United Nations in the field of natural resources development. However, although his delegation fully supported the objectives of the draft resolution, the document presented certain difficulties.

16. His delegation rejected the argument that a new organ must not be created in order to avoid the proliferation of United Nations bodies, as well as the argument that no new organ should be established until the review of the development system had been completed. If it was necessary to establish the proposed new body, then those two arguments would automatically be negated. His delegation was not convinced that there was a need for the new body. The *Ad Hoc* Committee had been faced mainly with a financial problem, and its solution depended on finding the means to increase the financial resources allocated to the survey programme. The establishment of a new organ, far from freeing new resources, would entail additional administrative costs, which might reach \$5 million—funds which no doubt could more usefully be spent on the search for resources and the establishment of industries in the developing countries. Furthermore, those countries might find it difficult to find experts to take part in the work of the new body. If the failure of the survey programme could also be ascribed to a lack of political guidance in the Committee or the Department, how would the new organ be able to offer the leadership and guidance which the Council itself appeared unable to provide? The topic had prompted many resolutions from very varied sources; it was also a matter of reorganization and the distribution of personnel within the Department. If there was rivalry among the executing organs, as the representative of Kenya had noted, then the question fell within the purview of CPC, and it was for the Council to provide the necessary leadership. However, if the Council could not fulfil its task, could UNIDO not be called upon for assistance? The establishment of a new organ would only make co-ordination more difficult.

17. In conclusion, since initial considerations suggested that the proposed new body could solve neither the financial problems nor, apparently, the problems of leadership and guidance, it would be advisable, in order to avoid further difficulties, to study the matter in depth and postpone a decision until the Council's summer session.

18. Mr. BRADLEY (Argentina), like the representative of Ghana, did not oppose the objectives of the draft resolution, for he recognized how important the exploitation of natural resources was to the developing countries. However, all Governments must seriously study the proposal to establish a new body. The documents circulated by the Secretariat described the new body in general terms, and contained no specific details on its establishment and its role. Before views were expressed, it must be ascertained to what extent the establishment of a new body would help to solve problems relating to natural resources. In particular, it must be determined whether its terms of reference risked overlapping with those of the sessional committee of the Council on science and technology, which would also be dealing with natural resources and their development. It would take Governments a good two months to consider

the proposals thoroughly in all its aspects, since they would have to consult various specialized agencies, such as IAEA, UNIDO and FAO; the latter played an important role in Argentina in the development of agricultural natural resources. His delegation might be in a position to vote in favour of the draft resolution at the forty-ninth session of the Council. However, if the sponsors insisted that it be put to the vote immediately, his delegation would be obliged to vote against it, since an abstention would be tantamount to tacit approval, a commitment it could not undertake at the present time.

19. Mr. ABDELMOUTI (Chad), speaking as a co-sponsor of draft resolution E/L.1306, said the proposed committee would be most helpful in formulating coherent natural resources policies, whose importance for the development of the less advanced countries did not need stressing.

20. He could not see why the representative of Ghana had spoken of costs in the order of \$5 million. It was not a question of creating a new body, but merely of transforming one which already existed. Expenditure would probably be more in the order of \$30,000, which was not very high in comparison with the estimated expenditure for the programme and with the advantages which were anticipated.

21. He was surprised that, while the need to assist developing countries was stressed in all United Nations bodies, measures suggested for that purpose always met with a variety of objections. He hoped that the current proposal—the establishment of a committee—would meet with the unanimous approval of members of the Council.

22. Mr. KASSUM (Secretary of the Council) informed the Council what the financial implications of the draft resolution would be if the Committee were to meet at least every other year and maintained summary records of its proceedings. The costs had been worked out on the following basis: each session would be held at Headquarters for two weeks; members would be Government representatives for whose travel and subsistence the United Nations would not assume any responsibility; and, lastly, the committee would hold two meetings per day. In those conditions, the cost of interpretation into four languages, the preparation, translation and reproduction of documents, summary records and the report, would amount to \$29,300. If the committee decided that the background documents for the sessions should also be provided in Russian, the total would increase to almost \$40,000. If, on the other hand, in response to the recommendations of the General Assembly, it was decided to dispense with summary records of the meetings, the total would only be \$19,600.

23. If the Committee was to meet every other year, its members would serve for four years and not three years as stated in operative paragraph 2 of the draft resolution. Furthermore, the term "functional Committee" in operative paragraph 1 did not exist in the United Nations; it should be either a "functional Commission" or a "standing Committee". Thirdly, a date should be fixed for the elections to the Committee. In fact, in accordance with operative paragraph 6, the Committee should be prepared to report to the Economic and Social Council at its fiftieth

session; it should therefore hold its first session before next spring. Lastly, he considered that there should be an additional paragraph by which the Council would officially decide that the present committee, namely, the *Ad Hoc* Committee on the Survey Programme for the Development of Natural Resources, should be abolished.

24. Mr. OLDS (United States of America) shared the feeling of frustration which the representative of Chad had felt at the slowness of the progress made in the United Nations. He personally was faced with a dilemma: he recognized that action was long overdue and that it was therefore difficult to argue that it was premature, but at the same time it was above all necessary to take care that whatever measures were taken by the Council did not subsequently have to be reversed or modified, for it should not be forgotten that the Council was composed of only twenty-seven members who were in fact representing all the States Members of the Organization. For reasons of substance, procedure, organization and timing, he was hesitant to accept the suggestion implicit in the draft resolution that the proposed committee was the best possible solution.

25. It was precisely because the question was urgent and important that it was complex. Natural resources were not an isolated question which did not have any relationship with other United Nations activities. Since the Council was responsible for co-ordinating the activities of the various bodies, it would be premature to adopt a resolution which implied a whole range of complex links with other bodies, before having had the time to consider in detail all the questions of organization and distribution of functions which it involved.

26. Organizational questions also gave rise to many difficulties. The main argument put forward for the establishment of the new committee was that the Council needed a more effective body to deal with the question of natural resources. However, the Council already had a standing co-ordinating committee—the Committee for Programme and Co-ordination—which, during its sessions, was called upon to consider co-ordination questions, including organizational questions relating to science and technology, and in particular natural resources. Furthermore, the Advisory Committee on the Application of Science and Technology to Development was currently considering a document in which it was invited to deal with the question of natural

resources. It would therefore be better to wait for the relevant recommendations and conclusions which the CPC would submit to the Council after consultation with all the bodies concerned. Furthermore, UNDP, which had been mentioned as a possible source of financing the survey programme, was in the process of being reorganized in the light of *A Study of the Capacity of the United Nations Development System*.¹ It would therefore be better to wait until the forty-ninth session of the Council to take a decision. Although technical questions, such as outer space or natural resources, had originally given rise to problems which were essentially of a political and legal nature, nowadays they were more related to economic and social questions. It was therefore the Council's responsibility to co-ordinate activities in that field in the most effective way and, when it took action, it should endeavour to secure a commitment from the greatest possible number of Governments.

27. Considerations of timing constituted another argument for postponing a decision until the forty-ninth session of the Council. It was true that the question was urgent, but if the Council voted on the draft resolution without taking all considerations into account, it might create an organ which was not viable. Lastly, it was well known that the specialized agencies wanted their links with the Council and the CPC to be as direct as possible. The proposed committee would in fact come between the agencies and the CPC. At its forty-ninth session, the Council would have consulted the heads of the secretariats of the specialized agencies and, since the report of the CPC would be available, it would be in a better position to take a well-informed decision.

28. Mr. FAJARDO (Uruguay) said that he was not opposed to the establishment of the proposed committee, but he considered that the draft resolution should be studied very carefully. His delegation had so far been unable to do so because of the date on which the draft resolution had been issued. He therefore proposed that consideration of that question should be postponed until the forty-ninth session of the Council; if the suggestion was not accepted, his delegation would be obliged to abstain in the vote on the draft resolution.

The meeting rose at 6 p.m.

¹ United Nations publication, Sales No.: E.70.I.10.