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CONTENTS

	Page
Agenda item 7:	
Regional co-operation:	
(a) Reports of the regional economic commissions and of the United Nations Economic and Social Office in Beirut	
(b) Report on the meetings of the executive secretaries (<i>continued</i>)	95

President: Mr. SCHEYVEN (Belgium).

AGENDA ITEM 7

Regional co-operation:

- (a) Reports of the regional economic commissions and of the United Nations Economic and Social Office in Beirut (E/4639 and Add.1, E/4640, E/4651 and Add.1, E/4659, E/4726)
- (b) Report on the meetings of the executive secretaries (E/4709) (*continued*)

1. Mr. PEREZ GUERRERO (Secretary-General, United Nations Conference on Trade and Development) had been most interested to read the reports of the regional economic commissions and to hear the statements by their executive secretaries who, each year, enabled the Council to pinpoint the realities of the present-day world. He would be presenting the report of the Trade and Development Board at the Council's resumed forty-seventh session, but meanwhile wished to state the importance which UNCTAD had always attached to regional co-operation. Great value was derived, for instance, from the joint meetings of the executive secretaries of the regional economic commissions, held each year under the chairmanship of the Under-Secretary-General for Economic and Social Affairs. The meetings provided an over-all picture of the activities of those commissions, which were regional extensions of world-wide bodies. The commissions represented an essential intermediate level in that they had the advantage over the central bodies of being in closer contact with the facts, and therefore more familiar with the needs, of each region. At a time when Governments were redoubling their efforts to encourage multinational groupings and regional economic integration, purely national or purely global action was no longer enough; the collaboration of the commissions and of the regional planning institutes could prove a key factor in facilitating the orderly harmonization of those efforts.

2. UNCTAD was collaborating effectively in various fields with the regional economic commissions and UNESOB. During the last session of ECAFE, for instance,

UNCTAD had agreed to collaborate with the Commission in making the Asian Coconut Community a working proposition, for if action with regard to raw materials was to be taken at the world level, the regional efforts of all countries sharing common interests were essential. He had also decided to convene in late 1969 or early 1970 a meeting to study the problems of international trade in iron ore. For that purpose, the help of ECE would be most useful, as would that of the other commissions. With regard to export promotion, UNCTAD was maintaining close relations with all the regional economic commissions and benefiting from the invaluable experience of the UNCTAD/GATT International Trade Centre.

3. The regional economic commissions were also well placed to deal with certain problems common to several countries, such as that of exploiting the resources of the sea-bed and ocean floor, which was of vital interest in terms of the additional resources which could thus be made available and exploited within the coming years for the good of mankind, in accordance with General Assembly resolution 2467 (XXIII), but more particularly in that it would enable the developing countries to narrow the gap separating them from the developed countries. Moreover, the Executive Secretary of ECAFE had spoken (1614th meeting) of the regional and sub-regional efforts being made in Asia and the Far East to prospect the continental shelf offshore for oil and other minerals. Without underestimating the infinite possibilities which might be opened up as a result of the recent expedition to the moon, there was no doubt that the world still contained unsuspected resources which would soon enable man to overcome more easily the most urgent problems facing him, namely, those relating to his own planet earth.

4. With regard to the Second Development Decade, UNCTAD considered regional action to be indispensable not only at the target-setting and programme-preparing stages, but also at the implementation stage and at that of evaluating the results obtained. Moreover, as the Executive Secretary of ECE had stated (1614th meeting), it was vital that all the Member States of the United Nations should participate in the preparation and implementation of the programme for that decade. In that connexion, the over-all picture of the world economic situation called for some reflection, because if the ECE countries had progressed more rapidly than expected over the last twenty years, the balance sheet was decidedly less favourable in the developing regions.

5. Although everyone hoped that the dynamism of the industrialized economies would be maintained, it would

not automatically serve to speed up the economic development of the developing countries. In other words, the gap between rich and poor countries might continue to widen. The economies of the rich countries already had a built-in growth potential which derived even greater strength from the multinational groupings. Although it was desirable that the developing countries should go on trying to increase and diversify their trade among themselves, they consisted of groups whose economies were still weak and vulnerable.

6. In order to reverse the relative worsening of the trade position of the developing countries, the developed countries would have to make structural changes which would enable the developing countries to benefit from their economic prosperity, for instance, by offering easier access to markets, lowering tariff and non-tariff barriers, establishing fair and remunerative prices for products from the developing countries, and granting greater and more liberal financial aid. Actually what was needed was a better distribution of the benefits of international trade. Only in that way could the growth in the gross national product of the developed countries in Europe and other parts of the world bring real benefits to the developing countries.

7. There was a chance that a general system of non-discriminatory and non-reciprocal preferences might be in operation by the beginning of the Second Development Decade. On the other hand, it was impossible to say whether the recent rise in commodity prices was of more than a passing nature. There had been a distinct improvement in the terms on which financial aid was being granted to the developing countries, and it was still to be hoped that—both quantitatively and qualitatively—the action taken by the international community during the Second Development Decade would suffice to permit genuine progress to be made by the under-privileged countries. Stronger measures would have to be adopted with regard to international trade, in order to improve the distribution of income among the various members of the international community, as some countries had undertaken to do at the national level; it was essential for the developing countries to have a rate of growth at least equal to that of the developed countries if present disparities were not to become still greater. Due importance should be given to the problems of the less advanced of the developing countries, so as to enable them to catch up with the others. That was a field in which the three regional development banks had a useful and complementary part to play.

8. So far as population was concerned—an aspect which could not be overlooked in any action taken on behalf of the developing countries—it was for each country to soften the unfavourable impact of population increase on development, while respecting the convictions of its people. The problems were particularly acute in those developing countries where vast numbers of young people were not yet productively employed. In order to better the lot of those youngsters and involve them in national

and international action, the recent accomplishments of science and technology should be made available to the developing countries. In the view of UNCTAD, the transfer of technology could become a decisive factor in the economic growth of the developing countries; it called, of course, for efforts at international co-operation on the part of all United Nations bodies, with the Economic and Social Council and the Department of Economic and Social Affairs acting as co-ordinating centres. In order to prevent the evils of technology from outweighing the advantages it could offer the world, it was also vital that the technological climate should be improved by the establishment, at the regional level, of the necessary agencies and facilities to ensure that the gap between the industrialized countries and the developing countries in that respect narrowed instead of widening.

9. Mr. AHMAD (Pakistan) associated his country with the appreciation already expressed of the work being done by the regional economic commissions. As a representative of an Asian country, he emphasized that the report submitted by ECAFE (E/4640) recorded that the economic situation in Asia showed considerable improvement largely due to the growth of the agricultural sector.

10. In Pakistan, during the fiscal year 1967/68, the gross national product had risen by 7.5 per cent, agricultural production by 15 per cent and industrial production by nearly 7.8 per cent. On the other hand, because of the decline in prices, export revenues had not increased in the same proportion as the volume of exports. That fact, which was noted in the ECAFE report, continued to be of constant concern to the countries of the region, especially since, as a result of agricultural development, competition in commodity trade was likely to become more brisk.

11. Another factor that was impeding the economy of the developing countries of the ECAFE region was the lack of access to the markets of the developed countries. Despite the success of the domestic measures taken by the developing countries, the full potential of export expansion had not been realized owing to the restrictions and discriminatory measures that exports of manufactured goods continued to face in the industrially advanced countries. It was thus clear that, unless exports from the developing countries could find easy access to the markets of the high income countries, only very limited success could be achieved.

12. While it was true that the development of agriculture would help to promote a more balanced economy in the developing countries of Asia, it should not be regarded as the major solution to the problem. Not only the volume but also the value of production should be raised. For that reason, industrial development would continue to play an important part in the economies of those countries.

13. Within the framework of regional co-operation for development, Pakistan, together with other countries of the

region, was implementing projects to supplement national economic, social and cultural efforts.

14. With regard to the formulation of regional development plans and investment programmes, co-operation could not be fully successful until the Governments concerned had settled their outstanding differences, especially those of a political nature. The creation of an atmosphere of goodwill was a prerequisite for the implementation of measures of economic co-operation among nations.

15. Mr. VIAUD (France) said that France, which was either a member or an associate member of the four regional economic commissions, regarded the commissions' work as very important, for they constituted an essential link between the world-wide bodies and their individual members. The dangers of over-centralization were well known, but its opposite extreme—letting the regional bodies work without sufficient connecting links between them and without a common policy—must also be avoided. While it was normal that the work of concern to the various regional commissions should be adapted to the different conditions prevailing in each region, they must continue their efforts to ensure co-ordination among themselves and between their executive secretaries and other United Nations bodies. The information given in the report on the two meetings of the executive secretaries (E/4709) concerning the co-operation among the commissions and the specialized agencies was therefore encouraging.

16. At their sessions in 1969, the regional economic commissions had concentrated on improving their efficiency and adapting their activities to the process of evolution in a world of increasingly rapid technological and scientific change. The desire for structural change had been dictated by the realization that the commissions were becoming more and more weighed down, and often confused, by their growing responsibilities and the proliferation of their subsidiary bodies. It had thus been a matter of prime necessity to establish orders of priority and to allocate responsibilities. ECE seemed to be leading the way in that area. Those essential reforms should make it possible to release the resources which the commissions wished to devote to certain social, scientific and technical aspects, without necessitating a vast increase in such resources.

17. The effort to go beyond economic considerations was a healthy sign, and the commissions should be very strongly encouraged to extend their activities to what had come to be known as the new trends. Nevertheless, they could not seriously be expected to cover any field of activity indiscriminately. Two risks must be avoided. First, new activities in certain areas, such as, for example, electronic machines, meteorology and scientific co-operation, must not lead to duplication or overlapping with work already being done by other United Nations agencies; such activities must clearly fall within the terms of reference of the commissions, and the commissions

must be able to carry them out with the means already at their disposal. Secondly, there was a tendency on the part of certain commissions, especially ECA and ECAFE, to play a more active part in projects of an operational nature. The desirability of such a trend was questionable; financial risks might well be involved; and it was doubtful whether such activities were even compatible with the role assigned to the regional commissions by the United Nations. The regional economic commissions had already penetrated deeply into the operational area through the regional development banks and planning institutes set up at their instigation and it was difficult to see what operational sectors were not already covered.

18. At the forty-fifth session of the Council, his delegation had expressed the hope that the economic commissions would play an important role in preparing and implementing the tasks of the Second Development Decade. He could not help thinking that the suggestions made so far in that area were still very modest and limited in scope. The work undertaken in connexion with the Second Development Decade might suffer from a lack of regional targets for growth rates to be achieved in the various regions.

19. The report which the Executive Secretary had submitted to ECE at its twenty-fourth session (E/ECE/717)—a remarkable document—had greatly facilitated the unanimous adoption of a resolution (5 (XXIV)) aimed at achieving three objectives: rationalizing structures, determining the responsibility of committees and striking a balance between traditional activities and new tasks. His Government was glad that the setting up of a sessional committee, which it had recommended, had proved useful and would in future make shorter sessions possible. The implementation of the resolution on structures would certainly create some difficulties, but his Government would fully support ECE in its efforts.

20. ECE was doing important work, especially in the development of trade among countries with different economic and social systems. That was an example of the most worth-while kind of regional co-operation and it must be developed concurrently with France's efforts to strengthen its trade relations and co-operation with the Eastern European countries. The new activities were proceeding in a methodical and orderly way; groups of experts had already met to study a wide variety of sectors.

21. ECE had provided a very promising framework for promoting co-operation in Europe. Some delegations had brought up the problem of the participation of Eastern Germany in the Commission's work. As no new factors had presented themselves, his Government's position on that matter remained unchanged.

22. The prospects open to ECAFE accounted for a rather different outlook. The vastness of the continent, the variety of its peoples and the diversity of their problems obliged ECAFE to proceed on a commodity-by-

commodity and project-by-project basis, or on a sub-regional and sometimes sectoral basis. It was to be commended on its efforts to further intraregional co-operation, whether through its work on behalf of commodities of importance to the region as a whole, such as coconuts, rice and rubber, or through those of its activities which were limited to one sub-region, for example, the work of the Committee for Co-ordination of Joint Prospecting for Mineral Resources in Asian Offshore Areas. The Commission must also be encouraged to expand its activities in the social sector. On the other hand, while it was desirable that the Commission should engage in a variety of activities, it should not go too far in that direction. The proliferation of its activities and the dispersal of its resources could, in the last analysis, jeopardize its effectiveness.

23. ECA had decided, by its resolution 188 (IX), to change its structure by setting up a Conference of Ministers, an Executive Committee and a Technical Committee of Experts. It was to be hoped that those changes would enable it to establish increasingly better and closer relationships between the secretariat and its member countries, but there was reason to fear that they might slow up the machinery of the Commission, add nothing to its efficiency and prove to be very cumbersome. It was indeed necessary to strike a balance between the activities of ECA and the political body which grouped together the States of the African continent, but harmonization must not lead to subordination, and the measures adopted inspired perhaps more foreboding than hope in that regard. The draft resolutions which ECA was proposing for adoption by the Council deserved to be thoroughly discussed by the member States represented in the Council with a view to arriving at solutions acceptable to all of them, if possible. The projects carried out for the development of sub-regional cadres constituted one of ECA's unique contributions, but his delegation found it somewhat disquieting to note the expansion of operational activities and to read in the ECA report (E/4651 and Add.1) that, under its next programme of work, ECA intended to attach great importance to the evaluation and implementation of feasible industrial projects. If its work was to be productive, harmony must reign within the Commission. It had shown a very good understanding by its decision to achieve a better linguistic balance and a more equitable representation of all the member States in its secretariat.

24. For several months the burning issues of Latin America had been regularly in the news. The Executive Secretary of ECLA had stressed (1614th meeting) the difficulty of his task and the task of its secretariat. ECLA had a very fine history: it had been Latin America's school of economics, but now it needed to get its second wind. Its thirteenth session, held in Lima in 1969, seemed to indicate both that ECLA was aware of that fact and that it had not yet succeeded. It was true that it had oiled its machinery by dispensing with the regular sessions of its Committee of the Whole, and had thus complied with the recommendations of the Economic and

Social Council and the General Assembly. It was also true that it had been given new tasks: to expand its sectoral activities and to seek methods which would enable it to resume its role as adviser on the economic affairs of the continent. Although the results of the session might seem modest and ECLA appeared to be marking time, it was to be hoped that it would be able to resolve its difficulties. It had succeeded in surmounting the difficulty of having to coexist alongside the political body which comprised the States of the continent; by its ability to assert itself, it had set a good example.

25. UNESOB continued to do excellent work, and its *Studies on Selected Development Problems in Various Countries in the Middle East*¹ constituted a very relevant document in its coverage of the development problems of the countries of the Middle East.

26. His delegation was especially appreciative of the efforts of the regional economic commissions to take the Council's resolutions into account. Most of them had done so by reducing the number, frequency and duration of their meetings and by reviewing their orders of priority, and some of them by dispensing with or limiting their summary records and developing their consultations with the specialized agencies before undertaking new activities.

27. It was desirable that the tutelage exercised by the Economic and Social Council over the regional economic commissions should go further than the search, however necessary, for administrative reforms and economy measures. The Council should try to focus its discussions on two or three problems of interest to all the commissions.

28. Few periods could be as propitious as the next few years for bringing the concerns of the Council and the commissions closer together. The Second Development Decade was of paramount importance, and the Council and the commissions should, by making their respective contributions to it, avail themselves of the opportunity to consolidate the benefits of co-operation, which was as important among institutions as it was among peoples.

29. Mr. SWAMINATHAN (India) said that it was possible to draw two important lessons from the Council's debates and documentation. First, in view of the great diversity which existed among bodies of the United Nations, efforts to ensure effective co-ordination and the best possible utilization of resources should be redoubled. Secondly, activities at the centre and activities on the periphery should be co-ordinated: the centre should co-ordinate policies and the peripheral bodies should co-operate in the elaboration of policies and in their execution.

30. All regions should co-operate closely. As the Executive Secretary of ECE had observed, the greater part

¹ United Nations publication, Sales No.: E.69.II.C.5.

of the world's technology and financial resources were concentrated within the region of ECE. What was happening there was consequently of interest to all developing countries, and the sustained growth of Europe could greatly facilitate the transfer of resources and of science and technology to other regions. The studies and projections which had been made by ECE concerning such commodities as timber and iron ore provided a specific example of co-operation among the regional economic commissions. Such studies might be extremely useful for the developing countries which would be able to plan their production and exports accordingly. Perhaps other such studies on products of interest to developing countries could be instituted. Furthermore, the work undertaken to develop East-West trade would enable the developing countries to draw lessons which would be most useful for expanding their own trade.

31. His delegation would like, however, to have clarification concerning certain general projects described in the ECE programme of work for 1969/1970 (E/4641, pp. 68 and 69). Projects 01.1.7, 01.1.8, 01.1.9 and 01.1.10 had been given only priority B or C. Certain projects, particularly 01.1.7, should be given higher priority.

32. India was primarily and more closely concerned with ECAFE and naturally attached great importance to the work of that commission. Important steps had been taken in the Asian region: the third Ministerial Conference on Asian Economic Co-operation, held in 1968 in Bangkok, had adopted an important resolution on integrated regional co-operation in Asia (see E/4640, para. 389), and a Council of Ministers had been set up. Efforts would have to be made to overcome as quickly as possible one of the main impediments to the increase of exports from developing countries—the absence of adequate payment arrangements. In that connexion, close co-operation with the Asian Development Bank was needed. Operations such as the establishment of the Asian Coconut Community and the Asian Highway and Mekong Basin projects required the assistance of several Governments and were extremely useful for several countries of the region. ECAFE, through its work in the fields of population, trade promotion, industrial development, natural resources, manpower and infrastructure and its work in connexion with the Asian Highway and Mekong Basin projects, had proved that it was capable of providing essential assistance at the preparatory, processing and execution stages of multinational development projects. It should be added that the Group of Experts on Programming Techniques had accomplished excellent work relating to the growth rate of countries in the region. The preparatory work for the Second Development Decade should take into consideration one basic objective, which was to raise the level of living of the peoples of Asia.

33. India maintained close contacts with the countries in the ECA region; it co-operated with them in technical assistance; it had joined with them in initiating common industrial enterprises; and it had organized consultations on primary commodities such as tea. The African coun-

tries had formidable general problems of development. They also had special problems. One example was that the most populated areas were situated on the periphery of some countries and that there was a great void in the rest. The vast distances made the exploitation of natural resources, particularly water resources, extremely difficult. Every possible assistance should be provided to ECA and to the countries of that continent.

34. ECLA had developed extremely close co-operation in economic theory and planning. The working methods devised might be useful for all the regions of the world and, despite the great distances which separated them, Latin America and Asia might study together the best techniques of planning and executing projects.

35. UNESOB was situated in a region which was beset by very diverse and extremely complex problems. Some countries had the necessary financial resources but little infrastructure, whereas others lacked everything and had achieved only a very low level of development. The political and military situation in the region further complicated the solution of those problems. It was essential to provide substantial assistance of the appropriate kind to enable the less developed countries of the region to attain a satisfactory level of development.

36. Despite their diversity, all the developing countries constituted in effect a single region: for the most part, they had large populations, very low *per capita* incomes and therefore very low savings capacities. Hence a planned pooling of resources was desirable in order to achieve rapid development. He referred to the case of the members of the European community which, having failed in its objectives of political integration, had formed a framework enabling the countries concerned to exchange views and to work together in the economic field as a first step towards achieving political objectives.

37. Mr. NJOTOWIJONO (Indonesia) stressed the great importance of regional co-operation, which made it possible to apply the international development strategy in the light of the specific conditions prevailing in the countries of each region.

38. As indicated in the report of the Committee for Development Planning (E/4682), there were several reasons why such co-operation was particularly necessary. First, the slow expansion of exports from the developing countries made plan implementation more difficult by severely restricting those countries' capacity to import. A second reason was the slow growth of primary exports owing to inelasticity of demand, competition from synthetics and the difficulty of gaining access to the markets of the importing countries. Regional co-operation was also necessary because of the limited capacity of national markets to absorb domestic industrial products, and because of the steps which had to be taken to protect domestic industries and which reduced their competitiveness in foreign markets. Obviously the list was by no means complete, but regional co-operation might be especially useful in those sectors.

39. Turning to the work of the regional economic commissions, he remarked that there were problems which could be resolved only by strengthening co-ordination and co-operation between them and the other United Nations bodies.

40. Despite the achievements of ECAFE, results still fell far short of the expectations of the Asian peoples. Their annual *per capita* income was still below \$100 and there were still millions of unemployed. However, it should be noted that ECAFE had passed the stage of studies and disseminating information. What was needed was direct and speedy action. The ECAFE report (E/4640) indicated that the projections for the region foresaw a trade gap of between \$4 billion and \$7 billion by 1975. It was to be hoped that the developed countries would keep that serious problem particularly in mind.

41. The setting up of the Asian Coconut Community was a very important event because it reflected a change of attitude within the region towards co-operation. An association of that kind would benefit not only the producer but also the consumer countries and might help to speed up the establishment of an international agreement on coconut and its by-products. For that reason Indonesia hoped that the international community would give the new body its support and assistance.

42. ECAFE and the other regional economic commissions were bound to play a vital role in preparing the tasks of the Second Development Decade and implementing them. The political will of the countries of that region to formulate an integrated strategy of economic co-operation had already manifested itself in the resolution of the third Ministerial Conference on Asian Economic Co-operation. ECAFE should further explore the foundations on which that strategy could be based. Obviously, the regional strategy should be part of the global strategy for the Second Development Decade. In resolution 94 (XXV), ECAFE had defined its role and responsibilities in the regional implementation of the development strategy for the 1970s. It should be stressed that one matter of immediate concern to most countries in the region was the liberalization of regional trade and payment arrangements. The establishment of an ECAFE Trade Promotion Centre in May 1968 indicated that a serious attempt would be made to tackle those problems.

43. In view of the magnitude of the problems facing the region, it had to be acknowledged that the means available to ECAFE, which had a smaller budget than its counterparts in other regions, were very meagre indeed, particularly considering that the region was the biggest and most populous, and that the flow of aid *per capita* was much lower than in the other regions. He asked the Council to take a fresh look at those points, because it was necessary, in view of the development strategy, that the distribution of resources among the various United Nations bodies should be commensurate with the work they were expected to do.

44. Mr. ABE (Japan) asked whether, from the next summer session on, the executive secretaries of the regional economic commissions, like the executive heads of the specialized agencies, could not make their statements under agenda item 2 (General discussion of international economic and social policy).

45. The regional economic commissions were called upon to play a major role in preparing for and undertaking economic and social development during the Second Development Decade. The best way for them to tackle the problems involved would be to complement the world-wide activities of the Council and other United Nations organs by focusing on the special characteristics of each region.

46. So far as ECAFE was concerned, the economic development of Asia, a region in which two-thirds of the world's population were concentrated, would have far-reaching effects on the global development of the world as a whole. However, the volume of economic aid, *per capita*, in that part of the world was far below that in other regions. He joined with the representatives of Pakistan, India and Indonesia in strongly emphasizing that the aspirations of the Asian countries must be taken into consideration in the strategy of the Second Development Decade. Japan, in co-operation with other developed countries, would spare no effort to ensure that the coming Development Decade was successful in the ECAFE region.

47. Of all the functions of the economic commissions, regional economic co-operation deserved special attention. However, it should not be forgotten that that type of co-operation was one element of the concerted action undertaken by the developing countries themselves, based on their own development efforts. That did not mean that the different regions should seek a common formula for co-operation. On the contrary, each region should try to find the form of co-operation which suited it best. Efforts at co-operation could also be made quite well at the sub-regional level. The third Ministerial Conference on Asian Economic Co-operation had adopted a resolution providing for the formulation of an appropriate strategy of integrated regional co-operation. But it was equally important that regional co-operation should also be directed outwards. For example, it should aim at promoting trade with third countries. ECAFE, at its twenty-fifth session, had quite rightly asserted that that approach was one of the basic principles of regional co-operation.

48. His delegation had always supported the decentralization of United Nations activities in economic and social matters and the strengthening of the regional economic commissions, in so far as that did not weaken the control and functions exercised by Headquarters. However, the recent tendency towards the proliferation of institutional machinery in the regional economic commissions called for careful examination to prevent the activities of the organs of the United Nations from overlapping with those of its commissions. In the case of the commissions, what

was needed was to make the best possible use of the Organization's limited resources, with due regard to priorities. His delegation noted with satisfaction that the formulation of ECAFE's programme of work and priorities for 1969-1970 had been considerably improved. It hoped that that progress would continue and endorsed ECAFE's request that the authorities concerned should support that work programme with its financial implications.

49. As for the relations between the regional economic commissions and other United Nations organs, ECAFE had adopted a resolution to amend its rules of procedure which would have the effect, *inter alia*, of strengthening those relations. The closer links between the Asian Industrial Development Council and UNIDO was a matter for gratification. His delegation hoped that the co-operation between those two organizations would facilitate still further the arrangements to be made in connexion with the organization of the second Asian Industrial Conference to be held in Japan.

50. Mr. MAHDAVI (United Nations Industrial Development Organization) drew attention to the fact that the first Asian Industrial Conference, held in 1965 within the UNIDO programme, had recommended the holding of a second conference. The recommendation had been endorsed by ECAFE and had not been the subject of any decision by the Industrial Development Board. Nevertheless, the UNIDO secretariat was already co-operating with ECAFE in the preparations for the meeting. UNIDO had suggested that the second conference should take into account the recommendations of the first and those of the International Symposium on Industrialization, held in Athens in November 1967. A minimum of research papers might be submitted, but it would be advisable to pay more attention to operational and promotional activities in industry and to promoting technical assistance to Asian countries, taking advantage of the facilities offered by UNIDO, the United Nations system in general, and bilateral sources. It had also been considered that the work of the second conference should be oriented towards the requirements of the Second Development Decade and in particular towards the setting up of national, regional and international machinery for assessing and reviewing industrial progress.

51. The necessary credits for UNIDO participation in the conference had been estimated at \$30,000, an amount which was already included in the estimates of financial implications submitted to the Council (E/4726). However, UNIDO wished to reserve its right to submit to the Secretary-General, if necessary, a request for any supplementary financing that might appear essential in the light of the outcome of the consultations being held in connexion with the second Asian industrial conference.

52. Mr. TERVER (Food and Agriculture Organization of the United Nations) recalled that, two years earlier, the head of the United States delegation, after emphasizing the importance he attached to the conclusion of agree-

ments between the regional economic commissions and FAO, with a view to establishing joint agriculture divisions, had expressed some disappointment at the results obtained. Although the relations between those commissions and FAO had undoubtedly been satisfactory, it was nonetheless true that they had been lacking in dynamism. The following year, the Director-General of FAO had come forward with a solution, namely, to merge the commissions with FAO regional offices at the regional level, but the FAO regional conferences had feared that such a solution would jeopardize the identity of FAO and its presence in the regions. The Director-General had therefore opted for another formula, namely, to maintain the regional offices but to ensure that their co-operation was organized on a sounder basis. To that end, he had provided new and dynamic solutions for a pilot region, taking care not to apply them to all the regions at the same time. It had been decided that Africa should be the pilot region for that experiment. Good results had already been obtained and it was to be hoped that they could subsequently be extended to all the regions.

53. The relations originally established had not been as effective as they might have been, first because they had been circumscribed within the unduly narrow limits of joint divisions which were unable to cope with all the agricultural problems of a region; secondly, because the recommendations of the consequences of the regional commissions sometimes arrived too late to be included in an FAO programme; and, thirdly, because FAO did not have the necessary executive staff to deal with those matters. It was understood that the regional representative would be directly responsible in future for the work of the joint divisions. As for the executive organs, a solution had been reached which seemed perfect at the secretariat level and had been approved by the Executive Committee of ECA. It had been agreed that the FAO Regional Conference should be the only conference in Africa in the agricultural sector and that it should be given the responsibility of working out a single programme for agricultural development in Africa, valid for both FAO and ECA. The Commission was participating fully in that programme. ECA and FAO were now co-operating very closely. The regional representative's role was henceforth clearly defined: he was required to establish frequent contact with the Executive Secretary according to a timetable of consultations and, after consultations, his team of technicians would be at the disposal of ECA. Furthermore, he was responsible in the regional office for relations with the regional banks and regional intergovernmental organizations. That experiment might be extended to other regions once it had proved effective, having regard to each region's peculiar characteristics. The co-operation between ECA and FAO was recognized by many bodies, including UNDP, which had requested them to organize jointly its rice conference and to take the necessary joint action to ensure the implementation of any resolutions that might be adopted at that conference.

54. An agreement had been concluded with ECAFE, providing that FAO would review the master plan of the

project for the development of the Mekong Basin, and also that FAO should outpost secretariat officials to follow the progress of its Indicative World Plan in the countries concerned with the plan.

55. Mr. AITKEN (Jamaica) was impressed by the vast scale of the regional economic commissions' activities and by the contribution that those commissions could make to the Second Development Decade. Perhaps their work would be better understood by States Members of the United Nations if wider circulation was given to their publications.

56. With reference to ECLA, he had listened with considerable interest to the analysis of the region's problems by the Executive Secretary of the Commission, whose

activity had been of help to Governments and enterprises in the region, particularly in the matter of the allocation of investments. He paid a tribute to ECLA's work in the Caribbean. Its support of a development plan should enable the international organizations to modify their procedures so that the project in question would receive the necessary financial backing. That question was at present being reviewed at a higher level. His Government endorsed the proposal that the Office for the Caribbean should be strengthened. Finally, he pointed out that paragraphs 445 and 446 of the ECLA report (E/4639 and Add.1) contained no mention of the reservations his country had made when the question of preferences was being considered.

The meeting rose at 12.45 p.m.