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REPORT OF THE ECONOMIC AND SOCIAL COUNCIL  
ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES  
QUESTIONS RELATING TO INTERNATIONAL TRADE AND COMMODITIES  
QUESTIONS RELATING TO SCIENCE AND TECHNOLOGY

Report of the Second Committee

Rapporteur: Mr. Marcio REGO MONTEIRO (Brazil)

1. The General Assembly, at its 1018th plenary meeting on 27 September 1961, allocated the following items on its agenda to the Second Committee:

Item 12 Report of the Economic and Social Council

Item 28 Economic Development of Under-Developed Countries

- (a) Industrial development and activities of the organs of the United Nations in the field of industrialization;
- (b) Establishment of a United Nations capital development fund: report of the Committee established by General Assembly resolution 1521 (XV);
- (c) Accelerated flow of capital and technical assistance to the developing countries: report of the Secretary-General;
- (d) Land reform: interim report of the Secretary-General;
- (e) Provision of food surpluses to food-deficient peoples through the United Nations system.

Item 29 Questions relating to international trade and commodities

- (a) Strengthening and development of the world market and improvement of the trade conditions of the economically less developed countries: report of the Economic and Social Council;
- (b) Improvement of the terms of trade between the industrial and the under-developed countries: report of the Economic and Social Council.

Item 30 Questions relating to science and technology

- (a) Development of scientific and technical co-operation and exchange of experience: report of the Secretary-General;
- (b) Main trends of inquiry in the natural sciences, dissemination of scientific knowledge and application of such knowledge for peaceful ends: report of the Economic and Social Council.

2. At its 716th meeting on 3 October 1961, the Committee agreed to have a single general debate on items 12, 28, 29 and 30 which would be followed by the discussion of the various draft resolutions submitted. At its 775th meeting on 5 December 1961, the Committee temporarily postponed consideration of these items. Thus, the present report covers the Committee's consideration of items 28 (a)-(d),<sup>1/</sup> 29 and 30 and of certain parts of item 12, Report of the Economic and Social Council, as explained in the following paragraph.

3. As regards item 12, chapters II, III, IV and V of the report of the Economic and Social Council<sup>2/</sup> were allocated in their entirety to the Second Committee. In addition, section II of chapter VI and paragraphs 648 and 650 of chapter VIII also relate to topics which have been allocated to the Second Committee. The Committee considered, under the present group of items, all parts of the report before it, except those which refer specifically to the other agenda items allocated to the Second Committee, that is, except (i) chapter II, section III,

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<sup>1/</sup> The Committee decided to take up item 28 (e) "Provision of food surpluses to food-deficient peoples through the United Nations system" at a later stage in its deliberations.

<sup>2/</sup> Official Records of the General Assembly, Sixteenth Session, Supplement No. 3 (A/4820).

"Provision of food surpluses to food-deficient peoples through the United Nations system"; (ii) chapter III, "Programmes of technical co-operation"; (iii) chapter V, section I, "Report of the Commission on Permanent Sovereignty over Natural Resources"; (iv) chapter VI, section II, "Population questions"; and (v) chapter VIII, paragraph 648, which relates to African educational development.

4. The Committee considered these items during sixty-four meetings held from 5 October to 14 December 1961 (717th to 774th, 778th, 779th, 781st, 786th, 787th and 790th meetings). In all, twenty-four meetings (717th to 740th meetings) were devoted - in whole or in part - to the general debate, in which seventy-three representatives took part. The opening and concluding statements of the general debate were made by the Under-Secretary for Economic and Social Affairs; the texts of his statements were circulated as documents A/C.2/L.549 and A/C.2/L.557.

5. In addition to the report of the Economic and Social Council, the Committee had before it the following papers: a note by the Secretary-General on decentralization (A/4911); a note by the Secretary-General on the establishment of a United Nations Capital Development Fund and the report of the Committee on a United Nations Capital Development Fund (A/4878, E/3514); a report by the Secretary-General on the international flow of long-term capital and official donations, 1951-1959 (A/4906); a note by the Secretary-General on land reform (A/4850); a note by the Secretary-General on questions relating to international trade and commodities (A/4885); a report by the Secretary-General on trade relations between under-developed and industrially advanced economies (E/3520); a progress report by the Executive Secretary of the Economic Commission for Europe on the action taken by the Commission pursuant to its resolution 6 (XV) (E/3519); a note on the meeting held in accordance with General Assembly resolution 1519 (XV) (E/3530); notes by the Secretary-General on questions relating to science and technology (A/4898, A/4904); and a report of the Secretary-General on the development of scientific and technical co-operation and exchange of experience (E/3515).

6. Sections I to IX of the present report deal respectively with the Committee's consideration of, and action on, each of the following proposals:

- (I) Draft resolution submitted by the Committee on a United Nations Capital Development Fund (E/3514, para. 81).
- (II) Draft resolution submitted by Argentina, Bolivia, Brazil, Costa Rica, El Salvador, Guatemala, Peru and Uruguay (A/C.2/L.550, Rev.1 and Corr.1 (English only), Rev.2 and Add.1, and Rev.3 and Corr.1 (Spanish only) and Corr.2) on "International trade as the primary instrument for economic development", originally entitled "International trade as a main instrument for economic development".

Amendments to the draft resolution in its revised form submitted by Cameroun, Chad, Congo (Leopoldville), Ghana, Guinea, Indonesia, Iraq, Libya, Mali, Mauritania, Morocco, Niger, Nigeria, Senegal, Sierra Leone, Sudan, Togo, Tunisia, United Arab Republic (A/C.2/L.559 and Add.1 and 2, and Rev.1 and Corr.1 (English only)), Netherlands and the United Kingdom of Great Britain and Northern Ireland (A/C.2/L.560 and Rev.1), United States of America (A/C.2/L.561), United States of America (A/C.2/L.562), New Zealand (A/C.2/L.567 and Rev.1), Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics (A/C.2/L.568 and Rev.1), Afghanistan (A/C.2/L.569 and Rev.1).

Draft resolution submitted by Central African Republic, Chad, Congo (Brazzaville), Congo (Leopoldville), Ethiopia, Guinea, Indonesia, Libya, Mali, Morocco, Nigeria, Senegal, Sierra Leone, Sudan, Togo, Tunisia and United Arab Republic (A/C.2/L.556 and Add.1/Rev.1) on "Promotion of international trade".

- (III) Draft resolution submitted by Brazil, Colombia, Ghana, India, Indonesia, Thailand, Tunisia and Venezuela (A/C.2/L.551 and Rev.1, Rev.2 and Add.1, Rev.3 and Rev.4) on "Regional institutes for economic development and planning and an Economic Projections and Programming Centre", originally entitled "Regional institutes for economic development and planning".

Amendments to the above draft resolution in its revised form submitted by Iraq, Jordan, Lebanon, Saudi Arabia, Syria and Yemen (A/C.2/L.571):

Draft resolution submitted by Czechoslovakia and the Ukrainian Soviet Socialist Republic (A/C.2/L.552 and Add.1).

Draft resolution submitted by Brazil, Colombia, Czechoslovakia, Ghana, India, Indonesia, Thailand, Tunisia, Ukrainian Soviet Socialist Republic and Venezuela (A/C.2/L.572 and Corr.1, and Add.1 and Rev.1) entitled "Planning for economic development".

Amendments to the above draft resolution submitted by Ethiopia (A/C.2/L.573), Netherlands (A/C.2/L.574), Iran (A/C.2/L.575), United Arab Republic (A/C.2/L.576), New Zealand (A/C.2/L.577), Philippines (A/C.2/L.578).

- (IV) Draft resolution submitted by Argentina, Brazil, Cambodia, Ghana, India, Indonesia, Liberia, Nepal, Nigeria, Pakistan, United Arab Republic and Yugoslavia (A/C.2/L.553 and Add.1, and Rev.1 and Rev. 2) on "Decentralization of the economic and social activities of the United Nations and strengthening of the regional economic commissions".

Amendments to the draft resolution in its revised form submitted by Ethiopia and Sudan (A/C.2/L.579), Ukrainian Soviet Socialist Republic (A/C.2/L.580), Sweden and the United Kingdom of Great Britain and Northern Ireland (A/C.2/L.581), Japan (A/C.2/L.582).

- (V) Draft resolution submitted by Afghanistan, Brazil, Colombia, Denmark, Ethiopia, Federation of Malaya, Greece, Iran, Madagascar, Pakistan, Philippines, Senegal, Thailand, Turkey, United States of America and Uruguay (A/C.2/L.554 and Add.1-3, Rev.1, Rev.2, Rev.3 and Rev.4) on "United Nations Development Decade (I)".

Amendments to the draft resolution or to its revised texts submitted by Czechoslovakia (A/C.2/L.586), Cameroun, Ghana, Indonesia, Iraq, Jordan, Lebanon, Liberia, Libya, Mali, Mauritania, Morocco, Niger, Nigeria, Saudi Arabia, Sudan, Syria, Togo, Tunisia, United Arab Republic and Yemen (A/C.2/L.587 and Rev.1), Ukrainian Soviet Socialist Republic (A/C.2/L.588 and Rev.1), Poland (A/C.2/L.589 and Rev.1), Mauritania (A/C.2/L.591), Panama (A/C.2/L.592), Union of Soviet Socialist Republics (A/C.2/L.593), Union of Soviet Socialist Republics (A/C.2/L.594), Union of Soviet Socialist Republics (A/C.2/L.595), Ghana, Indonesia, Iraq, Liberia, Libya, Mali, Mauritania, Niger, Nigeria, Sierra Leone, Somalia, Sudan, Sweden, Syria, Tunisia, United Arab Republic, Upper Volta and Yemen (A/C.2/L.596 and Add.1 and 2), Japan (A/C.2/L.597), Bulgaria (A/C.2/L.598).

- (VI) Draft resolution submitted by Afghanistan, Burma, Cambodia, Ceylon, Congo (Leopoldville), Ghana, India, Indonesia, Iraq, Libya, Mauritania, Nepal, Nigeria, Pakistan, Sudan, Togo, United Arab Republic, Yemen and Yugoslavia (A/C.2/L.558 and Add.1-5 and L.558/Rev.1) on "Reaffirmation of General Assembly resolution 1522 (XV) on the accelerated flow of capital and technical assistance to the developing countries", originally entitled "Renewed appeal to the economically advanced countries to increase the net flow of capital and technical assistance to the less developed countries so as to reach 1 per cent of their combined national incomes".

- (VII) Draft resolution submitted by Poland (A/C.2/L.563 and Rev.1-3) on "Activities of the United Nations in the field of industrial development".

Amendments to the draft resolution in its revised form submitted by Argentina, Brazil, Cameroun, Iran, Mauritania, Pakistan and Venezuela (A/C.2/L.600 and Add.1 and Rev.1), Netherlands, Norway and Sweden (A/C.2/L.604), Japan (A/C.2/L.606), Italy (A/C.2/L.607).

Sub-amendments by New Zealand (A/C.2/L.602 and Rev.1), France (A/C.2/L.603 and Rev.1), Nigeria (A/C.2/L.605) to the amendments submitted by Argentina, Brazil, Cameroun, Iran, Mauritania, Pakistan and Venezuela (A/C.2/L.600 and Rev.1).

- (VIII) Draft resolution submitted by Bolivia and Brazil (A/C.2/L.565 and Add.1, Rev.1, Rev.2, Rev.2/Add.1 and Rev.3) on "The role of patents in the transfer of technology to the under-developed countries".

Amendments to the draft resolution in its revised form submitted by Netherlands (A/C.2/L.618, L.621) and by Denmark (A/C.2/L.627).

- (IX) Draft resolution submitted by Bolivia and Brazil (A/C.2/L.564 and Rev.1 and 2 and Rev.2/Add.1).

Amendment to the draft resolution by Hungary (A/C.2/L.609).

I

7. The draft resolution submitted by the Committee on a United Nations Capital Development Fund (E/3514, paragraph 81) read as follows:

"The General Assembly,

"Recalling its resolution 1521 (XV),

"Having considered the report of the Committee on a United Nations Capital Development Fund, and the comments of the Economic and Social Council thereon,

"1. Decides to extend the mandate of the Committee;

"2. Instructs the Committee to prepare the necessary draft legislation (statute) for a United Nations Capital Development Fund in the light of the General Principles prepared by the Committee, the comments of the Economic and Social Council, the discussions at the sixteenth session of the General Assembly and the Secretary-General's report on the financial needs of less developed countries and on the impact of existing financial institutions, as proposed by the Committee;

"3. Requests the Committee to submit the draft legislation (statute) to the thirty-fourth session of the Economic and Social Council, which shall transmit it together with its comments to the seventeenth session of the General Assembly;

"4. Requests the Committee to take into account the desirability of devising an arrangement for inter-governmental control and for voting such as to inspire the confidence of all members of the Fund, in accordance with the Principles and the Purposes of the United Nations Charter.

"Annex

"General principles governing the establishment and operations of a United Nations Capital Development Fund

"1. Assistance from the Fund to under-developed countries should be directed towards the achievement of accelerated and self-sustained growth of their economies. In keeping with this objective, assistance should be oriented towards the diversification of their economies, with due regard to the need for industrial development as a basis for social progress.

"2. The provision of assistance shall be in conformity with the Purposes and Principles of the Charter of the United Nations.

"3. Operations of the Fund should not serve as a means for foreign economic and political interference in the internal affairs of assisted countries and should not be influenced by considerations relating to the nature of their economic and political systems.

"4. Assistance should be of a kind and in a form in accordance with the wishes of the recipients and should involve no unacceptable conditions for them, political, economic, military or other.

"5. Assistance from the Fund should be provided in such forms and on such terms as are compatible with the continued economic development of the assisted countries, taking due account of their balance of payments position and prospects.

"6. Assistance from the Fund should be given in a flexible manner and not necessarily be limited to specific projects or groups of projects. Assistance can also be given in support of general development plans, where such plans exist, or to general development requirements.

"7. Resources of the Fund must be large enough to make a significant contribution towards the achievement of accelerated and self-sustained economic growth of the less developed countries.

"8. While funds should be derived from contributions by all Members, the bulk of the contributions to the Fund should come from the more developed countries in a readily and economically usable form.

"9. The size and the nature of the contributions of the less developed countries to the Fund should not be such as to hamper the effective mobilization of their resources for their own economic development.

"10. Contributions to the Fund should ensure the provision of assistance on a long-term and continuing basis.

"11. Resources available to the Fund should be augmented by a portion of any savings from progress made in internationally supervised world-wide disarmament.

"12. Every effort should be made to co-ordinate the assistance rendered by the Fund with assistance from other sources so as to achieve the maximum permanent beneficial effect on the economies of the less developed countries."

8. The Committee considered this draft resolution at its 741st and 742nd meetings.

9. Following a discussion, the Committee approved the draft resolution by a roll-call vote (requested by Brazil) of 70 to 4, with 7 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Austria, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Leopoldville), Cyprus, Czechoslovakia, Denmark, Dominican Republic, El Salvador, Ethiopia, Federation of Malaya, Finland, Ghana, Guatemala, Guinea, Hungary, Iceland,



India, Indonesia, Iran, Iraq, Israel, Italy, Liberia, Libya, Madagascar, Mali, Mexico, Morocco, Nepal, Netherlands, Niger, Nigeria, Norway, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Saudi Arabia, Senegal, Sierra Leone, Somalia, Sudan, Sweden, Syria, Thailand, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: France, South Africa, United Kingdom, United States.

Abstaining: Australia, Belgium, Canada, Ireland, Japan, New Zealand, Spain.

10. At the time of voting, the Chairman brought to the Committee's attention the financial implications of the draft resolution (E/3514, annex). At the 793rd meeting, the Committee was informed that in the light of the over-all budgetary situation that had emerged, the financial implications of this draft resolution would be met within the level of appropriations approved for 1962, and that therefore no supplementary credits for these purposes would be requested.
11. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution I as set forth in the annex to the present report.

II

12. The draft resolution submitted by Argentina (A/C.2/L.550) read as follows:

"International trade as a main instrument for economic development"

"The General Assembly,

"Recalling its resolutions 623 (VII) of 21 December 1952, 1324 (XIII) of 12 December 1958, 1421 (XIV) and 1422 (XIV) of 10 December 1959, and 1519 (XV) and 1520 (XV) of 15 December 1960,

"Having considered the report of the Secretary-General of 7 June 1961 on 'Ways and means of promoting wider trade co-operation among States' 3/ and the comments thereon voiced in the Economic and Social Council, and endorsing Council resolution 846 (XXXII) of 3 August 1961,

"Convinced that the economic development of countries must be based primarily on their own efforts through the rational utilization of all their productive resources,

"Affirming that, for this national effort to achieve its objectives more rapidly, it is essential to ensure the maximum expansion of their trade and an increase in their foreign exchange income as a result of growth in the volume and value of exports,

"Deploping the fact that, in addition to the existence of surpluses and certain policies for their disposal which disturb the normal channels of international trade, there are other factors of increasing intensity impeding the normal expansion of the trade of the countries in process of development or which depend on a relatively small number of export products for the major part of their foreign exchange income,

"Observing that certain aspects of the regional and sub-regional economic groupings lead to practices which, by increasing the obstacles and restrictions of all kinds, impede the necessary expansion of the trade of the developing countries and discourage the essential growth of their production,

"Noting further that certain industrialized countries sell part of their industrial production on the international market at prices lower than those prevailing in their own markets, which produces distortions and discourages industrial production in the countries in process of development,

"Noting the efforts made and progress achieved in the study of systems for compensating for the fluctuations in commodity trade,

"Recognizing that, at the present time, it is an inescapable duty of the industrialized countries to make every possible effort to accelerate the economic development of the developing and under-developed countries,

"Considering that a faster rate of growth is in the interest of all countries and that the United Nations, together with other international bodies - if this should be necessary - should provide the ways and means for finding an effective solution to the problems raised in this resolution,

"1. Urges the economically developed Member States to take into due account, when formulating their trade policies, the interests of the developing and under-developed countries, granting them the special advantages called for by their economic situation, and to initiate as a matter of great urgency bilateral, multilateral and/or regional negotiations for the satisfactory co-ordination of efforts directed towards economic development;

"2. Calls upon the regional and sub-regional economic groupings to take especially into account, in the policies they adopt for the expansion of their national markets, for making their production complementary and for the accession of new countries, the need to avoid measures which may be harmful to the expansion of the trade of the developing and under-developed countries;

"3. Calls upon the Governments of Member States to take urgent steps to avoid the harmful effects of the disposal of surpluses in ways which disrupt the international market and to avoid restrictions and discrimination of all kinds affecting the consumption and importation of primary commodities and products which have undergone maximum processing and which originate in the developing and under-developed countries;

"4. Recommends to Member States, especially developed States, and to regional and sub-regional economic groupings that, in order not to discourage the industrial production of the developing countries, they avoid the continuation or intensification of national or regional policies which may distort the industrialization of the developing countries;

"5. Notes with satisfaction that the joint session of the United Nations Commission on International Commodity Trade and the FAO Committee on Commodity Problems will consider ways and means of solving the problems created by fluctuations in the commodity export earnings of the developing and under-developed countries, and urges the joint session to formulate specific recommendations in this connexion;

"6. Requests the Secretary-General of the United Nations to consult the Governments of Member States with regard to the need for holding international meetings and conferences in order to find an effective solution to the problems affecting the trade of the developing and under-developed countries, and especially those directly connected with the disposal of their basic output of raw materials and foodstuffs."

/...

13. Argentina, now joined by Bolivia, Costa Rica, El Salvador, Guatemala and Uruguay, submitted a revised version (A/C.2/L.550/Rev.1 and Corr.1 (English only)) of this draft resolution before the Committee began to consider it. The following changes had been introduced in this new text:

(a) The fourth, fifth, sixth and seventh preambular paragraphs were replaced by the following text:

"Affirming that, for these national efforts to achieve their objectives more rapidly, it is essential to ensure the maximum expansion of their trade and an increase in their foreign exchange income as a result of growth in the volume and value of their exports,

"Considering that the importance of such an expansion of trade, especially for under-developed countries or for countries that depend on a narrow range of primary commodities, calls for constant attention to protectionist policies which are detrimental to the growth of international trade, with a view to the achievement of an increasing degree of trade liberalization through their modification, and where surpluses arise, strict adherence to the FAO Principles of Surplus Disposal,

"Observing that certain aspects of regional and sub-regional economic groupings may introduce, perpetuate or reinforce obstacles and restrictions inimical to the necessary expansion of the trade of the developing countries through the full and efficient use of their productive resources,

"Observing further that the practices of dumping and the unrestricted disposal of accumulated stocks on international markets impede the progress of countries in the process of economic development, distort the most effective structure of their industries, and depress the levels of their output of primary commodities and manufactures,";

(b) The ninth preambular paragraph was replaced by the following text:

"Reaffirming that it is the recognized obligation of the more highly industrialized countries to make all necessary efforts to co-operate in accelerating the economic development of the developing and under-developed countries,";

(c) Operative paragraphs 2, 3 and 4 were replaced by the following text and operative paragraphs 5 and 6 renumbered accordingly:

2. Calls upon the States Members of the United Nations and of the specialized agencies, and especially upon the more highly industrialized countries and the developed countries belonging to regional and sub-regional economic groupings:

"(a) To promote, through individual or collective measures, the expansion of world trade, particularly by avoiding excessive protection of their domestic production;

"(b) To avoid measures detrimental to the prospects of international commodity trade for efficient producers outside their own countries or regions;

"(c) To make every effort to liberalize the restrictive or discriminatory practices that unnecessarily limit the consumption and importation of commodities, especially those which have undergone maximum processing, from the under-developed and developing countries;

"(d) To pursue policies which promote the industrialization of the developing countries and to avoid practices such as dumping and the unrestricted disposal of accumulated stocks that may hamper this process;

"3. Recommends that the Governments of Member States, in recognition of the profound concern of normal commercial exporters, pursue policies designed to avoid the harmful effects on international markets that may result from the disposal of surpluses and, to this end, strictly adhere to the FAO Principles of Surplus Disposal;

"4. Notes with satisfaction that the joint session of the United Nations Commission on International Commodity Trade and the FAO Committee on Commodity Problems will consider ways and means of solving the problems created by fluctuations in the commodity export earnings of the developing and under-developed countries, and urges the joint session to formulate specific recommendations in this connexion;"

14. Before the Committee began consideration of the six-Power draft resolution the Committee had received, at its 740th meeting, a request from the representative of Tunisia that the draft resolution be considered jointly with another resolution on the subject of international trade (A/C.2/L.556) of which Tunisia was a co-sponsor. The latter draft resolution had been submitted by Chad, Congo (Leopoldville), Guinea, Indonesia, Mali, Morocco, Nigeria, Senegal, Togo, Tunisia and United Arab Republic, later joined by the Central African Republic, Congo (Brazzaville), Ethiopia, Libya, Sierra Leone and Sudan (A/C.2/L.556/Add.1/Rev.1), and read as follows:

"Promotion of international trade"

"The General Assembly,

"Recalling its resolutions 1519 (XV) of 15 December 1960 and 1520 (XV) of 15 December 1960 on strengthening and development of the world market and improvement of the terms of trade between the industrial and under-developed countries,

"Recognizing that under-developed countries have suffered from their unfavourable terms of trade with industrialized countries and that this trend has resulted in a declining share of the under-developed countries in the gains from international trade and in a chronic gap between their export capacity and import requirements for development,

"Bearing in mind that the instability in primary commodity trade of the under-developed countries results in variations in their national incomes, their export capacity and their foreign exchange earnings and that this instability may jeopardize their development plans which are designed on a long-term basis,

"Being aware that whereas most under-developed countries have followed a liberal policy in importing manufactured goods, many industrialized countries are still imposing tariff, tax and quantitative restrictions on many items of raw materials and especially if they are processed,

"Realizing that the diversification of trade is an important step toward improving the terms of trade of the under-developed countries,

"Considering with appreciation the group of experts' report on International Compensation for Fluctuations in Commodity Trade (E/3447; E/CN.13/40),

"1. Calls upon the industrialized countries to follow a more liberal policy in importing the products of the developing countries and to remove as far as possible the quantitative, tax and tariff restrictions imposed on them;

"2. Requests the International Monetary Fund to increase its activities with regard to drawings and stand-by arrangements in helping the under-developed countries to meet seasonal and cyclical maladjustments arising from variations in their export proceeds;

"3. Recommends the implementation in due course of measures suggested by the group of experts in their report on compensatory financing, referred to above, especially with regard to the establishment of a 'Development Insurance Fund';

"4. Recommends to the under-developed countries that they pursue a policy of diversifying their production and trade and that they avoid any policy which may hamper the achievement of that end or may perpetuate their present trade structure;

"5. Requests the Secretary-General of the United Nations to prepare, following consultations with the Governments of Member States (and with the

(d) In operative paragraph 5 (now paragraph 6) the words "an effective solution" should be replaced by the words "effective solutions".

19. During the discussion, the following amendments (A/C.2/L.559 and Add.1) were proposed by Cameroun, Chad, Congo (Leopoldville), Ghana, Guinea, Indonesia, Iraq, Libya, Mali, Mauritania, Morocco, Niger, Nigeria, Senegal, Sierra Leone, Sudan, Togo, Tunisia and the United Arab Republic:

(a) The words "on international markets" would be inserted at the end of the fifth preambular paragraph;

(b) The word "efficient" in operative paragraph 2 would be deleted;

(c) Operative paragraph 6 would be replaced by the following text:

"6. Requests the Secretary-General of the United Nations to prepare, following consultations with the Governments of Member States (and with the assistance of a preparatory committee appointed by the Secretary-General on the basis of a wide geographic distribution), a provisional agenda for an international conference on world trade problems, especially those relating to the primary commodity trade market, for consideration by the Economic and Social Council at its thirty-fourth session and submission to the General Assembly at its seventeenth session."

20. The Netherlands proposed (A/C.2/L.560) that the sixth preambular paragraph should be replaced by the following text:

"Deeming it desirable that the trade policy of the regional and sub-regional economic groupings should avoid creating obstacles and restrictions to the trade of the developing countries, hampering the expansion of this trade and discouraging the necessary growth of the production of these countries,".

21. The United States of America proposed (A/C.2/L.561) that the words "by reducing the difference between import and sales prices" (orally revised to "and to reduce ...") should be inserted in operative paragraph 2 (c) after the word "practices" in line 2.

22. At the 745th meeting, the United States of America submitted the following further amendment (A/C.2/L.562) to the eight-Power revised draft resolution:

(a) In the first line of the ninth preambular paragraph the word "obligation" would be replaced by the word "responsibility" and in the second line the word "appropriate" would be substituted for the word "necessary";

(b) In the second line of operative paragraph 1 the word "trade" would be replaced by the word "economic" and in the third line the phrase "granting them the special advantages" would be replaced by the phrase "and the desirability of creating conditions affording them the opportunities and advantages".

23. New Zealand proposed (A/C.2/L.567) the following amendments:

(a) The last part of the tenth preambular paragraph beginning with the words "if this should be necessary" would be replaced by the words "as appropriate should provide ways and means for finding and furthering effective solutions for achieving this purpose";

(b) The last part of operative paragraph 1 beginning with the words "granting them the special advantages" would be replaced by the words:

"to consider steps not necessarily requiring full reciprocity to improve their economic situation, and to pursue as a matter of great urgency bilateral, multilateral and/or regional negotiations, including negotiations conducted under the GATT, as may best facilitate the expansion of their trade;"

(c) In operative paragraph 5, the words "Commission on International Commodity Trade at its tenth session and the" would be inserted after the words "Notes with satisfaction that the" and the words "joint session" in the fifth line would be replaced by the word "sessions".

24. At the 746th meeting, the representative of New Zealand modified his second amendment (A/C.2/L.567) by inserting the words "where appropriate" before the words "negotiations conducted under the GATT".

25. On the suggestion of the representative of Tunisia, the representative of the Netherlands changed the first four words of his amendment to read "Deeming it necessary that ..." and the United Kingdom of Great Britain and Northern Ireland became a co-sponsor of this revised amendment (A/C.2/L.560/Rev.1).

26. The Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics proposed (A/C.2/L.568) that the following paragraphs should be inserted between the fourth and fifth preambular paragraphs:

"Recognizing that under-developed countries have suffered from their unfavourable terms of trade with industrialized countries and that this trend has resulted in a declining share of the under-developed countries in the gains from international trade and in a chronic gap between their export capacity and import requirements for development,



"Bearing in mind that the instability in primary commodity trade of the under-developed countries results in variations in their national incomes, their export capacity and their foreign exchange earnings and that this instability may jeopardize their development plans which are designed on a long-term basis,".

27. At the 747th meeting, the Committee received a statement of financial implications submitted by the Secretary-General (A/C.2/L.559/Add.2) with regard to the nineteen-Power amendments (A/C.2/L.559 and Add.1). Subsequently, at the 748th meeting, the representative of Tunisia, on behalf of the sponsors, stated that it was envisaged that the preparatory committee would be composed of representatives of Member States rather than experts. The Chairman of the Committee then informed the Committee that this amendment, if incorporated in the draft resolution as approved by the Committee, would have no financial implications. At the 750th meeting, the Under-Secretary for Economic and Social Affairs made a statement on this matter (A/C.2/L.570).

28. At the 748th meeting, the Committee received a newly revised text of the eight-Power draft resolution (A/C.2/L.550/Rev.3 and Corr.1 (Spanish only)) which contained the following additional changes:

(a) The words "in respect of any possible effects on international markets" were added at the end of the fifth preambular paragraph;

(b) The sixth preambular paragraph had been replaced by the following words:

"Deeming it necessary that the economic policies of regional and sub-regional economic groupings avoid the introduction, perpetuation and reinforcement of obstacles and restrictions which may hamper the necessary expansion of the trade of the developing and under-developed countries or discourage the indispensable growth of their economies,";

(c) The words "and prices" had been inserted after the words "depress the levels of production" in the seventh preambular paragraph;

(d) The words "necessary efforts" had been replaced by the words "appropriate efforts" in the ninth preambular paragraph;

(e) The last part of the tenth preambular paragraph had been revised to read as follows:

" ... together with other international bodies - as appropriate - should provide ways and means for finding and furthering effective solutions for achieving this purpose";

(f) Operative paragraph 1 had been replaced by the following text:

"1. Urges the economically developed Member States to take into due account, when formulating and executing their trade and economic policies, the interests of the developing and under-developed countries by making maximum efforts to create conditions through which they extend to these countries advantages not necessarily requiring full reciprocity to improve their economic situation, and to pursue as a matter of great urgency bilateral, multilateral and/or regional negotiations, including - where appropriate - negotiations conducted under GATT, to facilitate the necessary expansion of their trade and to attain a satisfactory co-ordination of efforts in the field of trade towards economic development;"

(g) The word "excessive" had been replaced by the word "undue" in operative paragraph 2 (a);

(h) The word "efficient" had been deleted from operative paragraph 2 (b);

(i) The words "the Commission on International Commodity Trade at its tenth session and" had been inserted in operative paragraph 5 after the words "Notes with satisfaction that" and the words "the joint session" in the fifth line had been replaced by the words "these sessions".

29. When introducing the text of the revised draft resolution at the 748th meeting, the representative of Argentina, on behalf of the sponsors, informed the Committee that the sixth preambular paragraph had been further changed to read as follows:

"Deeming it necessary that the economic policies of regional and sub-regional economic groupings avoid the introduction and facilitate the elimination of obstacles and restrictions which may hamper the necessary expansion of the trade of the developing and under-developed countries or discourage the indispensable growth of their economies,".

30. In the light of the changes in the revised text of the eight-Power draft resolution, the following amendments were withdrawn:

- (a) The first and second of the nineteen-Power amendments (A/C.2/L.559 and Add.1);
  - (b) The revised two-Power amendment (A/C.2/L.560/Rev.1);
  - (c) The amendments by the United States of America (A/C.2/L.561 and L.562);
- and
- (d) The amendments by New Zealand (A/C.2/L.567).

31. The representative of the Ukrainian Soviet Socialist Republic, on behalf of his own delegation and that of the Union of Soviet Socialist Republics, modified their amendment (A/C.2/L.568) by replacing in both paragraphs the words "export capacity" by the words "export proceeds".

32. Afghanistan proposed that General Assembly resolution 1028 (XI) should be among those cited in the first preambular paragraph and that the words "developing and under-developed" and "under-developed" should be replaced by the word "developing" wherever they appeared in the draft resolution (A/C.2/L.569/Rev.1).

33. At the 749th meeting, the sponsors of the revised draft resolution (A/C.2/L.550/Rev.3) accepted the first amendment by Afghanistan (A/C.2/L.569/Rev.1), namely, to cite General Assembly resolution 1028 (XI) in the first preambular paragraph.

34. The representative of Sweden suggested that the two-Power amendments in A/C.2/L.568 should be modified to read as follows:

"Recognizing that the developing and under-developed countries have in recent years suffered from their unfavourable terms of trade with industrialized countries and that this trend has resulted in a declining share of the developing and under-developed countries in the gains from international trade and in a chronic gap between their export earnings and import requirements for development,

"Bearing in mind that the instability in primary commodity trade of the developing and the under-developed countries results in variations in their national incomes, their export earnings and their foreign exchange earnings and that this instability may often jeopardize the development plans of many countries which are designed on a long-term basis,".

35. These suggestions were accepted by the Ukrainian Soviet Socialist Republic and Union of Soviet Socialist Republics, and the revised amendment (A/C.2/L.568/Rev.1) was then accepted by the sponsors.

36. At the 749th meeting, the remaining nineteen-Power amendment (A/C.2/L.559 and Add.1) was revised (A/C.2/L.559/Rev.1) and it was now proposed to replace operative paragraph 6 by the following:

assistance of a preparatory committee appointed by the Secretary-General on the basis of a wide geographic distribution), a provisional agenda for an international conference on world trade problems, including those relating to the primary commodity trade market, for consideration by the Economic and Social Council at its thirty-fourth session and submission to the General Assembly at its seventeenth session."

15. At the 743rd meeting, the representative of Tunisia stated that the sponsors had decided to withdraw the seventeen-Power draft resolution (A/C.2/L.556 and Add.1/Rev.1) on the understanding that the sponsors of the six-Power draft resolution (A/C.2/L.550/Rev.1) would incorporate certain changes in their text.

16. The Committee considered the six-Power draft resolution at its 743rd to 750th meetings.

17. The representative of Argentina, on behalf of the sponsors, introduced the revised text (A/C.2/L.550/Rev.1) of the draft resolution.

18. At the 744th meeting, the Committee received a second revision of the draft resolution (A/C.2/L.550/Rev.2 and Add.1) now sponsored by eight Powers, Brazil and Peru having joined the co-sponsors. The following additional changes had been made in the text:

(a) The following clause was added at the end of the eighth preambular paragraph:

"particularly the report of the group of experts on international compensation for fluctuations in commodity trade (E/3447-E/CN.13/40) and on the establishment of a development insurance fund";

(b) In the tenth preambular paragraph the words "an effective solution to the problems raised in this resolution" were replaced by the words "effective solutions for achieving this purpose";

(c) The following new paragraph would be inserted after operative paragraph 3 and the remaining paragraphs renumbered accordingly:

"Commends the efforts made by the International Monetary Fund to increase its activities with regard to drawings and stand-by arrangements in helping the less developed countries to meet seasonal and cyclical maladjustments arising from fluctuations in their export earnings, and expresses the hope that such efforts will continue;"

"6. Requests the Secretary-General of the United Nations to consult the Governments of Member States concerning the advisability of holding an international conference on international trade problems, especially those relating to the primary commodity market, and to determine if need be, with the assistance of a preparatory committee to be appointed by him on an adequate basis, the essential questions that may be included in the provisional agenda of such a conference, and to report to the Economic and Social Council at its thirty-fourth session and to the General Assembly at its seventeenth session."

37. At the 750th meeting, the representative of Afghanistan withdrew his second amendment (A/C.2/L.569/Rev.1).

38. The Committee then voted on the eight-Power draft resolution (A/C.2/L.550/Rev.3) and the nineteen-Power amendment to it (A/C.2/L.559/Rev.1).

The Committee approved the nineteen-Power amendment (A/C.2/L.559/Rev.1) by 45 votes to 36, with 10 abstentions, a roll-call having been requested by Tunisia. The voting was as follows:

In favour: Afghanistan, Albania, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Cameroun, Ceylon, Chad, Congo (Brazzaville), Congo (Leopoldville), Cuba, Czechoslovakia, Federation of Malaya, Ghana, Guinea, Hungary, India, Indonesia, Iraq, Lebanon, Liberia, Libya, Madagascar, Mali, Mongolia, Morocco, Nepal, Niger, Nigeria, Pakistan, Poland, Romania, Senegal, Sierra Leone, Somalia, Sudan, Togo, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Upper Volta, Yemen, Yugoslavia.

Against: Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Chile, China, Colombia, Costa Rica, Denmark, Dominican Republic, Ecuador, El Salvador, France, Greece, Guatemala, Honduras, Iceland, Ireland, Italy, Luxembourg, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Peru, Portugal, South Africa, Spain, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Venezuela.

Abstaining: Canada, Cyprus, Ethiopia, Finland, Iran, Israel, Japan, Philippines, Sweden, Thailand.

39. The Committee then voted on the eight-Power draft resolution (A/C.2/L.550/Rev.3), as revised at the 749th meeting by its sponsors and as amended, as follows:

(a) A request by the United States of America to have a separate roll-call vote on the preamble and operative paragraphs 1-5 having been objected to under rule 130 of the rules of procedure, the Committee granted the request by a roll-call vote (requested by Greece) of 46 to 25, with 22 abstentions. The voting was as follows:

In favour: Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, China, Colombia, Costa Rica, Cyprus, Denmark, Dominican Republic, Ecuador, El Salvador, Federation of Malaya, Finland, France, Greece, Guatemala, Honduras, Iceland, Iran, Ireland, Israel, Italy, Japan, Lebanon, Liberia, Luxembourg, Netherlands, New Zealand, Norway, Paraguay, Peru, Philippines, Portugal, South Africa, Spain, Sweden, Thailand, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Venezuela.

Against: Afghanistan, Albania, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Congo (Leopoldville), Cuba, Czechoslovakia, Ghana, Guinea, Hungary, Indonesia, Iraq, Libya, Mali, Mongolia, Nepal, Niger, Poland, Romania, Togo, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Yugoslavia.

Abstaining: Bolivia, Cambodia, Cameroun, Ceylon, Chad, Congo (Brazzaville), Ethiopia, India, Madagascar, Mauritania, Mexico, Morocco, Nicaragua, Nigeria, Pakistan, Senegal, Sierra Leone, Somalia, Sudan, United Arab Republic, Upper Volta, Yemen.

(b) The preamble and operative paragraphs 1-5 were approved by a roll-call vote of 93 to none, with no abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Cameroun, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Leopoldville), Costa Rica, Cuba, Cyprus, Czechoslovakia, Denmark, Dominican

Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, France, Ghana, Greece, Guatemala, Guinea, Honduras, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Japan, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Mali, Mauritania, Mexico, Mongolia, Morocco, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Senegal, Sierra Leone, Somalia, South Africa, Spain, Sudan, Sweden, Thailand, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, United States of America, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: None.

(c) The draft resolution, as a whole, as revised and amended, was approved by a roll-call vote (requested by the United States) of 81 to none, with 11 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Australia, Austria, Bolivia, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Cameroun, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Leopoldville), Costa Rica, Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Ghana, Greece, Guatemala, Guinea, Honduras, Hungary, Iceland, India, Indonesia, Iran, Iraq, Israel, Japan, Lebanon, Liberia, Libya, Madagascar, Mali, Mauritania, Mexico, Mongolia, Morocco, Nepal, Nicaragua, Niger, Nigeria, Norway, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Senegal, Sierra Leone, Somalia, Sudan, Sweden, Thailand, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Upper Volta, Uruguay, Venezuela, Yugoslavia.

Against: None.

Abstaining: Belgium, France, Ireland, Italy, Luxembourg, Netherlands,  
New Zealand, South Africa, Spain, United Kingdom of Great  
Britain and Northern Ireland, United States of America.

40. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution II as set forth in the annex to the present report.



III

41. The draft resolution submitted by Brazil, Colombia, Ghana, India, Indonesia, Tunisia and Venezuela (A/C.2/L.551) read as follows:

"Regional Institutes for Economic Development and Planning"

"The General Assembly,

"Being convinced of the urgent need of the less developed countries to establish and to implement national, all-inclusive and well-integrated development plans for building their societies according to their own individual precepts,

"Realizing that to this end it is necessary to advance further the development of planning techniques that can be adjusted to the specific needs and problems of various countries,

"Realizing further that it is imperative to train without delay economists, other social scientists and administrators, within and without government service, in planning techniques and problems to permit not only elaboration of plans but also their execution,

"Bearing in mind the initiatives already demonstrated in this connexion namely:

"(a) That some African States in a draft resolution of 12 April 1961<sup>4/</sup> requested, inter alia, 'the establishment under the auspices of the Economic Commission for Africa, and with the assistance of the United Nations Special Fund, of an Economic Development Institute for Africa for the purpose of training suitable persons in the field of economic development, in particular in the techniques of economic planning and programming',

"(b) That the Economic Commission for Latin America in its resolution 199 (IX) of 13 May 1961 requested the establishment under the auspices of ECLA of an institute for planning economic development which would provide advisory services to governments and engage in training,

"(c) That the Conference of Asian Economic Planners held in New Delhi on 26 September to 3 October 1961, under the auspices of the Economic Commission for Asia and the Far East, recommended to the Commission to consider the establishment of an Asian Institute of Economic Development to overcome the 'serious shortage of trained personnel for the formulation and implementation of economic development plans',

"Recalling that the Managing Director of the United Nations Special Fund in his statement to the Governing Council of the Fund on 23 May 1961 announced that requests for this type of project through the initiative of regional commissions had been made in the case of Latin America and were anticipated in the case of Africa,

"Noting that the Under-Secretary for Economic and Social Affairs on 5 October 1961 5/ declared that 'the increased participation of the regional economic commissions in technical assistance programmes and the establishment under their auspices of economic programming institutes where Governments will find both advisory services and training facilities for the staff of their economic departments, will provide Governments with new facilities on the regional level to which they attach so much importance',

"1. Invites Governments concerned, acting through the appropriate regional economic commissions or their appropriate subsidiary bodies to be established for this purpose to submit requests to the United Nations Special Fund for the necessary financial resources needed for the establishment of development and planning institutes to be closely linked to the respective regional economic commissions,

"2. Recommends that ECA, ECIA and ECAFE consider this matter at their forthcoming annual sessions and that ECE consider the expansion of its in-service training programme to include a substantial number of fellows from less developed regions and the establishment of a centre of comparative studies on programming techniques under various economic and social systems, for the benefit of the proposed regional institutes of economic development and planning,

"3. Hopes that the Governing Council of the United Nations Special Fund will give prompt and sympathetic consideration to the establishment of regional institutions of the United Nations referred to above, to be proposed by the respective regional economic commissions."

42. The sponsors, now joined by Thailand, submitted two revisions (A/C.2/L.551/Rev.1 and Rev.2) of their draft resolution before the Committee began to consider it. In the first revision, the sponsors had introduced the following changes:

(a) In the fifth preambular paragraph, the words "by Governments" had been inserted after the words "requests for this type of project through the initiative of regional commissions had been made"; and

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5/ See A/C.2/L.549.

(b) The words "by the respective regional economic commissions" at the end of operative paragraph 3 were replaced by the words "by the Governments concerned acting through the appropriate regional commissions".

43. In the second revision, the sponsors made the following additional changes:

(a) The clause "and the establishment of a centre of comparative studies on programming techniques under various economic and social systems, for the benefit of the proposed regional institutes of economic development and planning," at the end of operative paragraph 2 was deleted; and

(b) The three operative paragraphs became section I of the draft resolution, and the following paragraph was added as section II:

"Decides to establish an Economic Projections and Programming Centre within the Department of Economic and Social Affairs, with sub-centres in each of the regional economic commissions, to prepare a comprehensive model of projections for the world economy in order to provide a consistent international framework for the formulation of national economic plans, and to conduct comparative studies on programming techniques under various economic and social systems for the benefit of the proposed regional institutes of economic development and planning."

44. At the 751st meeting, the representative of France suggested that the eight-Power draft resolution (A/C.2/L.551/Rev.2) be considered by the Committee together with a draft resolution submitted by Czechoslovakia and the Ukrainian Soviet Socialist Republic (A/C.2/L.552) which was closely related to it and which was entitled "Study and utilization of the experience of different countries in the planning of economic development". The latter draft resolution read as follows:

"The General Assembly,

"Having regard to the urgent needs of the under-developed countries for economic development,

"Considering that the limited economic and financial resources of those countries necessitate a sound scientific and systematic approach in order to bring to maximum effectiveness the efforts directed to the development of their national economy,

"Recalling Economic and Social Council resolution 830 H (XXXII), in which note is taken of the importance of utilizing experience of planning for balanced and co-ordinated economic and social development,

"Taking into consideration the growing trend towards the use of different forms of planning in the economic policy of developing countries and noting the interest shown by those countries in the study of experience gained by various countries in the planning of co-ordinated economic development,

"Noting the activity of the regional economic commissions and other United Nations organs in the study and exchange of experience in the field of economic planning and, in particular, the initiative shown by ECAFE in organizing and conducting a regional Conference on questions of economic development planning,

"1. Invites the United Nations Secretariat, with the assistance of a group of experts composed with due regard to their familiarity with different economic systems and in co-operation with the scientific institutions of different countries, to prepare a paper summarizing the experience gained in the planning of economic development, including industrial development, by different countries which have achieved effective economic results by the planning methods, such paper to cover, in particular, questions relating to the technique of preparing national economic plans and programmes, the determination of priorities therein, problems concerning the domestic financing of capital construction, and the most effective use of foreign aid;

"2. Requests the Economic and Social Council to examine the above-mentioned paper at its thirty-fourth session and to submit at the seventeenth session of the United Nations General Assembly its recommendations concerning the utilization of experience of effective economic planning in the interests of developing countries, including the systematic conduct, under the regional economic commissions, of international conferences for the exchange of experience in the field of planning and economic development programming;

"3. Further invites the United Nations Secretariat to prepare a special chapter on questions of economic development planning in one of the forthcoming World Economic Surveys;

"4. Draws the attention of the organs which carry out the technical assistance programmes of the United Nations to the desirability of expanding technical assistance to the less developed countries with a view to their utilization of the experience of effective economic planning which is available in different countries, in particular through the establishment, under the regional economic commissions, of joint educational centres for the training of planning specialists."

45. The Committee, after a vote requiring a two-thirds majority, adopted by 39 votes to 8 with 16 abstentions the suggestions of the representative of France.

46. The representatives of Colombia and Brazil introduced the eight-Power draft resolution (A/C.2/L.551/Rev.2) on behalf of the sponsors, and the representatives of Czechoslovakia and the Ukrainian Soviet Socialist Republic introduced their draft resolution (A/C.2/L.552). The Committee considered these resolutions at its 751st-755th meetings.

47. At the 752nd meeting, the Committee had before it a third revision of the eight-Power draft resolution (A/C.2/L.551/Rev.3) which contained the following additional changes:

(a) The words "the necessary financial resources" in operative paragraph 1 were replaced by the words "the necessary assistance"; and

(b) The words "the Governing Council of" were deleted from operative paragraph 3.

48. Iraq, Jordan, Lebanon, Saudi Arabia, Syria and Yemen submitted an amendment (A/C.2/L.571) by which the following paragraph would be inserted after operative paragraph 3:

"4. Hopes also that the United Nations Special Fund will give prompt and sympathetic consideration to the establishment of similar regional institutes which may jointly be proposed by countries which are not members of any regional economic commission."

49. During the course of the meeting, the sponsors circulated a fourth revision of the eight-Power draft resolution (A/C.2/L.551/Rev.4), in which they had introduced the following further changes:

(a) The following paragraph was added at the end of the preamble:

"Recalling General Assembly resolution 1517 (XV) of 15 December 1960 and Economic and Social Council resolution 777 (XXX) of 3 August 1960,"

(b) The words "to be proposed by the Governments concerned acting through the appropriate regional economic commission;" at the end of operative paragraph 3 were deleted; and

(c) Operative paragraph 4 was redrafted to read as follows:

"4. Requests the Secretary-General to establish an Economic Projections and Programming Centre with sub-centres, as appropriate, in the regional economic commissions:

(a) To prepare in co-operation with the international agencies concerned, long-term projections of world economic trends in order to facilitate the formulation of national economic plans, and

(b) To provide studies of programming techniques under various economic and social systems which would be helpful to national and regional institutes of economic development and planning."

50. At the 753rd meeting, the Committee began consideration of a new draft resolution (A/C.2/L.572) which had been submitted jointly by the eight sponsors of the draft resolution contained in A/C.2/551/Rev.4 and the two sponsors of the draft resolution contained in document A/C.2/L.552 and which replaced these two texts and the six-Power amendment in document A/C.2/L.571. The preamble of the new text was the same as that in the eight-Power draft resolution (A/C.2/L.551/Rev.4), except that:

(a) The following preambular paragraph (the first part of the fourth preambular paragraph in the two-Power draft resolution) was inserted as the third preambular paragraph:

"Taking into consideration the growing trend towards the use of different forms of planning the economic policy of developing countries;"

(b) Economic and Social Council resolution 830 H (XXXII) which was referred to in the third preambular paragraph of the two-Power resolution was included among those referred to in the final preambular paragraph of the eight-Power draft resolution;

(c) The operative paragraphs of the eight-Power draft resolution were included in sections I and II of the new ten-Power draft resolution, and the operative paragraphs of the two-Power draft resolution in section III, with the following changes:

(i) The following paragraph was inserted between operative paragraph 3 and 4 of the eight-Power draft resolution:

"Hopes also that the United Nations Special Fund will give prompt and sympathetic consideration to the establishment of similar regional institutes which may jointly be proposed by countries which are not members of any regional economic commission;"

(ii) Operative paragraphs 1 and 2 of the two-Power draft resolution (operative paragraphs 6 and 7 of the new resolution) were redrafted to read as follows:

"6. Invites the Secretary-General, with the assistance of a group of experts composed with due regard to their familiarity with different economic systems and in co-operation with the scientific institutions of different countries, to prepare a study summarizing the experience gained in the planning of economic development, by different countries. The findings of this study should be used, as well as other studies, by the Economic Projections and Programming Centre and regional institutes for economic development and planning referred to in Parts I and II, above;

"7. Requests the Economic and Social Council to examine the above-mentioned study at its thirty-sixth session and to submit at the eighteenth session of the General Assembly its recommendations concerning the utilization of experience of economic planning in the interests of developing countries;"

(iii) The words "United Nations Secretariat" in operative paragraph 3 were replaced by the words "Secretary-General", and

(iv) Operative paragraph 4 of the two-Power draft resolution was deleted.

51. The ten-Power draft resolution (A/C.2/L.572) was introduced by the representatives of Colombia and Czechoslovakia. The sponsors accepted the following additional changes which had been suggested by Japan (A/C.2/L.572/Corr.1):

(a) Operative paragraph 1 was redrafted slightly to read as follows:

"1. Invites Governments concerned, acting as appropriate through the regional economic commissions or their appropriate subordinate bodies to be established for this purpose, to submit requests to the United Nations Special Fund for assistance needed for the establishment of development and planning institutes to be closely linked to the respective regional commissions;" and

(b) The words "Recommends that" at the beginning of operative paragraph 2 were replaced by the words:

"Invites also the Economic and Social Council at its resumed thirty-second session to recommend that".

52. During the course of the meeting, a number of additional amendments were submitted to the ten-Power draft resolution (A/C.2/L.572 and Corr.1). Ethiopia proposed (A/C.2/L.573) that in operative paragraph 1, after the words "for the establishment of economic development and planning institutes", the following words would be inserted: "with a view to giving prospective trainees the benefits of practical training and acquaintance with the important work carried out by the

secretariats of the commissions, in addition to a prescribed course of training as appropriate and as deemed fit,".

53. The Netherlands proposed (A/C.2/L.574) the following amendments:

(a) In operative paragraph 1, the words "acting through" would be replaced by the words "in consultation, as appropriate with"; and the word "subsidiary" by the word "subordinate";

(b) In operative paragraph 4, the words "similar regional institutes" would be replaced by the words "similar institutes";

(c) Operative paragraph 5 (b) would be deleted; and

(d) In operative paragraph 6, the words "economic systems" would be replaced by the words "planning techniques"; the words "scientific institutions" by the words "appropriate institutions"; and the words "experience gained" by the words "techniques in use".

54. Iran proposed (A/C.2/L.575) that the words "and which also will be open to participation by member countries of the regional economic commissions" should be inserted in operative paragraph 4 after the words "which are not members of any regional commission".

55. The United Arab Republic proposed (A/C.2/L.576) that operative paragraphs 3 and 4 should be combined to read as follows:

"Hopes that the United Nations Special Fund will give prompt and sympathetic consideration to the establishment of the regional institutes referred to above; as well as to the establishment of similar institutes which may jointly be proposed by countries which are not members of any regional economic commission;".

It also proposed that the words "to facilitate the formulation" in operative paragraph 5 (a) should be replaced by the words "to guide in the formulation".

56. New Zealand proposed (A/C.2/L.577) that the word "prepare" in operative paragraph 5 (a) should be replaced by the following words:

"Intensify his activities in the field of economic and social projections including the evaluation and development of techniques of long-term projection as contemplated by Economic and Social Council resolution 777 (XXX) with a view to the preparation as soon as practicable, ...".



57. The Philippines proposed (A/C.2/L.578) that operative paragraph 8 should be replaced by the following text:

"8. Further invites the Secretary-General to include, whenever necessary, a chapter on questions of economic development planning in the World Economic Survey."

58. At the 755th meeting, the sponsors submitted a revision of the ten-Power draft resolution (A/C.2/L.572/Rev.1) which contained the following additional changes:

(a) The words "in a draft resolution" of 12 April 1961 requested, inter alia", in sub-paragraph (a) of the fifth preambular paragraph were replaced by the words "expressed their views in favour of";

(b) The following new preambular paragraph was inserted between the fifth and sixth preambular paragraphs:

"Considering that each institute should establish a programme of training fully adjusted to the needs of the countries in each region,";

(c) The word "sessions" in operative paragraph 2 was replaced by the word "meetings";

(d) The word "regional" was deleted from operative paragraph 3;

(e) Operative paragraph 4 was replaced by the following text:

"Hopes also that the United Nations Special Fund will give prompt and sympathetic consideration to the establishment of similar institutes which may be proposed by a group of Member States which are not members of any regional economic commission, provided such institutes shall be open to participation by developing countries which are at present members of regional economic commissions;"

(f) The words "to prepare" at the beginning of operative paragraph 5 (a) were replaced by the words "to intensify the activities already initiated in this field and prepare"; and

(g) Operative paragraph 6 was redrafted to read as follows:

"Invites the Secretary-General, with the assistance of a group of experts composed with due regard to their familiarity with various planning techniques under different economic systems and in co-operation with the appropriate institutions of different countries, to prepare a study summarizing the experience gained and the techniques in use in the planning of economic development by different countries, and at the same time expresses the hope that the Governments of Member States will help to carry out the above-mentioned study;"

59. In the light of these changes, the representative of the Netherlands withdrew his second amendment to operative paragraph 1, his amendment to operative paragraph 4, and his amendments to operative paragraph 6 (A/C.2/L.574); the representative of Iran, his amendment (A/C.2/L.575); the representative of the United Arab Republic, his amendments (A/C.2/L.576); and the representative of the Philippines, his amendment (A/C.2/L.578).

60. As regards the amendment by Ethiopia (A/C.2/L.573), the sponsors agreed to replace the words "to be closely linked to the respective regional economic commissions" in operative paragraph 1 by the words "which will be closely linked to the respective regional economic commissions with a view, inter alia, to giving prospective trainees the benefits not only of theoretical but also of practical training and an acquaintance with the important work carried out by the secretariats of the regional economic commissions in their regions"; the representative of Ethiopia withdrew his amendment.

61. With regard to the remaining amendments by the Netherlands (A/C.2/L.574), the sponsors replaced the word "programming" in operative paragraph 5 (b) by the word "planning", and the representative of the Netherlands withdrew them.

62. As regards the amendment by New Zealand (A/C.2/L.577), the sponsors agreed to revise the first part of operative paragraph 5 (a) to read: "to intensify the activities already initiated in this field and to prepare, as soon as practicable, ...", and the representative of New Zealand withdrew his amendment.

63. At the request of the representative of the Lebanon, the sponsors deleted the word "provided" in the fourth line of operative paragraph 4, and added the words "or institutes of economic development and planning" at the end of the introductory part of operative paragraph 5.

64. The sponsors also inserted the words "in the course of the resumed fifteenth session of the General Assembly" after the words "that some African States expressed their views ..." in sub-paragraph (a) of the fifth preambular paragraph.

65. The Committee's attention was drawn to the statement of financial implications submitted by the Secretary-General (A/C.2/L.572/Add.1), which superseded the statements (A/C.2/L.551/Rev.2/Add.1 and A/C.2/L.552/Add.1) of the Secretary-General circulated with regard to the previous eight-Power and two-Power draft resolutions (A/C.2/L.551/Rev.2 and A/C.2/L.552). The Committee then voted on the revised draft resolution (A/C.2/L.571/Rev.1), as further revised by its sponsors, as follows:

(a) The words "and sympathetic" in operative paragraphs 3 and 4 (separate vote requested by Argentina) were approved by 64 votes to none, with 14 abstentions;

(b) Operative paragraphs 6 and 7 (separate vote requested by the United Kingdom) were approved by 63 votes to none, with 15 abstentions;

(c) The draft resolution as a whole was approved unanimously.

66. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution III as set forth in the annex to the present report.

IV

67. The draft resolution submitted by Argentina, Brazil, Ghana, India, Indonesia, Liberia, Nepal, Nigeria, United Arab Republic and Yugoslavia (A/C.2/L.553) and also by Cambodia and Pakistan (A/C.2/L.553/Add.1) read as follows:

"Decentralization of the economic and social activities of the United Nations and strengthening of the regional economic commissions"

"The General Assembly,

"Recalling its resolution 1518 (XV) of 15 December 1960 on decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions,

"Noting the recommendations contained in part V on economic and social activities of the report of the Committee of Experts appointed under General Assembly resolution 1446 (XIV) 6/ and the Secretary-General's comments thereon, 7/

"1. Notes with appreciation the Secretary-General's action and proposed arrangements with regard to decentralization and the strengthening of the regional economic commissions as reported to the General Assembly; 8/

"2. Welcomes Economic and Social Council resolution 823 (XXXII) of 20 July 1961 and the emphasis placed therein on the important functions to be fulfilled by the regional economic commissions in the initiation, implementation and co-ordination of economic and social activities of the United Nations at the regional level.

"3. Commends the Economic and Social Council for its resolution 856 (XXXII) on co-operation between the resident representatives of the Technical Assistance Board and the executive secretaries of the regional economic commissions, and the Technical Assistance Committee for its resolution 9/ recommending to the Executive Chairman of the Technical Assistance Board that he invite the executive secretaries of the regional economic commissions to present their views on the economic and social factors to be taken into account in the preparation of technical assistance programmes;

6/ A/4776.

7/ A/4794.

8/ A/4911.

9/ E/3547, para. 129.

"4. Urges the immediate strengthening of the secretariats of the regional economic commissions as executive arms of the Organization in the economic and social fields including technical assistance operations, by means of an increasing transfer to the regional secretariats of substantive and operational functions and responsibilities and the provision of the requisite resources, including personnel, without thereby impairing, in any way, the central substantive and co-ordinating functions and without affecting the provision of assistance to countries that are not members of any regional economic commissions;

"5. Requests the Secretary-General to take immediate steps to implement fully the policy of decentralization through comprehensive administrative arrangements to be decided upon in consultation with the Advisory Committee on Administrative and Budgetary Questions, and if necessary, the Technical Assistance Committee, taking into account the recommendations made by the Committee of Experts in part V of document A/4776 and the Secretary-General's comments thereon;

"6. Requests the Secretary-General to report to the General Assembly at its seventeenth session on the new organizational measures taken to enable the regional secretariats to function as full-fledged executive instruments for the programmes of technical co-operation, and on the strengthening of the secretariats of the regional economic commissions as required for the effective execution of the above tasks;

"7. Invites the specialized agencies concerned to adjust their co-operative arrangements with the United Nations regional secretariats as may be required by the decentralization of United Nations economic and social activities."

68. The Committee considered this draft resolution at its 753rd, 754th and 756th to 759th meetings.

69. The sponsors submitted a revision (A/C.2/L.553/Rev.1) of their draft resolution before the Committee began to consider it, in which the following changes had been made:

(a) In operative paragraph 4, the words "immediate strengthening of the secretariats" were replaced by the words "strengthening, without delay, of the secretariats", and the words "increasing transfer" were replaced by the words "increasing delegation";

(b) In operative paragraph 5, the words "comprehensive administrative arrangements" were replaced by "appropriate administrative arrangements";

(c) In operative paragraph 6, the words "to function as full-fledged executive instruments" were changed to read "to discharge fully their responsibilities as executive instruments";

(d) In operative paragraph 7, the words "executive heads of" were inserted before the words "specialized agencies" and the words "adjust their co-operative arrangements with the United Nations regional secretariats as may be required" were changed to read "further to develop co-operative arrangements with the regional economic commissions to the extent required".

70. The revised text was introduced by the representative of Ghana, on behalf of the sponsors, at the 753rd meeting.

71. Ethiopia and Sudan submitted amendments (A/C.2/L.579) to the revised draft resolution as follows:

(a) A new operative paragraph 1 would be added reading as follows, re-numbering the subsequent paragraphs accordingly:

"Urges that the decentralization of the economic and social activities of the United Nations should, among other things, aim at:

- (i) achieving simplicity of procedure and administrative methods of technical co-operation,
- (ii) paying special attention to certain selected critical areas, and establishing a system of priority of needs in the interest of economy;"

(b) In operative paragraph 1 (re-numbered 2) the words "the direction of" would be inserted after the words "Notes with appreciation";

(c) In operative paragraph 4 (re-numbered 5) the word "increasing" would be deleted and the word "substantive" would be replaced by the words "policy guidance";

(d) In operative paragraph 5 (re-numbered 6), the word "continuing" would be inserted before the word "consultation";

(e) A new operative paragraph would be inserted as operative paragraph 7 reading as follows:

"Urges that the staff requested by the executive secretaries, as outlined by the Secretary-General in his report (A/4911, page 34), be provided to the regional economic commissions as soon as practicable;"

(f) In operative paragraph 6 (re-numbered 8) the words "measures taken" after the words "on the new organizational" would be replaced by the words "and financial measures taken, or required to be taken";

(g) Operative paragraph 7 (re-numbered 9) would be replaced by the following text:

"9. Invites the executive heads of the specialized agencies concerned, and the executive secretaries of the regional economic commissions to further adjust co-operative arrangements to the extent required by decentralization;"

(h) A new operative paragraph 10 would be added reading as follows:

"Requests the regional economic commissions to develop further close co-operation among themselves in their substantive and operational activities".

72. The Ukrainian Soviet Socialist Republic submitted an amendment (A/C.2/L.580) to the revised draft resolution proposing the addition of a new operative paragraph as operative paragraph 8 reading as follows:

"8. Confirms the importance and utility of all-round co-operation between the regional economic commissions and recommends that the executive secretaries of those commissions should continue to broaden contacts among themselves with a view to the most effective and mutually profitable use of the experience and resources at their disposal."

73. In the course of the discussion, the sponsors accepted some of the amendments of Ethiopia and Sudan (second part of amendment (c) and amendments (d), (g) and (h) mentioned above) and a second revision (A/C.2/L.553/Rev.2) reflecting these changes and other oral suggestions which had been made was introduced at the 756th meeting. The second revision incorporated the following changes:

(a) In operative paragraph 4, the words "central substantive and co-ordinating functions" were replaced by the words "central policy guidance and co-ordinating functions";

(b) In operative paragraph 5, the words "if necessary" were changed to read "when necessary";

(c) In operative paragraph 7, the words "further to develop co-operative arrangements with the regional economic commissions to the extent required by the decentralization of United Nations economic and social activities" were replaced by the words ", and the executive secretaries of the regional economic commissions to further adjust co-operative arrangements to the extent required by decentralization";

(d) A new operative paragraph 8 was added reading as follows:

"Requests the regional economic commissions to develop further close co-operation among themselves in their substantive and operational activities."

74. The Ukrainian Soviet Socialist Republic thereupon withdrew its amendment (A/C.2/L.580).

75. At the 757th meeting, the sponsors made the following changes in their draft resolution (A/C.2/L.553/Rev.2):

(a) The last part of operative paragraph 4 beginning with the words "without thereby impairing, in any way, the central policy guidance and co-ordinating functions" were changed first to read: "without thereby impairing, in any way, the central substantive policy guidance and co-ordinating functions" and then to "without unduly impairing the central substantive functions, including policy guidance and co-ordination, ...";

(b) The words "to implement" in operative paragraph 5 were replaced by the words "towards implementing";

(c) The following clause was added at the end of operative paragraph 8: "and to report to the Economic and Social Council on the progress achieved in their annual reports."

76. Sweden and the United Kingdom of Great Britain and Northern Ireland submitted amendments (A/C.2/L.581) to the second revision of the draft resolution as follows:

(a) In operative paragraph 4, the word "regional" would be inserted between the words "including" and "technical";

(b) Also in operative paragraph 4, the words ", where appropriate," would be inserted after the words "substantive and";

(c) In operative paragraph 5, the phrase beginning with the words "taking into account" would be replaced by the phrase "taking fully into account the Secretary-General's comments on the recommendations made by the Committee of Experts in part V of document A/4776".

77. Japan proposed (A/C.2/L.582) that the words "the Economic and Social Council at its thirty-fourth session and to" be inserted after the words "to report to" in operative paragraph 6.



78. At the 758th meeting, the sponsors accepted the first amendment of Ethiopia and Sudan (A/C.2/L.579) with the exception of sub-paragraph (ii), but inserted the new text as operative paragraph 6 instead of operative paragraph 1, and also accepted the amendment by Japan (A/C.2/L.582). The sponsors also accepted an oral suggestion by the representative of Japan to insert the words "or to be taken" after the words "measures taken" in operative paragraph 6 (re-numbered 7, after insertion of the new operative paragraph 6 described above).

79. In addition, the sponsors replaced the words "without thereby unduly impairing" (which had originally read "without impairing, in any way") by the words "while maintaining".

80. Sweden and the United Kingdom thereupon withdrew their amendments (A/C.2/L.581) and Ethiopia and the Sudan withdrew their remaining amendments (the second part of their first amendment and their seventh amendment (A/C.2/L.579)).

81. The Committee then voted at its 758th meeting on the revised draft resolution (A/C.2/L.553/Rev.2) as further modified orally by its sponsors.

(a) Operative paragraph 4, on which a separate vote had been requested by France and a roll-call vote had been requested by Ghana, was approved by 84 votes to none, with 2 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Canada, Ceylon, Chile, China, Colombia, Congo (Leopoldville), Costa Rica, Cuba, Cyprus, Czechoslovakia, Denmark, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, Ghana, Guatemala, Guinea, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Japan, Jordan, Lebanon, Liberia, Libya, Madagascar, Mali, Mexico, Mongolia, Nepal, Netherlands, New Zealand, Niger, Nigeria, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Romania, Saudi Arabia, Senegal, Sierra Leone, Somalia, South Africa, Spain, Sudan, Sweden, Syria, Thailand, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist

Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Venezuela, Yemen, Yugoslavia.

Abstaining: France, Greece.

(b) The joint draft resolution as a whole, as revised, was approved by a roll-call vote (requested by Ghana) of 86 votes to none, with no abstentions.

The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Canada, Ceylon, Chile, China, Colombia, Congo (Leopoldville), Costa Rica, Cuba, Cyprus, Czechoslovakia, Denmark, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Finland, France, Ghana, Greece, Guatemala, Guinea, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Japan, Jordan, Lebanon, Liberia, Libya, Madagascar, Mali, Mexico, Mongolia, Nepal, Netherlands, New Zealand, Niger, Nigeria, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Romania, Saudi Arabia, Senegal, Sierra Leone, Somalia, South Africa, Spain, Sudan, Sweden, Syria, Thailand, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Venezuela, Yemen, Yugoslavia.

82. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution IV as set forth in the annex to the present report.

V

83. The draft resolution submitted by Brazil, Colombia, Denmark, Ethiopia, Greece, Iran, Philippines, Senegal and United States of America (A/C.2/L.554) read as follows:

"United Nations Development Decade (I)"<sup>10/</sup>

"The General Assembly,

"Bearing in mind the solemn undertaking embodied in the Charter to employ international machinery for the promotion of the economic and social development of all peoples,

"Recognizing that during the decade of the fifties unprecedented efforts to advance economic progress in the less developed countries were made by both the newly developing and the more developed countries,

"Noting, however, that in spite of the efforts made in recent years the rate of economic and social progress in the developing countries is still far from adequate,

"Convinced of the need for a concerted action to demonstrate the determination of Member States to give added impetus to international economic co-operation in this decade,

"1. Designates the current decade as the United Nations Development Decade in order to mobilize and to sustain support for the measures required on the part of both developed and developing countries to accelerate economic and social progress;

"2. Calls upon States Members of the United Nations and of the specialized agencies to pursue policies designed to enable the less developed countries and those dependent on the export of a small range of primary commodities to sell more of their products at stable and remunerative prices in expanding markets, and so increasingly to finance their own economic development from their earnings of foreign exchange;

"3. Requests the Secretary-General in consultation, as appropriate, with the heads of international agencies with responsibilities in the financial, economic and social fields, the Managing Director of the Special Fund, the Executive Chairman of the Technical Assistance Board and the regional economic commissions, to develop a co-ordinated plan of action for the United Nations system of organizations with particular reference to:

"(a) The achievement and acceleration of sound industrial development in the less developed countries through appropriate measures, including the strengthening of the Industrial Development Centre;

<sup>10/</sup> A joint draft resolution entitled "United Nations Development Decade (II)" will be found in document A/C.2/L.555.

"(b) Measures for assisting the developing countries to establish well-conceived and integrated country plans which will serve to mobilize internal resources for progress towards self-sustained growth;

"(c) Measures to improve the structure and use of international institutions and instrumentalities for furthering economic and social development;

"(d) The intensification of research and demonstration and other efforts to exploit scientific and technological potentialities of high promise for accelerating economic and social development;

"(e) The importance of the collection, collation, analysis and dissemination of statistical and other information required for charting economic and social development and for providing constant measurement of progress towards objectives of the United Nations Development Decade;

"(f) The ways in which the United Nations can stimulate and support realization of the objectives of the United Nations Development Decade through the combined efforts of national and international institutions, public and private;

"4. Further requests the Secretary-General to present his recommendations for a programme to the Economic and Social Council at its thirty-third session for its consideration and appropriate action;

"5. Invites the Economic and Social Council to transmit the Secretary-General's recommendations, together with its views and its report on actions undertaken thereon, to the General Assembly at its seventeenth session."

84. The Committee considered this draft resolution at its 759th to 767th meetings.

85. At the 759th meeting, the representative of the United States introduced the draft resolution, the Federation of Malaya, Madagascar, Pakistan, Thailand, Turkey and Uruguay having joined the original sponsors (A/C.2/L.554 and Add.1-3).

86. At the 760th meeting, Czechoslovakia submitted the following amendments (A/C.2/L.586):

(a) The following words would be added at the end of operative paragraph 2:  
", supporting actively, at the same time, their efforts to achieve balanced diversification in national economic structures, which will make them increasingly free from dependence on the export of a limited number of primary products and the importation of capital goods;"

(b) The words "and to utilize available foreign resources" would be inserted after the word "resources" in operative paragraph 3 (b).

87. Iraq, Jordan, Libya, Syria and Yemen submitted the following amendments (A/C.2/L.587):

(a) The clause "and also to enable them to secure an increased share of the profit resulting from the exploitation and marketing of their natural resources by foreign capital which match a generally accepted reasonable earning on invested capital" would be inserted in operative paragraph 2 after the words "remunerative prices in expanding markets";

(b) The following words would be added at the end of operative paragraph 3 (b):

"with a special emphasis on the implementation of agrarian reforms and the elimination of the feudal and out-of-date systems of land tenures and methods of agricultural production in the less developed countries as an important prerequisite for an increase in their agricultural output and the acceleration of their economic and social progress;"

(c) The following text would be added as a new sub-paragraph (c) of operative paragraph 3 and the following sub-paragraphs renumbered accordingly:

"Measures to accelerate the elimination of illiteracy and to eradicate diseases seriously affecting the productivity of the people of the less developed countries;"

88. At the 761st meeting Czechoslovakia withdrew the first of its amendments in document A/C.2/L.586.

89. A memorandum on "Measures to promote the speediest possible liquidation of the economic consequences of colonialism and the creation of conditions for the rapid growth of the national economies of the less developed countries" (A/C.2/L.590) was circulated at the 762nd meeting at the request of the representative of the Union of Soviet Socialist Republics.

90. At the 762nd meeting, the Ukrainian Soviet Socialist Republic submitted the following amendments (A/C.2/L.588):

(a) The following words would be inserted in operative paragraph 3 after the words "Requests the Secretary-General":

"to circulate to the Governments of Member States all material relating to the examination of this resolution; to solicit their proposals concerning the contents of an agreed plan of United Nations action in connexion with the Development Decade; and, taking into account the Governments' replies, with the assistance of a group of experts established in accordance with the principle of equitable geographical representation, and";

(b) In operative paragraph 4 the words "thirty-third" would be replaced by the words "thirty-fourth".

91. Poland submitted the following amendments (A/C.2/L.589):

(a) The following words should be added at the end of the third preambular paragraph:

"and that the gap in levels of economic development and in per capita incomes between the under-developed and the industrially developed countries is continuing to widen,";

(b) The following new sub-paragraph would be inserted in operative paragraph 3 between sub-paragraphs (b) and (c):

"The study of the possibility of utilizing for the economic development needs of the under-developed countries part of such funds as may be released through universal and complete disarmament,";

(c) The following new paragraph would be inserted between operative paragraphs 3 and 4:

"Invites the Economic and Social Council to expedite the examination of and the adoption of a decision on the draft Declaration on the principles of international economic co-operation, the adoption of which should foster the improvement of world economic relations and stimulate international co-operation in the interests of the developing countries;".

92. Mauritania proposed (A/C.2/L.591) to add the following text as a new operative paragraph 4, renumbering the subsequent paragraphs accordingly:

"Requests the Secretary-General, after consultation with Member States, to outline those areas wherein these measures can effectively be implemented within the economic plans of the respective States;".

93. Panama submitted the following amendments (A/C.2/L.592):

(a) Operative paragraph 3 (c) would be replaced by the following text:

"The advisability of inviting international institutes and bodies to expedite the arrangements or procedures for the employment and utilization of the services which these institutions and bodies are able to provide in order to further the economic and social development of the developing countries;"

(b) The following additional sub-paragraphs would be added at the end of operative paragraph 3:

"(g) The need to adopt new measures, and to improve existing measures, for promoting general education and vocational and technical training in the developing countries even further, with the co-operation of the specialized agencies which provide assistance in these fields, and for training competent national personnel in the field of public administration;

"(h) The desirability of adopting more effective measures for increasing the flow of private investment capital for the economic development of the developing countries, on terms that are satisfactory both to the capital-importing and to the capital-exporting countries;" (A/C.2/L.595).

94. At the 763rd meeting, the Committee received a revision of the fifteen-Power draft resolution (A/C.2/L.554/Rev.1) which contained the following changes:

(a) The first preambular paragraph was revised to read as follows:

"Bearing in mind the solemn undertaking embodied in the Charter to promote social progress and better standards of life in larger freedom and to employ international machinery for the advancement of the economic and social development of all peoples,";

(b) The following new paragraph was inserted between the third and fourth preambular paragraphs:

"Recalling its resolutions 1515, 1516 and 1526 of the fifteenth session,";

(c) The latter part of operative paragraph 2, beginning with the words "to pursue policies designed to enable ..." became sub-paragraph 2 (a) and the following text was added as operative paragraph 2 (b):

"To adopt or continue to pursue policies that will lead to an increase in the flow of development capital to developing countries;"

(d) In the introductory part of operative paragraph 3, the words "a co-ordinated plan of action for" were replaced by the words "proposals for the intensification of action in the fields of economic and social development by";

(e) Operative paragraph 3, sub-paragraphs (a) and (b) were redrafted to read as follows:

"(a) The achievement and acceleration of sound economic development in the less developed countries through industrialization and diversification;

"(b) Measures for assisting the developing countries at their request to establish well-conceived and integrated country plans, including - where appropriate - land reform, which will serve to mobilize internal resources and to utilize resources offered by foreign sources for progress towards self-sustained growth;"

(f) The words "structure and" were deleted from operative paragraph 3 (c);

(g) The following new sub-paragraph was inserted between operative paragraphs 3 (c) and 3 (d):

"(d) Measures to accelerate the elimination of illiteracy, alleviate hunger and eradicate diseases seriously affecting the productivity of the people of the less developed countries;"

(h) The words "the importance of" at the beginning of operative paragraph 3 (e) (now 3 (f)) were replaced by the words "the need to review facilities for";

(i) The following new paragraph was inserted between operative paragraphs 3 and 4:

"Invites the Economic and Social Council to accelerate its examination of principles of international economic co-operation;"

(j) In operative paragraph 4 (now 5) the words "his recommendations for a programme" were replaced by the words "his proposals for such a programme";

(k) In operative paragraph 5 (now 6) the words "to States Members of the United Nations and specialized agencies and" were inserted after the words "its report on actions undertaken thereon".

95. Afghanistan became a co-sponsor of the revised draft resolution (A/C.2/L.554/Rev.1).

96. The Union of Soviet Socialist Republics submitted the following amendments (A/C.2/L.593, L.594 and L.595):

(a) The title of the draft resolution would be changed to read "United Nations Decade of Development and of Elimination of the Economic and Social Consequences of Colonialism" and this expanded title would be inserted throughout the draft resolution wherever the existing title "United Nations Development Decade" occurred (A/C.2/L.593);

(b) The following two paragraphs would be inserted after operative paragraph 1:

"2. Proclaims that the principal aims of the Decade are:

"(1) To foster the achievement by the under-development countries of such rates of economic development as will enable them to close the wide gap between the levels of development of their economies and the economies of the industrially developed countries and between the levels of per caput national income in the under-developed and the industrialized countries of the world;

/...



"(2) To achieve the economic independence of the under-developed countries and the elimination of the economic consequences of colonialism;

"(3) To liquidate the single-commodity character of the economy of the under-developed countries, to diversify that economy and to create a national industry and a highly-productive agriculture in those countries;

"(4) To secure self-sustaining economic growth in the under-developed countries by ensuring stable markets for the sale of their commodities and by increasing their export earnings on the basis of just and stable prices;

"(5) To create national cadres of specialists - engineers, doctors, teachers, agronomists, administrators, etc. - and to eliminate mass illiteracy;" (A/C.2/L.594)

"3. Decides that, whereas the realization of the objectives of the Decade of Development and of Elimination of the Economic and Social Consequences of Colonialism require vast resources amounting to many thousands of millions of dollars, the principal sources for financing the Decade (other than assistance furnished by industrially developed countries bilaterally and through the United Nations) should be:

"(1) The domestic savings of the under-developed countries, obtained, in particular, through the elimination of unequal exchanges in trade between industrialized and less developed countries, enabling the latter to receive substantial additional funds for financing their economic development;

"(2) The return by the former colonial Powers to the liberated nations of a part of the wealth removed from countries in question during the period of colonial rule, through the assumption by those Powers of a larger financial share in the development of the under-developed countries by granting long-term, low-interest or interest-free loans to the Governments of those countries and also by substantially increasing their contributions to the United Nations technical assistance programmes;" (A/C.2/L.595).

97. The representative of Czechoslovakia withdrew the second amendment in document A/C.2/L.586 and the representative of Iraq on behalf of the sponsors of amendments in document A/C.2/L.587 withdrew the second and third amendments, while maintaining the first amendment.

98. Ghana, Indonesia, Iraq, Liberia, Libya, Mali, Mauritania, Niger, Nigeria, Sierra Leone, Somalia, Sudan, Sweden, Syria, Tunisia, United Arab Republic, Upper Volta and Yemen, submitted the following amendments (A/C.2/L.596 and Add.1 and 2):

(a) The following text would be inserted between the first and second preambular paragraphs:

"Recognizing that the economic and social development of the economically less developed countries is basic to the attainment of international political stability and to a faster and mutually beneficial increase in world prosperity,";

(b) The following clause would be added at the end of operative paragraph 1:

"so as to attain in all under-developed countries to the extent consistent with the plans of individual countries, the target of a minimum annual rate of growth of aggregate net national income of 5 per cent at the end of the decade;";

(c) The phrase ", in the pursuit of the objective defined in paragraph 1 above" would be inserted in the introductory part of operative paragraph 3 after the words "United Nations system of organizations".

99. At the 764th meeting, the Committee received a second revision of the sixteen-Power draft resolution (A/C.2/L.554/Rev.2) in which the following additional changes were introduced:

(a) The words "the gap in per capita incomes has increased and" were inserted in the third preambular paragraph after the words "in spite of the efforts made in recent years";

(b) The words "to accelerate economic and social progress" at the end of operative paragraph 1 were replaced by the following text:

"to accelerate self-sustaining economic and social progress and to foster the achievement by the under-developed countries of such increasing rates of economic development as will enable them to reduce the gap between the levels of development and per capita incomes of their economies and the economies of the industrially developed countries;";

(c) The following words were added at the end of operative paragraph 2 (b):

"on terms that are satisfactory both to the capital-importing and capital-exporting countries";

(d) Operative paragraph 3 (a) was redrafted to read as follows:

"(a) The achievement and acceleration of sound self-sustaining economic development in the less developed countries through industrialization, diversification and the development of a highly productive agricultural sector;";

(e) The following new sub-paragraph (e) was inserted in operative paragraph (3):

"(e) The need to adopt new measures, and to improve existing measures, for promoting general education and vocational and technical training in the developing countries further, with the co-operation of the specialized agencies which provide assistance in these fields, and for training competent national personnel in the field of public administration;"

(f) The following new sub-paragraph was inserted after operative paragraph 3 (e) (now 3 (f)):

"Proposals for ways and means of finding and furthering effective solutions in the field of trade;"

(g) The following new sub-paragraph was inserted between operative paragraph 3 (f) (now 3 (h)):

"The utilization of resources released by disarmament for the purpose of economic and social development, in particular of the under-developed countries;"

(h) The following new paragraph was inserted after operative paragraph 3:

"4. Requests the Secretary-General to consult Member States, at their request, with respect to the application of such measures in their respective development plans;"

(i) The words "and the decision on" were inserted in operative paragraph 4 (now 5) after the words "to accelerate its examination of".

100. At the 765th meeting, the following amendments were withdrawn:

(a) The amendments by Poland (A/C.2/L.589), except the last part of the third amendment which read: "the adoption of which should foster the improvement of world economic relations and stimulate international co-operation in the interests of the developing countries" (A/C.2/L.589/Rev.1);

(b) The amendment by Mauritania (A/C.2/L.591);

(c) The amendments by Panama (A/C.2/L.592).

101. The sponsors of the amendment contained in document A/C.2/L.587 were joined by Cameroun, Ghana, Indonesia, Lebanon, Liberia, Mali, Mauritania, Morocco, the Niger, Nigeria, Saudi Arabia, the Sudan, Togo, Tunisia and the United Arab Republic, and resubmitted the amendment which they had maintained (A/C.2/L.587/Rev.1), the only change being a consequential one, i.e. it now referred to operative paragraph 2 (a) of the revised text of the draft resolution (A/C.2/L.554/Rev.2).

102. The Ukrainian Soviet Socialist Republics resubmitted (A/C.2/L.588/Rev.1) its amendment, the only change being to substitute the phrase "to request them to transmit by April 1962 their proposals" for the words "to solicit their proposals".

103. Japan proposed (A/C.2/L.597) that the words "in manufactures as well as in primary commodities" be added at the end of operative paragraph 3 (g).

104. Bulgaria submitted the following amendments (A/C.2/L.598):

(a) The following new paragraph would be inserted between the third and fourth preambular paragraphs:

"Recognizing further that economic independence is an essential condition for the consolidation of political independence and for the rapid and harmonious development of the under-developed countries,";

(b) The words "the efforts of all Governments to give" would be inserted in operative paragraph 1 after the words "in order to mobilize";

(c) The following new paragraph would be inserted between operative paragraphs 1 and 2:

"Reaffirms its resolution 1421 (XIV) and 1519 (XV) on strengthening and development of the world market and improvement of the trade conditions of the less developed countries and calls on States to develop their trade relations on the basis of the principles of equality, mutual benefit and non-interference in the domestic affairs of countries and to eliminate discriminatory restrictions in international trade and to take immediate practical measures for the application of these principles;".

105. At the 766th meeting, the sponsors submitted a third revision of the sixteen-Power draft resolution (A/C.2/L.554/Rev.3) which contained the following additional changes:

(a) The words "A programme for international co-operation" were added to the title;

(b) The following paragraph was inserted between the first and second preambular paragraphs:

"Considering that the economic and social development of the economically less developed countries is basic to the attainment of international peace and security and to a faster and mutually beneficial increase in world prosperity,";

(c) General Assembly resolution 1519 (XV) was included among the resolutions mentioned in the fourth (now fifth) preambular paragraph;

(d) The last part of operative paragraph 1 after the words "self-sustaining economic and social progress" was redrafted to read as follows:

"so as to attain in each under-developed country a substantial increase in the rate of growth with each country setting its own target, taking as the objective a minimum annual rate of growth of aggregate national income of 5 per cent at the end of the decade;"

(e) The words "and domestic savings" were added at the end of operative paragraph 2 (a);

(f) The words "on terms that are satisfactory both to the capital-importing and capital-exporting countries" in operative paragraph 2 (b) were replaced by the words "on mutually acceptable terms";

(g) The following additional sub-paragraph was added to operative paragraph 2:

"(c) To adopt more effective measures for increasing the flow of private investment capital for the economic development of the developing countries, on terms that are satisfactory both to the capital-exporting countries and the capital-importing countries and which will enable the developing countries to secure an increased profit resulting from the extraction and marketing of their natural resources on a basis which corresponds to a generally accepted reasonable earning on invested capital;"

(h) The following new paragraph was inserted after operative paragraph 2:

"3. Requests the Secretary-General to communicate to the Governments of Member States all documentation useful for the study and application of this resolution and to invite them to make proposals, if possible, concerning the contents of a United Nations Programme for the Development Decade and the application of such measures in their respective plans;"

(i) The words "requests the Secretary-General" at the beginning of operative paragraph 3 (now 4) were replaced by the words "Further requests the Secretary-General, taking account of the views of Governments, and";

(j) The words "with particular reference to" at the end of the introductory part of operative paragraph 3 (now 4) were replaced by the words "with particular reference, inter alia, to the following approaches and measures, designed to further the objectives of paragraph 1 above;"

(k) The words "general education" in operative paragraph 3 (e) (now 4 (e)) were replaced by the words "education in general";

(1) Operative paragraph 3 (g) (now 4 (g)) was redrafted to read as follows:

"(g) Ways and means of finding and furthering effective solutions in the field of trade in manufactures as well as in primary commodities;"

106. The sponsors of the amendments in document A/C.2/L.596 and Add.1 and 2 withdrew their amendments and the representative of Japan withdrew his amendment in document A/C.2/L.597.

107. The representative of the Union of Soviet Socialist Republics withdrew the following parts of his amendment contained in document A/C.2/L.594:

sub-paragraph (1), the second part of sub-paragraph (3), i.e. the words "to diversify that economy and to create a national industry and a highly-productive agriculture in those countries", and sub-paragraph (4).

108. At the 765th meeting, the Committee received a fourth revision of the sixteen-Power draft resolution (A/C.2/L.554/Rev.4) in which the sponsors had introduced the following additional changes:

(a) The second part of the title was changed to read "A programme for international economic co-operation";

(b) The words "is basic to" in the second preambular paragraph were replaced by the words "is not only of primary importance to these countries but is also basic to";

(c) The word "unprecedented" in the third preambular paragraph was replaced by the word "considerable";

(d) The words "between the economically developed and the less developed countries" were inserted in the fourth preambular paragraph after the words "in per capita incomes";

(e) General Assembly resolution 1421 (XIV) was included among those referred to in the fifth preambular paragraph;

(f) The words "through the United Nations system, and on a bilateral or multilateral basis," were added at the end of the sixth preambular paragraph;

(g) The words "to accelerate self-sustaining economic and social progress" in operative paragraph 1 were replaced by the words "to accelerate progress towards self-sustaining growth of the economy of the individual nations and their social advancement";

(h) The words "development capital" in operative paragraph 2 (b) were replaced by the words "development resources, public and private";

(i) Operative paragraph 2 (c) was redrafted to read as follows:

"(c) To adopt measures which will stimulate the flow of private investment capital for the economic development of the developing countries, on terms that are satisfactory both to the capital-exporting countries and the capital-importing countries;"

(j) The words "all documentation" in operative paragraph 3 were changed to read "any documentation";

(k) The words "on both a bilateral and a multilateral basis" were inserted in operative paragraph 4 (b) following the words "to utilize resources offered by foreign sources";

(l) Operative paragraphs 4 (d) and 4 (e) were revised to read as follows:

"(d) Measures to accelerate the elimination of illiteracy, hunger and disease which seriously affect the productivity of the people of the less developed countries;

"(e) The need to adopt new measures, and to improve existing measures, for promoting education in general and vocational and technical training in the developing countries further, with the co-operation, where appropriate, of the specialized agencies and States which can provide assistance in these fields, and for training competent national personnel in the fields of public administration, education, engineering, health and agronomy;"

(m) The words "bearing in mind, in particular, the need to increase the foreign exchange earnings of the under-developed countries" were added at the end of operative paragraph 4 (g);

(n) The words "directed towards the improvement of world economic relations and stimulation of international co-operation" were added at the end of operative paragraph 6;

(o) The words "thirty-third session" in operative paragraph 7 were replaced by the words "thirty-fourth session".

109. The following oral changes were then made by the sponsors to the sixteen-Power draft resolution (A/C.2/L.554/Rev.4):

(a) A reference to General Assembly resolution 1514 (XV) was inserted in the fifth preambular paragraph;

(b) The following new sub-paragraph was inserted after sub-paragraph (a) of operative paragraph 2:

"To pursue policies designed to ensure to the developing countries an equitable share of earnings from the extraction and marketing of their natural resources by foreign capital in accordance with the generally accepted reasonable earnings on invested capital;".

110. In the light of these changes, the representatives of Iraq (on behalf of the sponsors), the Ukrainian Soviet Socialist Republic, Poland, the Union of Soviet Socialist Republics and Bulgaria withdrew their amendments (A/C.2/L.587/Rev.1, L.588/Rev.1, L.589/Rev.1, L.593, 594 and 595, and L.598, respectively).

111. The Committee then unanimously approved the revised sixteen-Power draft resolution (A/C.2/L.554/Rev.4), as further revised by the sponsors.

112. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution V as set forth in the annex to the present report.



VI

113. The draft resolution submitted by Afghanistan, Burma, Ceylon, Ghana, India, Indonesia, Iraq, Nepal, Nigeria, Sudan, United Arab Republic and Yugoslavia (A/C.2/L.558) and by Cambodia, Libya, Mauritania, Pakistan, Togo and Yemen (A/C.2/L.558/Add.1-5) read as follows:

"Renewed appeal to the economically advanced countries to increase the net flow of capital and technical assistance to the less developed countries so as to reach 1 per cent of their combined national incomes"

"The General Assembly,

"Bearing in mind the responsibilities assumed by the Members of the United Nations under the Charter for international economic and social co-operation for promoting higher standards of living and solutions of international economic problems,

"Recognizing that the greatest of present-day economic and social problems is the very low standard of living of the less developed countries,

"Concerned that the gap between the standards of living of the great majority of the people of the world who inhabit the less developed countries and those of the economically advanced countries is ever widening because of the disparity in their rates of economic growth,

"Recalling resolution 1522 (XV) on accelerated flow of capital and technical assistance to the developing countries, in which the Assembly recognized the urgency of the problem for the promotion of world peace and security and the promotion of better understanding among nations, and expressed the hope that the flow of international assistance and developmental capital should be increased substantially so as to reach as soon as possible approximately 1 per cent of the combined national incomes of the economically advanced countries,

"1. Notes with appreciation the information given in the report of the Secretary-General (A/4906) on international flow of long-term capital and official donations 1951-1959;

"2. Expresses concern that the net flow of capital to the less developed countries in the years 1951-1959 has been substantially less than 1 per cent of the combined national incomes of the economically advanced countries;

"3. Renews the appeal to the economically advanced countries to increase the flow of net capital and technical assistance yearly to at least 1 per cent of their combined national incomes, considering that such transference of capital is the necessary minimum to help the less developed countries in their arduous task of accelerating their economic progress;

"4. Requests the Secretary-General to submit annual reports on the quantum of the flow of net capital and technical assistance yearly from the economically advanced countries to the less developed countries and its relation to the combined national incomes of the economically advanced countries;

"5. Urges the Governments of the States concerned, the specialized agencies and other related organizations to assist the United Nations Secretariat in the preparation of these reports."

114. The Committee considered this draft resolution at its 767th, 768th and 769th meetings.

115. At the 767th meeting, the representative of India, on behalf of the sponsors, introduced the text. In the light of certain oral suggestions made to them during the course of the 768th and 769th meetings, the sponsors submitted a revised text of the draft resolution in which they had introduced the following changes:

(a) The title was changed to read as follows:

"Reaffirmation of General Assembly resolution 1522 (XV) on the accelerated flow of capital and technical assistance to the developing countries";

(b) The words "disparity in their rates of economic growth" in the third preambular paragraph were replaced by the words "inadequate rate of economic growth of the less developed countries";

(c) The following paragraphs were inserted between the third and fourth preambular paragraphs:

"4. Recognizing further that the primary responsibility for the economic development of the less developed countries, whether through the creation of appropriate social and economic conditions or the generation of internal capital, is and must remain theirs,

"5. Realizing that speedy progress towards advancement of the less developed countries is possible only through concerted co-operative effort of the international community,";

(d) Operative paragraphs 1 and 2 became the seventh and eighth preambular paragraphs, the former now beginning with the words "Noting with appreciation" and the latter with the words "Noting further"; the word "substantially" was also deleted from operative paragraph 2 (now the eighth preambular paragraph);

(e) Operative paragraph 3 (now paragraph 1) was revised to read as follows:

"1. Expresses again the hope that the annual flow of international assistance and capital, in accordance with operative paragraph 2 of resolution 1522 (XV) of the General Assembly, should be increased substantially so as to reach as soon as possible approximately 1 per cent of the combined national incomes of the economically advanced countries;"

(f) The words "the United Nations Secretariat" in operative paragraph 5 (now paragraph 3) were changed to read "the Secretary-General".

116. At the 770th meeting, the representative of India introduced the revised text, and the Congo (Leopoldville) joined the sponsors.

117. The sponsors then accepted the following additional changes in the text:

(a) The words "which shows a progressive increase during the period" were added at the end of the seventh preambular paragraph;

(b) Operative paragraph 2 was revised to read as follows:

"Requests the Secretary-General to submit information so far as possible on both gross and net flows of international assistance and capital in the course of making the annual reports called for in paragraph 4 of resolution 1522 (XV) concerning progress made towards the objectives of that resolution."

118. The Committee then voted on the revised draft resolution (A/C.2/L.558/Rev.1) as further revised orally by the sponsors as follows:

(a) Operative paragraph 1, on which a separate vote was requested by Czechoslovakia, was retained by 65 votes to none, with 14 abstentions;

(b) The draft resolution as a whole was approved by 71 votes to none, with 8 abstentions.

119. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution VI as set forth in the annex to the present report.

VII

120. The draft resolution by Poland (A/C.2/L.563) read as follows:

"Activities of the United Nations in the field of industrial development

"The General Assembly,

"Recalling its resolutions 1431 (XIV) of 5 December 1959 and 1525 (XV) of 15 December 1960, as well as Economic and Social Council resolutions 751 (XXIX) of 12 April 1959, 817 (XXXI) of 28 April 1961 and 839 (XXXII) of 3 August 1961,

"Recalling in particular provision of resolution 751 (XXIX) to the effect that 'The Committee shall exercise its functions without prejudice to the activities of the regional economic commissions',

"Noting with satisfaction the inauguration of the work of the Committee for Industrial Development and the results of its first session,

"Bearing in mind the organizational decisions of the Committee for Industrial Development relating to the establishment of the Industrial Development Centre and of the inter-sessional working group,

"Expressing the hope that the Industrial Development Centre will not only collect and disseminate information but will also be an effective instrument for assisting the economically less developed countries in the field of industrialization by means of imparting to them the latest achievements of science and technology and of the planning of national industrial development programmes,

"Taking into consideration the substantial and constantly increasing interest of the economically less developed countries in accelerating their own industrial development as the main way of diversifying their national economies generally, and thereby raising the per capita income of their populations,

"1. Commends the Committee for Industrial Development for the constructive report on its first session;

"2. Requests the Committee for Industrial Development to exert every effort with a view to enabling the Industrial Development Centre to commence its work without delay, one of its objectives being to set up as soon as possible working contacts, normally acting through regional economic commissions, with national bodies and research organizations in charge of the problems of industrialization in all countries, regardless of their stage of development;

"3. Recommends that the Industrial Development Centre should co-ordinate its activities with the activities of the regional economic commissions in the industrial field in order to avoid duplication of work and not to impede existing activities;

"4. Recommends that the Committee for Industrial Development should devote particular attention to the question of financing industrial development, paying special consideration to utilizing internal resources of formation of capital, while taking into account the past and present experience of the highly industrialized and developing countries;

"5. Further recommends that the Committee for Industrial Development should undertake studies of the flow of assistance in the field of industrial development of the economically less developed countries rendered under the Expanded Programme of Technical Assistance, the Special Fund, the Regular Programmes, and from other United Nations sources, and submit recommendations with the view of expanding United Nations operations in this respect."

121. Before the resolution was considered by the Committee, the sponsor submitted a revised text which contained the following changes:

(a) The words "the latest achievements of science and technology and of the planning of national industrial development programmes," in the fifth preambular paragraph were changed to read "the latest achievements of science, technology and of the planning of national industrial development programmes," and

(b) The words "and the specialized agencies" should be inserted after the words "the regional economic commissions" in operative paragraph 3.

122. The representative of Poland introduced the draft resolution (A/C.2/L.563/Rev.1) at the 769th meeting, and the Committee considered the draft resolution at the 769th and at the 771st-774th meetings.

123. The Committee also had before it the following amendments submitted by Argentina, Brazil, Cameroun, Iran, Mauritania, Pakistan and Venezuela (A/C.2/L.600 and Add.1):

(a) The following new paragraph would become the first preambular paragraph:

"Bearing in mind the provisions of Article 55 of the Charter which lays upon the United Nations the responsibility for promoting higher standards of living, full employment, and conditions of economic and social progress and development,";

(b) The following paragraphs would be added at the end of the preamble:

"Considering that the less developed countries need the greatest possible assistance and international co-operation in the solution of technical, financial, economic and commercial problems connected with the process of industrial development,

"Considering further that urgent measures to arrange for international co-operation and assistance to the less developed countries towards their industrialization, under the aegis of the United Nations, will make a valuable contribution to the achievement of stable political, economic and social conditions in the world.";

(c) The following paragraphs would be inserted as operative paragraphs 6 and 7:

"6. Requests the Committee for Industrial Development to give urgent consideration to the necessity of establishing a specialized agency for industrial development and to make recommendations regarding the structure and scope of such an organization;

"7. Further requests that the report should be submitted to the Economic and Social Council at its thirty-third session, and with the comments of the Council, to the General Assembly at its seventeenth session."

124. At the 771st meeting Poland submitted a revised text of its draft resolution (A/C.2/L.563/Rev.2) which contained the following changes:

(a) The following text was inserted as the first preambular paragraph:

"Bearing in mind the provisions of Article 55 of the Charter which lays upon the United Nations the responsibility for promoting higher standards of living, full employment, and conditions of economic and social progress and development,";

(b) In the fifth preambular paragraph, the words "and of the planning of national industrial development programmes" were replaced by the words "and the planning of industrial development";

(c) The following paragraphs were added at the end of the preamble:

"Considering that the less developed countries need the greatest possible assistance and international co-operation in the solution of technical, financial, economic and commercial problems connected with the process of industrial development,

"Considering further that urgent measures to arrange for international co-operation and assistance to the less developed countries towards their industrialization, under the aegis of the United Nations as well as on a bilateral basis, will make a valuable contribution to the achievement of stable political economic and social conditions in the world,";

(d) The words "with national bodies and research organizations in charge of the problems of industrialization in all countries" in operative paragraph 2 were replaced by the words "with national bodies and both industrial and research organizations in charge of or concerned with industrial problems in all countries,";

(e) Operative paragraph 5 was replaced by the following two paragraphs:

"5. Requests the Secretary-General and the executive heads of the Expanded Programme of Technical Assistance, the Special Fund and the specialized agencies to inform the Committee for Industrial Development on assistance rendered by these bodies to the economically less developed countries in the field of industrial development;

"6. Further requests the Committee for Industrial Development to study, in the light of information submitted in response to paragraph 5 above, the flow of assistance taking place, actually, under these programmes, and to submit to the Economic and Social Council recommendations with a view toward expanding these activities for the benefit of industrialization of these countries."

125. New Zealand submitted a sub-amendment (A/C.2/L.602) to the third amendment of the seven Powers (A/C.2/L.600 and Add.1) whereby, in the proposed new operative paragraph 6:

(a) The following text would follow the words "Requests the Committee for Industrial Development to give urgent":

"attention to the reports it has called for, reviewing the work being done within the United Nations family in the field of industrialization, and concerning the pace of industrial growth in under-developed countries, as well as to the identification of any gaps which may exist in this work, so as to provide a factual background against which the Economic and Social Council will find itself able, should it so wish, to give due";

(b) The words "scope of such an organization" would be replaced by the words "scope of any such organization".

126. France proposed a sub-amendment (A/C.2/L.603) to the third amendment of the seven Powers (A/C.2/L.600 and Add.1) whereby the new operative paragraph 6 would be replaced by the following text:

"6. Requests the Committee for Industrial Development to examine the effectiveness of the existing institutional arrangements and the advisability of establishing new ones, and to make such recommendations as may be necessary with regard to problems of organization, competence and co-ordination;"

127. At the 772nd meeting, Nigeria submitted a sub-amendment (A/C.2/L.605) to the third seven-Power amendment (A/C.2/L.600 and Add.1) whereby the new operative paragraph 6 would be replaced by the following text:

"6. Requests the Economic and Social Council to direct, at its resumed thirty-second session, the Committee for Industrial Development to give further consideration to the expansion of the United Nations activities in the field of industrial development, particularly the advisability of establishing a specialized agency for industrial development and to prepare a special report on this question, including - if need be - recommendations regarding the structure and scope of such an organization."

128. The representatives of Netherlands, Norway and Sweden submitted the following amendments (A/C.2/L.604) to the revised draft resolution (A/C.2/L.563/Rev.2)

- (a) The words "economic and commercial problems" in the eighth preambular paragraph would be replaced by the words "economic, commercial and social problems";
- (b) The following new operative paragraph would be inserted after operative paragraph 4:

"5. Recommends further that the Committee for Industrial Development, with the assistance of the United Nations institutions concerned, should devote particular attention to the social implications of the industrialization process";

- (c) The reference in operative paragraph 6 (now paragraph 7) would be to "paragraph 6" rather than to "paragraph 7".

129. Japan submitted the following amendments (A/C.2/L.606) to the revised draft resolution:

- (a) The fifth preambular paragraph would be replaced by the following text:

"Bearing in mind the recommendation of the Committee for Industrial Development relating to the establishment of the Industrial Development Centre and its decision relating to the establishment of the inter-sessional working group";

- (b) The words "documentation concerning" would be inserted in the sixth preambular paragraph after the words "by means of imparting to them"
- (c) The words "and regional" would be inserted in the ninth preambular paragraph after the words "as well as on a bilateral";
- (d) Operative paragraphs 2, 3 and 4 would be revised to read as follows:



"2. Requests the Economic and Social Council at its resumed thirty-second session to ask its Committee for Industrial Development

(a) To exert every effort with a view to enabling the Industrial Development Centre to commence its work without delay, one of its objectives being to set up as soon as possible working contacts, acting, as appropriate, through regional economic commissions, with national bodies and both industrial and research organizations in charge of or concerned with industrial problems in all Members of the United Nations system, regardless of their stage of development;

(b) To see that the Industrial Development Centre should co-ordinate its activities with the activities of the regional economic commissions, the specialized agencies and the International Atomic Energy Agency in the industrial field in order to avoid duplication of work and not to impede existing activities;

(c) To continue to pay due attention to the question of financing industrial development, paying consideration, inter alia, to utilizing internal resources for formation of capital, while taking into account the past and present experience of the highly industrialized and developing countries;"

130. At the 773rd meeting, Poland submitted a new revision of its draft resolution (A/C.2/L.563/Rev.3) which contained the following further changes:

(a) The words "the organizational decisions" in the fifth preambular paragraph were changed to read "the organizational recommendations" and the words "and of the inter-sessional working group" were changed to "and its decision relating to the establishment of the inter-sessional working group";

(b) The words "documentation concerning" were inserted in the sixth preambular paragraph after the words "by means of imparting to them";

(c) The words "economic and commercial problems" in the eighth preambular paragraph were replaced by the words "economic, commercial and social problems";

(d) Operative paragraphs 2, 3 and 4 were revised to read as follows:

"2. Requests the Economic and Social Council, at its resumed thirty-second session, and the Committee for Industrial Development:

(a) To exert every effort with a view to enabling the Industrial Development Centre to commence its work without delay, one of its objectives being to set up as soon as possible working contacts, in co-operation with the regional economic commissions, with national bodies and both industrial and research organizations in charge of or concerned with industrial problems in all countries, at different stages of their development;

"(b) To ensure that the Industrial Development Centre should co-ordinate its activities with the activities of the regional economic commissions and the specialized agencies and the International Atomic Energy Agency in the industrial field in order to avoid duplication of work and not to impede existing activities;

"(c) To devote particular attention to the question of financing industrial development, paying special consideration to utilizing internal resources for formation of capital, while taking into account the past and present experience of the highly industrialized and developing countries;"

(e) The words "and the International Atomic Energy Agency" were inserted in operative paragraph 3 after the words "the specialized agencies".

131. The seven sponsors of the seven-Power amendments (A/C.2/L.600 and Add.1) withdrew their first two amendments and submitted in their place a new amendment (A/C.2/L.600/Rev.1) whereby the following paragraph would be added at the end of the preamble:

"Bearing in mind the special responsibilities of existing specialized agencies active in this field,";

In addition, they revised their third amendment to read as follows:

"6. Requests the Economic and Social Council to direct, at its resumed thirty-second session, the Committee for Industrial Development to give further consideration to the expansion of the United Nations activities in the field of industrial development, particularly the advisability of establishing a specialized agency for industrial development, and to prepare a special report on this question, including - if need be - recommendations regarding the structure and scope of such an organization;

"7. Further requests that the report should be submitted to the Economic and Social Council at its thirty-third session, and with the comments of the Council, to the General Assembly at its seventeenth session."

132. In the light of these changes, New Zealand revised its sub-amendments (A/C.2/L.602/Rev.1) to the seven-Power revised amendments (A/C.2/L.600/Rev.1), by which in the proposed new paragraph 6 would be modified as follows:

(a) The words "the Economic and Social Council to direct, at its resumed thirty-second session" would be deleted;

(b) The following text would be inserted after the word "give":

"attention to the reports it has called for reviewing the work being done within the United Nations family in the field of industrialization and concerning the pace of industrial growth in under-developed countries, so as to provide a factual background against which the Economic and Social Council will find itself able, should it so wish, to give due";

(c) The words "and to prepare a special report on this question" would be deleted;

(d) The words "scope of such an organization" would be replaced by the words "scope of any such organization".

133. France also revised its sub-amendment (A/C.2/L.603/Rev.1) to propose the insertion of the words "or any other appropriate body" after the words "specialized agencies for industrial development" in the proposed new operative paragraph 6.

134. The representative of Poland revised the last phrase of operative paragraph 2 (a) of his draft resolution (A/C.2/L.563/Rev.3) to read "regardless of their state of development" and added a new operative paragraph 2 (d) reading "to take into account with the assistance of the United Nations institutions concerned, the social implication of the industrialization process".

135. The representative of Pakistan, on behalf of the sponsors, inserted the words "or any other appropriate body" in the second seven-Power amendment (A/C.2/L.600/Rev.1) to follow the words "a specialized agency" and changed the reference in the third seven-Power amendment to refer to the "thirty-fourth" rather than the "thirty-third" session of the Economic and Social Council.

136. The representative of Poland thereupon accepted the seven-Power amendments (A/C.2/L.600/Rev.1) as revised by the sponsors.

137. Italy proposed (A/C.2/L.607) that the words "and all countries" in operative paragraph 2 (a) should be replaced by the words "and States members of the United Nations system".

138. In the light of the changes mentioned above, the three-Power amendments (A/C.2/L.604), the amendments by Japan (A/C.2/L.606), the sub-amendments by France (A/C.2/L.603/Rev.1), and the sub-amendments by Nigeria (A/C.2/L.605) were withdrawn.

139. The Committee approved the amendment by Italy (A/C.2/L.607) by a roll-call vote (requested by Greece) of 43 to 24, with 11 abstentions. The voting was as follows:

In favour: Argentina, Australia, Belgium, Brazil, Canada, Chile, China, Colombia, Cyprus, Denmark, Dominican Republic, Ecuador, Federation of Malaya, Finland, France, Greece, Guatemala, Iceland, Iran, Ireland, Israel, Italy, Japan, Jordan, Liberia, Libya, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Panama, Peru, Philippines, Portugal, Spain, Sweden, Thailand, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay.

Against: Afghanistan, Albania, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, Cuba, Czechoslovakia, Ethiopia, Ghana, Hungary, Indonesia, Iraq, Mali, Mongolia, Nigeria, Poland, Romania, Togo, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Yemen, Yugoslavia.

Abstaining: Austria, India, Lebanon, Morocco, Nepal, Niger, Senegal, Sierra Leone, Sudan, Tunisia, Venezuela.

140. Turning to the sub-amendment of New Zealand (A/C.2/L.602/Rev.1), now an amendment, the Committee voted separately, as proposed by Lebanon, on the words "should it so wish", which it rejected by 44 votes to 20, with 12 abstentions.

141. The amendment of New Zealand, as a whole, was rejected by a roll-call vote (requested by Iraq) of 40 to 19 with 19 abstentions. The voting was as follows:

In favour: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Greece, Iceland, Ireland, Israel, Italy, Netherlands, New Zealand, Norway, Portugal, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Albania, Argentina, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, Colombia, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Ghana, Hungary, Indonesia, Iran, Iraq, Jordan, Lebanon, Libya, Mali, Mongolia, Morocco, Niger, Nigeria, Pakistan, Peru, Poland, Romania, Sierra Leone, Sudan, Togo, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Uruguay, Venezuela, Yemen, Yugoslavia.

Abstaining: Afghanistan, Chile, China, Cyprus, Ethiopia, Federation of Malaya, Guatemala, India, Japan, Liberia, Mexico, Nepal, Nicaragua, Panama, Philippines, Senegal, Spain, Thailand, Tunisia.

142. The Committee then voted on the revised draft resolution of Poland (A/C.2/L.563/Rev.3), as amended, as follows:

(a) Operative paragraph 5 (separate vote requested by the United Kingdom of Great Britain and Northern Ireland and the United States of America, roll-call vote requested by Brazil) was approved by 57 votes to 5, with 16 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Ceylon, China, Colombia, Cuba, Cyprus, Czechoslovakia, Dominican Republic, Ecuador, Ethiopia, Federation of Malaya, Ghana, Guatemala, Hungary, India, Indonesia, Iran, Iraq, Israel, Jordan, Lebanon, Liberia, Libya, Mali, Mexico, Mongolia, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Panama, Peru, Philippines, Poland, Romania, Senegal, Sierra Leone, Spain, Sudan, Thailand, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: Australia, Belgium, New Zealand, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Austria, Canada, Chile, Denmark, Finland, France, Greece, Iceland, Ireland, Italy, Japan, Netherlands, Norway, Portugal, Sweden, Togo.

(b) The draft resolution as a whole, as revised and amended (roll-call vote requested by Argentina) was approved by 74 to none, with 4 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Australia, Austria, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Cambodia, Canada, Ceylon, Chile, China, Colombia, Cuba, Cyprus, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Ethiopia, Federation of Malaya, Finland, France, Ghana, Greece, Guatemala, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Japan, Jordan, Lebanon, Liberia, Libya, Mali, Mexico, Mongolia, Morocco, Nepal, Nicaragua, Niger, Nigeria, Norway, /...

Pakistan, Panama, Peru, Philippines, Poland, Portugal, Romania, Senegal, Sierra Leone, Spain, Sudan, Sweden, Thailand, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United States of America, Uruguay, Venezuela, Yemen, Yugoslavia.

Against: None.

Abstaining: Belgium, Netherlands, New Zealand, United Kingdom of Great Britain and Northern Ireland.

143. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution VII as set forth in the annex to the present report.

VIII

144. The draft resolution submitted by Brazil (A/C.2/L.565) and by Bolivia (A/C.2/L.565/Add.1) read as follows:

The role of patents in the transfer of technology  
to under-developed countries

"The General Assembly,

"Recalling its resolution 1429 (XIV) on the possibilities of a further expansion of international contacts, as well as an increased exchange of knowledge and experience in the field of applied science and technology,

"Taking note of resolution 375 (XIII), of the Economic and Social Council, and of the reports on restrictive business practices prepared by the Secretariat and by the Ad Hoc Committee established by the aforesaid resolution, 11/

"Bearing in mind that access to experience in the field of applied science and technology is essential to accelerate the economic development of under-developed countries and to enlarge the over-all productivity of their economies,

"Observing that, in practice, access to this knowledge and experience is often limited by patents and similar arrangements designed to protect the right of ownership and exploitation of investors of new processes, techniques and products,

"Realizing that the protection of these rights in foreign countries as well as in the country of origin of the patent-holder is an imperative of international justice, and as such is fully recognized by most countries in treaties and international conventions,

"Affirming that it is in the best interest of all countries that the international patent system be applied in such a way as to reconcile the legitimate claims of patent-holders with the needs and requirements of the economic development of under-developed countries,

"Noting that in certain cases patents are requested by non-nationals without any intention of manufacturing locally the patented product or of applying the new technique, thus restricting the field open to local initiative and industry,

"Noting further that the licensing agreements whereby a local firm or group of firms is authorized to utilize the patented invention often contain restrictive provisions, such as (a) restriction on the freedom of the licensee to sell the licensed products in certain areas, (b) a requirement that the licensee purchase raw materials from or components manufactured by the licensor, (c) a requirement that the licensee employ technical personnel employed by the licensor, and (d) restrictions on price and output levels, which prevent optimum use of resources, penalize the consumer and create undue monopolistic pressures in the economy,

"Having in mind that royalties paid for the use of foreign inventions in many cases constitute a heavy burden on the balance of payments of under-developed countries,

"Observing that balance-of-payments difficulties may be aggravated by the importation of patented products priced at artificially high levels established by the producers as a result of their monopolistic position, thus contributing to the worsening of the terms of trade of under-developed countries,

"Noting that in some instances royalties continue to be paid in spite of evidence indicating that the original patents have expired,

"1. Requests the Secretary-General to prepare a report, to be submitted to the Committee for Industrial Development, to the Economic and Social Council, and to the General Assembly at its eighteenth session, containing:

"(a) A survey of patent legislation in selected developed and under-developed countries, with primary emphasis on the treatment given to foreign patents;

"(b) A study of the effects of royalties paid for the use of patents in the balance of payments of under-developed countries;

"(c) A preliminary analysis of the characteristics of the domestic legislation of under-developed countries in the light of economic development objectives;

"(d) An indication of the possibility of revising legislation in accordance with the principles of international law, with a view to permitting the rapid absorption of new products and techniques to accelerate the rate of economic development; and

"(e) A recommendation on the advisability of holding an international conference with the aim of adjusting the existing patent conventions to the needs of developing countries;

"2. Suggests that Member States, especially the under-developed countries, in the granting of patents and in the elaboration or revision of their patent laws, should take into consideration the needs and peculiarities of their economies as well as the rights of the patent-holders, with a view to eliminating the distortions to which the patent system may give rise, to encouraging the productive incorporation of the new products and techniques into the national economy, and to improving its productivity levels, without interfering with the rights of industrial property, as recognized by international law."



145. Before the draft resolution was considered by the Committee, the sponsors submitted a revised text (A/C.2/L.565/Rev.1) in which there were the following changes:

- (a) The fourth preambular paragraph was deleted;
- (b) The words "these rights in foreign countries as well as in the country of origin of the patent-holder" in the fifth (now fourth) preambular paragraph were replaced by the words "the rights of the patent-holders both in their country of origin and in foreign countries";
- (c) The word "patent-holders" in the sixth (now fifth) preambular paragraph was replaced by the word "patentees";
- (d) The last five paragraphs of the preamble were deleted;
- (e) The words "in consultation with appropriate international institutions" were inserted in the introductory part of operative paragraph 1 after the words "Requests the Secretary-General";
- (f) The words "of royalties paid for the use of patents in the balance of payments" in operative paragraph 1 (b) were replaced by the words "of patents on the economy";
- (g) The words "A preliminary analysis of the characteristics of the domestic legislation" in operative paragraph 1 (c) were replaced by the words "An analysis of the characteristics of the patent legislation";
- (h) The words "revising legislation" in operative paragraph 1 (d) were replaced by the words "reviewing such legislation"; and
- (i) The last part of operative paragraph 2 beginning "the patent-holders, with a view to eliminating" was revised to read "the patentees, in order to encourage the productive incorporation of new products and techniques into the national economy, and to improve its productivity levels, without impairing the rights of industrial property, as recognized by international law".

146. The representative of Brazil introduced the draft resolution at the 778th meeting. The Committee considered it at its 778th, 779th, 781st, 786th and 787th meetings.

147. At the 779th meeting, the representative of the Netherlands submitted the following amendments (A/C.2/L.618):

(a) The second preambular paragraph would be deleted;

(b) The words "knowledge and" would be inserted in the third preambular paragraph after the words "access to";

(c) In the fourth preambular paragraph, the words "the rights of the patent-holders" would be replaced by the word "inventors"; the words "an effective stimulant to technical research and therefore" would be inserted after the words "in foreign countries is"; and the words "of international justice" would be replaced by the words "for international and national industrial progress";

(d) The words "and national" would be inserted in the fifth preambular paragraph after the words "that the international";

(e) Operative paragraph 1 (e) would be deleted;

(f) The words "the rights of patentees" would be replaced by the words "the desirability of protection of inventors".

148. The sponsors subsequently submitted a revised text (A/C.2/L.565/Rev.2) of their draft resolution in which they had introduced the following changes:

(a) The following new paragraph was inserted after the second preambular paragraph:

"Bearing in mind The United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas to be convened under resolution 834 (XXXII) of the Economic and Social Council,"

(b) The words "knowledge and" were inserted in the third (now fourth) preambular paragraph after the words "access to";

(c) The latter part of the fourth (now fifth) preambular paragraph "is an imperative of international justice, ..." was replaced by the words "may contribute to technical research and, therefore, to international and national industrial progress";

(d) The latter part of the fifth (now sixth) preambular paragraph beginning with the words "to reconcile the legitimate claim of patentees ..." was revised to read "to take fully into account the special needs and requirements of the economic development of under-developed countries, as well as the legitimate claims of patentees,";

(e) The words "and national" were inserted in operative paragraph 1 after the words "with appropriate international";

(f) Operative paragraph 1 (d) was deleted and the following words were added at the end of operative paragraph 1 (c):

"taking into account the need for the rapid absorption of new products and technology, and the rise in the productivity level of their economies;"

(g) The words "adjusting the existing patent conventions to the needs of developing countries" in operative paragraph 1 (e) were replaced by the words "suggesting, if found appropriate, modifications to the existing patent conventions, keeping in mind the needs of developing countries"; and

(h) Operative paragraph 2 was deleted.

149. The Netherlands submitted a further amendment (A/C.2/L.621) proposing deletion of the words "in consultation with appropriate international institutions" in operative paragraph 1 and the insertion of the words "with the assistance of a group of experts" after the words "to prepare".

150. At the 781st meeting, Denmark submitted an amendment (A/C.2/L.627) whereby the words "and utilizing the existing machinery of the International Union for the Protection of Industrial Property" would be added at the end of operative paragraph 1 (d).

151. At the 786th meeting, the sponsors submitted a third revision (A/C.2/L.565/Rev.3) of their draft resolution in which there were the following additional changes:

(a) The introductory part of operative paragraph 1 was revised as follows:

"1. Requests the Secretary-General, in consultation with appropriate international and national institutions, and with the concurrence of the Governments concerned, to prepare a report, to be submitted to the Committee for Industrial Development, to the Economic and Social Council, and to the General Assembly at its eighteenth session, and taking into consideration any pertinent discussions which might take place in the United Nations Conference on the Application of Science and Technology for the Benefit of Less Developed Areas, containing:"

(b) Operative paragraphs 1 (a) and 1 (b) were reversed;

(c) Operative paragraph 1 (d) was revised to read as follows:

"(d) A recommendation on the advisability of holding an international conference in order to examine the problems regarding the granting, protection and use of patents, taking into consideration the provisions of existing international conventions, and the special needs of developing countries."

152. In the light of these changes, the representative of the Netherlands withdrew his second, third, fourth and sixth amendments in document A/C.2/L.618 and his amendment in document A/C.2/L.621. On the suggestion of the representative of the United States, the sponsors of the draft resolution replaced the words "may contribute" in the fifth preambular paragraph by the words "has contributed".

153. The Chairman drew the Committee's attention to the financial implications of the revised two-Power draft resolution (A/C.2/L.565/Rev.3) which had been submitted by the Secretary-General in document A/C.2/L.565/Rev.2/Add.1.

154. The Committee, at its 786th meeting, voted as follows on the draft resolution and amendments:

The first amendment by the Netherlands (A/C.2/L.618) was rejected by a roll-call vote (requested by Pakistan) of 27 votes to 18, with 19 abstentions. The voting was as follows:

In favour: Australia, Austria, Belgium, Canada, Chile, China, Denmark, Finland, France, Ireland, Italy, Netherlands, New Zealand, Norway, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Albania, Argentina, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Colombia, Cuba, Czechoslovakia, Hungary, Indonesia, Iraq, Jordan, Lebanon, Libya, Mauritania, Mongolia, Nepal, Pakistan, Poland, Romania, Somalia, Togo, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Yugoslavia.

Abstaining: Afghanistan, Central African Republic, Ceylon, Cyprus, Ethiopia, Federation of Malaya, India, Iran, Israel, Japan, Mali, Mexico, Philippines, Saudi Arabia, South Africa, Syria, Turkey, United Arab Republic, Venezuela.

The fifth amendment by the Netherlands (A/C.2/L.618) was rejected by a roll-call vote (requested by Pakistan) of 35 to 17, with 12 abstentions.

The voting was as follows:

In favour: Australia, Austria, Belgium, Canada, China, Denmark, Finland, France, Ireland, Italy, Netherlands, New Zealand, Norway, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Albania, Argentina, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Colombia, Cuba, Czechoslovakia, Ethiopia, Hungary, Indonesia, Iraq, Jordan, Lebanon, Libya, Mali, Mauritania, Mexico, Mongolia, Nepal, Pakistan, Poland, Romania, Saudi Arabia, Somalia, Syria, Togo, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Uruguay, Venezuela, Yugoslavia.

Abstaining: Afghanistan, Central African Republic, Ceylon, Chile, Cyprus, Federation of Malaya, India, Israel, Japan, Philippines, South Africa, Turkey.

The amendment by Denmark (A/C.2/L.627) was adopted by a roll-call vote (requested by Pakistan) of 21 votes to 20, with 25 abstentions. The voting was as follows:

In favour: Australia, Austria, Belgium, Canada, China, Colombia, Denmark, Finland, France, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, South Africa, Spain, Sweden, Turkey, United States of America, Uruguay.

Against: Afghanistan, Albania, Argentina, Brazil, Bulgaria, Burma, Chile, Cuba, Hungary, Indonesia, Libya, Mauritania, Mongolia, Nepal, Philippines, Togo, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Venezuela, Yugoslavia.

Abstaining: Byelorussian Soviet Socialist Republic, Central African Republic, Ceylon, Cyprus, Czechoslovakia, Ethiopia, Federation of Malaya, India, Iran, Iraq, Israel, Jordan, Lebanon, Mali, Mexico, Pakistan, Poland, Romania, Saudi Arabia, Somalia, Syria, Thailand, Tunisia, United Arab Republic, United Kingdom of Great Britain and Northern Ireland.

The Committee rejected by 14 votes to 14, with 35 abstentions, a request of the representative of the Philippines, in accordance with rule 130 of the rules of procedure, to have a separate vote on the part of the draft resolution beginning with the words "The General Assembly" and ending with the words "developing countries" in operative paragraph 1 (d).

The revised draft resolution as a whole (A/C.2/L.565/Rev.3), as amended and modified by the sponsors, was approved by a roll-call vote (requested by Pakistan) of 57 to none, with 10 abstentions. The voting was as follows:

In favour: Afghanistan, Albania, Argentina, Brazil, Bulgaria, Burma, Byelorussian Soviet Socialist Republic, Canada, Central African Republic, Ceylon, Chile, China, Colombia, Cuba, Cyprus, Czechoslovakia, Denmark, Ethiopia, Federation of Malaya, Finland, Hungary, India, Indonesia, Iran, Iraq, Israel, Italy, Japan, Jordan, Lebanon, Libya, Mali, Mauritania, Mexico, Mongolia, Nepal, Netherlands, New Zealand, Norway, Pakistan, Philippines, Poland, Romania, Saudi Arabia, Somalia, Sweden, Thailand, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, United States of America, Uruguay, Venezuela, Yugoslavia.

Against: None.

Abstaining: Australia, Austria, Belgium, France, Ireland, Peru, South Africa, Spain, Syria, United Kingdom of Great Britain and Northern Ireland.

155. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution VIII as set forth in the annex to the present report.

IX

156. The draft resolution submitted by Brazil (A/C.2/L.564) read as follows:

Inflation in under-developed areas

"The General Assembly,

"Recognizing that inflation may hamper economic development, by channelling investments from productive to speculative sectors and by creating undue obstacles to economic calculation and to investment decisions,

"Recognizing further that excessive inflation may have undesirable social consequences, by shifting income from the lower-income groups to higher-income groups, thus aggravating the already unbalanced pattern of income distribution characteristic of under-developed countries,

"Taking note of the tendency prevailing in lending institutions, both national and international, to make financial aid conditional upon effective anti-inflationary policies to be undertaken by the recipient countries,

"Asserting that there is no inherent conflict between financial stability and economic development, and that growth cannot be indefinitely financed by inflationary means,

"Being aware that inflationary processes are not necessarily the same in industrial and in under-developed economies,

"Having in mind that in advanced industrial countries inflation generally occurs as a result of excess monetary demand, in a full employment situation, while in under-developed countries inflation occurs before full employment is reached, and that as a result a curtailment in investment levels will have no intrinsic stabilizing effects,

"Recalling that in many cases the rise in costs and prices feeding inflation in under-developed countries is the result of economic bottlenecks, such as poor transportation and power facilities, rather than of an expanded money supply,

"Bearing in mind that inflation is often occasioned or aggravated by the process of urbanization and by the incorporation into the market economy of populations previously living in a subsistence economy, thus creating additional pressures on the available supply of goods and services,

"Convinced that inflation in under-developed countries has peculiarities of its own not to be found in advanced economies, and that as a consequence some corrective measures adopted by the latter are not necessarily applicable to the former,

"Believing that a study of these peculiarities is a prerequisite to any effective anti-inflationary policy in under-developed countries,

"Commending the United Nations Economic Commission for Latin America for its study on 'Inflation and Growth - A Summary of Experience in Latin America', 12/ submitted on 12 April 1961, which investigates the phenomenon of inflation in the light of Latin American experience,

"1. Requests the Secretary-General to appoint a Group of Experts to undertake a thorough empirical and analytical study of inflationary processes in under-developed countries as a whole, including on a preliminary basis, a list of measures considered appropriate to deal with the problem of inflation in those countries in the light of their structural deficiencies and economic peculiarities;

"2. Requests that this study be submitted to the General Assembly for consideration at its seventeenth session."

157. Before the draft resolution was taken up in the Committee, Brazil, now joined by Bolivia, submitted a revised text of draft resolution A/C.2/L.564/Rev.1, in which there were the following changes:

(a) The word "often" was inserted after the words "a curtailment in investment levels will" in the sixth preambular paragraph;

(b) The words "such as poor transportation and power facilities" were deleted from the seventh preambular paragraph;

(c) The eleventh preambular paragraph was revised to read as follows:

"Commending the United Nations Secretariat for its studies on inflation, as contained, inter alia, in the 'World Economic Survey' of 1957 and 1960, and the United Nations Economic Commission for Latin America for its study on 'Inflation and Growth', 12/ which investigates the phenomenon of inflation in the light of Latin American experience,".

158. Hungary submitted an amendment to the two-Power draft resolution (A/C.2/L.609) proposing that the following paragraph be added after the eighth preambular paragraph:

"Bearing in mind further that the inflationary rise in the prices of manufactured goods and especially capital goods has a certain impact on the inflationary process in the primary producing countries,".



159. Before the draft resolution was taken up in the Committee, Brazil and Bolivia submitted a second revision (A/C.2/L.564/Rev.2) in which the following additional changes were introduced:

(a) The words "thus aggravating the already unbalanced pattern of income distribution characteristic of under-developed countries," were deleted from the second preambular paragraph;

(b) The fifth and sixth preambular paragraphs were replaced by the following paragraph:

"Aware that inflation in under-developed countries may have peculiarities of its own not to be found in advanced economies, and that as a consequence some corrective measures adopted by the latter are not necessarily applicable to the former,";

(c) The words "in under-developed countries" were inserted in the eighth (now seventh) preambular paragraph after the words "Bearing in mind that inflation";

(d) The ninth preambular paragraph was deleted;

(e) The tenth (now eighth) preambular paragraph was revised to read as follows:

"Believing that an adequate knowledge of these peculiarities is needed in order to enable under-developed countries to undertake effective anti-inflationary policies,";

(f) Operative paragraphs 1 and 2 were revised to read as follows:

"1. Requests the Secretary-General to undertake a thorough empirical and analytical study of inflationary processes in under-developed countries including, as appropriate, a list of measures considered adequate to deal with the problem of inflation in those countries in the light of their structural deficiencies and economic peculiarities;

"2. Requests that this study be submitted to the Economic and Social Council and to the General Assembly not later than at its eighteenth session and if possible at its seventeenth session."

160. At the 790th meeting on 14 December 1961, the representative of Brazil said that the relationship between inflation and economic development was an appropriate subject which should be considered in due course by the General Assembly; however, in view of the lack of time for its consideration at the present session, the sponsors withdrew their draft resolution (A/C.2/L.564/Rev.2) on the understanding that it would be reproduced in the Rapporteur's report.

ANNEX

DRAFT RESOLUTION I

Establishment of a United Nations Capital Development Fund

The General Assembly,

Recalling its resolution 1521 (XV) of 15 December 1960,

Having considered the report of the Committee on a United Nations Capital Development Fund, and the comments of the Economic and Social Council thereon,

1. Decides to extend the mandate of the Committee;

2. Instructs the Committee to prepare the necessary draft legislation (statute) for a United Nations Capital Development Fund in the light of the General Principles prepared by the Committee and annexed to the present resolution, the comments of the Economic and Social Council, the discussions at the sixteenth session of the General Assembly and the Secretary-General's report on the financial needs of less developed countries and on the impact of existing financial institutions, as proposed by the Committee;

3. Requests the Committee to submit the draft legislation (statute) to the thirty-fourth session of the Economic and Social Council, which shall transmit it, together with its comments, to the General Assembly at its seventeenth session;

4. Requests the Committee to take into account the desirability of devising an arrangement for inter-governmental control and for voting such as to inspire the confidence of all members of the Fund, in accordance with the Principles and the Purposes of the Charter of the United Nations.

Annex

General principles governing the establishment and operations  
of a United Nations Capital Development Fund

1. Assistance from the Capital Development Fund to under-developed countries should be directed towards the achievement of accelerated and self-sustained growth of their economies. In keeping with this objective, assistance should be oriented towards the diversification of their economies, with due regard to the need for industrial development as a basis for social progress.

2. The provision of assistance shall be in conformity with the Purposes and Principles of the Charter of the United Nations.
3. Operations of the Fund should not serve as a means for foreign economic and political interference in the internal affairs of assisted countries and should not be influenced by considerations relating to the nature of their economic and political systems.
4. Assistance should be of a kind and in a form in accordance with the wishes of the recipients and should involve no unacceptable conditions for them, political, economic, military or other.
5. Assistance from the Fund should be provided in such forms and on such terms as are compatible with the continued economic development of the assisted countries, taking due account of their balance of payments position and prospects.
6. Assistance from the Fund should be given in a flexible manner and not necessarily be limited to specific projects or groups of projects. Assistance can also be given in support of general development plans, where such plans exist, or to general development requirements.
7. Resources of the Fund must be large enough to make a significant contribution towards the achievement of accelerated and self-sustained economic growth of the less developed countries.
8. While funds should be derived from contributions by all members, the bulk of the contributions to the Fund should come from the more developed countries in a readily and economically usable form.
9. The size and the nature of the contributions of the less developed countries to the Fund should not be such as to hamper the effective mobilization of their resources for their own economic development.
10. Contributions to the Fund should ensure the provision of assistance on a long-term and continuing basis.
11. Resources available to the Fund should be augmented by a portion of any savings from progress made in internationally supervised world-wide disarmament.
12. Every effort should be made to co-ordinate the assistance rendered by the Fund with assistance from other sources so as to achieve the maximum permanent beneficial effect on the economies of the less developed countries.

DRAFT RESOLUTION II

International trade as the primary instrument for  
economic development

The General Assembly,

Recalling its resolutions 623 (VII) of 21 December 1952, 1028 (XI) of 20 February 1957, 1324 (XIII) of 12 December 1958, 1421 (XIV) and 1422 (XIV) of 10 December 1959, and 1519 (XV) and 1520 (XV) of 15 December 1960,

Having considered the report of the Secretary-General of 7 June 1961 on "Ways and means of promoting wider trade co-operation among States"<sup>1/</sup> and the comments thereon voiced in the Economic and Social Council, and endorsing Council resolution 846 (XXXII) of 3 August 1961,

Convinced that the economic development of countries must be based primarily on their own efforts through the utilization of all their productive resources,

Affirming that, for these national efforts to achieve their objectives more rapidly, it is essential to ensure the maximum expansion of their trade and an increase in their foreign exchange income as a result of growth in the volume and value of their exports,

Considering that the importance of such an expansion of trade, especially for under-developed countries or for countries that depend on a narrow range of primary commodities, calls for constant attention to protectionist policies which are detrimental to the growth of international trade, with a view to the achievement of an increasing degree of trade liberalization through their modification, and where surpluses arise, strict adherence to the Principles of Surplus Disposal of the Food and Agriculture Organization of the United Nations in respect of any possible effects on international markets,

Deeming it necessary that the economic policies of regional and sub-regional economic groupings avoid the introduction and facilitate the elimination of obstacles and restrictions which may hamper the necessary expansion of the trade of the developing and under-developed countries or discourage the indispensable growth of their economies,

Observing that the practices of dumping and the unrestricted disposal of accumulated stocks on international markets impede the progress of countries in the process of economic development, distort the most effective structure of their industries, and depress the levels of production and prices of primary commodities and manufactures,

Recognizing that the developing and under-developed countries have in recent years suffered from their unfavourable terms of trade with industrialized countries and that this trend has resulted in a declining share of the developing and under-developed countries in the gains from international trade and in a chronic gap between their export earnings and import requirements for development,

Bearing in mind that the instability in primary commodity trade of the developing and the under-developed countries results in variations in their national incomes, their export earnings and their foreign exchange earnings, and that this instability may often jeopardize the development plans of many countries, which are designed on a long-term basis,

Noting the efforts made and the progress achieved in the study of systems for compensating for the fluctuations in commodity trade, particularly the report of the group of experts on international compensation for fluctuations in commodity trade<sup>2/</sup> and on the establishment of a development insurance fund,

Reaffirming that it is the recognized responsibility of the more highly industrialized countries to make all appropriate efforts to co-operate in accelerating the economic development of the developing and under-developed countries,

Considering that a faster rate of economic growth is in the interest of all countries and that the United Nations together with other international bodies - as appropriate - should provide ways and means for finding and furthering effective solutions for achieving this purpose,

1. Urges the economically developed Member States to take into due account, when formulating and executing their trade and economic policies, the interests of the developing and under-developed countries by making maximum

efforts to create conditions through which they extend to these countries advantages not necessarily requiring full reciprocity to improve their economic situation, and to pursue as a matter of great urgency bilateral, multilateral and/or regional negotiations, including - where appropriate - negotiations conducted under the General Agreement on Tariffs and Trade, to facilitate the necessary expansion of their trade and to attain a satisfactory co-ordination of efforts in the field of trade towards economic development;

2. Calls upon the States Members of the United Nations or members of the specialized agencies, and especially upon the more highly industrialized countries and the developed countries belonging to regional and sub-regional economic groupings:

(a) To promote, through individual or collective measures, the expansion of world trade, particularly by avoiding undue protection of their domestic production;

(b) To avoid measures detrimental to the prospects of international commodity trade for producers outside their own countries or regions;

(c) To make every effort to liberalize the restrictive or discriminatory practices that unnecessarily limit the consumption and importation of commodities, especially those which have undergone maximum processing, from the under-developed and developing countries;

(d) To pursue policies which promote the industrialization of the developing countries and to avoid practices such as dumping and the unrestricted disposal of accumulated stocks that may hamper this process;

3. Recommends that the Governments of Member States, in recognition of the profound concern of normal commercial exporters, pursue policies designed to avoid the harmful effects on international markets that may result from the disposal of surpluses and, to this end, strictly adhere to the Principles of Surplus Disposal of the Food and Agriculture Organization of the United Nations;

4. Commends the efforts made by the International Monetary Fund to increase its activities with regard to drawings and standby arrangements in helping the less developed countries to meet seasonal and cyclical maladjustments arising from fluctuations in their export earnings, and expresses the hope that such efforts will continue;

5. Notes with satisfaction that the Commission on International Commodity Trade at its tenth session and the joint session of the Commission on International Commodity Trade of the United Nations and the Committee on Commodity Problems of the Food and Agriculture Organization of the United Nations will consider ways and means of solving the problems created by fluctuations in the commodity export earnings of the developing and under-developed countries, and urges these sessions to formulate specific recommendations in this connexion;

6. Requests the Secretary-General of the United Nations to consult the Governments of Member States concerning the opportuneness of holding an international conference on international trade problems, especially those relating to the primary commodity market, and, if need be, to determine with the assistance of a preparatory committee to be appointed by him on an adequate basis, the essential questions that may be included in the provisional agenda of such a conference, and to report to the Economic and Social Council at its thirty-fourth session and to the General Assembly at its seventeenth session.

### DRAFT RESOLUTION III

#### Planning for economic development

The General Assembly,

Being convinced of the urgent need of the less developed countries to establish and to implement national, all-inclusive and well-integrated development plans for building their societies according to their own individual precepts,

Realizing that to this end it is necessary to advance further the development of planning techniques that can be adjusted to the specific needs and problems of various countries,

Taking into consideration the growing trend towards the use of different forms of planning in the economic policy of developing countries,

Realizing further that it is imperative to train without delay economists, other social scientists and administrators, within and without government service, in planning techniques and problems to permit not only elaboration of plans but also their execution,

Bearing in mind the initiatives already demonstrated in this connexion, namely:

(a) That some African States expressed their views in the course of the resumed fifteenth session of the General Assembly in favour of "the establishment under the auspices of the Economic Commission for Africa, and with the assistance of the United Nations Special Fund, of an economic development institute for Africa for the purpose of training suitable persons in the field of economic development, in particular in the techniques of economic planning and programming",<sup>1/</sup>

(b) That the Economic Commission for Latin America in its resolution 199 (IX) of 13 May 1961 requested the establishment under its auspices of an institute for planning economic development which would provide advisory services to Governments and engage in training,

(c) That the Conference of Asian Economic Planners, held in New Delhi from 26 September to 3 October 1961 under the auspices of the Economic Commission for Asia and the Far East, recommended to the Commission that it consider the establishment of an Asian institute of economic development to overcome the "serious shortage of trained personnel for the formulation and implementation of economic development plans",<sup>2/</sup>

Considering that each institute should establish a programme of training fully adjusted to the needs of the countries in each region,

Recalling that the Managing Director of the United Nations Special Fund in his statement to the Governing Council of the Fund, on 23 May 1961, announced that requests for this type of project through the initiative of regional economic commissions had been made by Governments in the case of Latin America and were anticipated in the case of Africa,

Noting that the Under-Secretary for Economic and Social Affairs, on 5 October 1961,<sup>3/</sup> declared that "the increased participation of the regional economic commissions in technical assistance programmes and the establishment

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<sup>1/</sup> See A/C.1/L.271/Rev.1.

<sup>2/</sup> See E/CN.11/571, para. 53.

<sup>3/</sup> See A/C.2/L.549.



under their auspices of economic programming institutes where Governments will find both advisory services and training facilities for the staff of their economic departments, will provide Governments with new facilities on the regional level to which they attach so much importance",

Recalling General Assembly resolution 1517 (XV) of 15 December 1960 and Economic and Social Council resolutions 777 (XXX) of 3 August 1960 and 830 H (XXXII) of 2 August 1961,

I

1. Invites the Governments concerned, acting, as appropriate, through the regional economic commissions or their appropriate subordinate bodies to be established for this purpose, to submit requests to the United Nations Special Fund for assistance needed for the establishment of economic development and planning institutes which will be closely linked to the respective regional economic commissions with a view, inter alia, to giving prospective trainees the benefits not only of theoretical but also of practical training and an acquaintance with the important work carried out by the secretariats of the regional economic commissions in their regions;

2. Invites also the Economic and Social Council at its resumed thirty-second session to recommend that the Economic Commission for Africa, the Economic Commission for Latin America and the Economic Commission for Asia and the Far East consider this matter at their forthcoming annual meetings and that the Economic Commission for Europe consider the expansion of its in-service training programme to include a substantial number of fellows from less developed regions;

3. Expresses the hope that the United Nations Special Fund will give prompt and sympathetic consideration to the establishment of the institutes referred to above;

4. Expresses the hope also that the United Nations Special Fund will give prompt and sympathetic consideration to the establishment of similar institutes which may be proposed by a group of Member States that are not members of any regional economic commission; such institutes shall be open to participation by developing countries which are at present members of regional economic commissions;

## II

5. Requests the Secretary-General to establish an Economic Projections and Programming Centre with sub-centres, as appropriate, in the regional economic commissions or institutes of economic development and planning:

(a) To intensify the activities already initiated in this field and to prepare, as soon as practicable, in co-operation with the international agencies concerned, long-term projections of world economic trends in order to facilitate the formulation of national economic plans;

(b) To provide studies of planning techniques under various economic and social systems which would be helpful to national and regional institutes of economic development and planning;

## III

6. Invites the Secretary-General, with the assistance of a group of experts composed with due regard to their familiarity with various planning techniques under different economic systems and in co-operation with the appropriate institutions of different countries, to prepare a study summarizing the experience gained and the techniques in use in the planning of economic development by different countries, and at the same time expresses the hope that the Governments of Member States will help to carry out the above-mentioned study;

7. Requests the Economic and Social Council to examine the above-mentioned study at its thirty-sixth session and to submit at the eighteenth session of the General Assembly its recommendations concerning the utilization of experience of economic planning in the interests of developing countries;

8. Further invites the Secretary-General to prepare a special chapter on questions of economic development planning in one of the forthcoming issues of the World Economic Survey.

DRAFT RESOLUTION IV

Decentralization of the economic and social activities  
of the United Nations and strengthening of the regional  
economic commissions

The General Assembly,

Recalling its resolution 1518 (XV) of 15 December 1960 on decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions,

Noting the recommendations on economic and social activities contained in part V of the report of the Committee of Experts appointed under General Assembly resolution 1446 (XIV) of 5 December 1959<sup>1/</sup> and the Secretary-General's comments thereon,<sup>2/</sup>

1. Notes with appreciation the Secretary-General's action and proposed arrangements with regard to decentralization and the strengthening of the regional economic commissions as reported to the General Assembly;<sup>3/</sup>

2. Welcomes Economic and Social Council resolution 823 (XXXII) of 20 July 1961 and the emphasis placed therein on the important functions to be fulfilled by the regional economic commissions in the initiation, implementation and co-ordination of economic and social activities of the United Nations at the regional level;

3. Commends the Economic and Social Council for its resolution 856 (XXXII) of 4 August 1961 on co-operation between the resident representatives of the Technical Assistance Board and the executive secretaries of the regional economic commissions, and the Technical Assistance Committee for its resolution<sup>4/</sup>

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<sup>1/</sup> A/4776.

<sup>2/</sup> A/4794.

<sup>3/</sup> A/4911.

<sup>4/</sup> E/3547, paragraph 129.

recommending to the Executive Chairman of the Technical Assistance Board that he invite the executive secretaries of the regional economic commissions to present their views on the economic and social factors to be taken into account in the preparation of technical assistance programmes;

4. Urges the strengthening, without delay, of the secretariats of the regional economic commissions as executive arms of the Organization in the economic and social fields, including technical assistance operations, by means of an increasing delegation to the regional secretariats of substantive and operational functions and responsibilities and the provision of the requisite resources, including personnel, while maintaining the central substantive functions, including policy guidance and co-ordination, and without affecting the provision of assistance to countries that are not members of any regional economic commission;

5. Requests the Secretary-General to take immediate steps towards implementing fully the policy of decentralization through appropriate administrative arrangements to be decided upon in continuing consultation with the Advisory Committee on Administrative and Budgetary Questions and, when necessary, the Technical Assistance Committee, taking into account the recommendations made by the Committee of Experts in part V of its report and the Secretary-General's comments thereon;

6. Urges that the decentralization of the economic and social activities of the United Nations should, among other things, aim at achieving simplicity of procedure and of administrative methods for technical co-operation;

7. Requests the Secretary-General to report to the Economic and Social Council at its thirty-fourth session and to the General Assembly at its seventeenth session on the new organizational measures taken, or to be taken, to enable the regional secretariats to discharge fully their responsibilities as executive instruments for the programmes of technical co-operation, and on the strengthening of the secretariats of the regional economic commissions as required for the effective execution of the above tasks;

8. Invites the executive heads of the specialized agencies concerned and the executive secretaries of the regional economic commissions further to adjust co-operative arrangements to the extent required by decentralization;

9. Requests the regional economic commissions further to develop close co-operation among themselves in their substantive and operational activities, and to report on the progress made in their annual reports to the Economic and Social Council.

DRAFT RESOLUTION V

United Nations Development Decade (I)<sup>1/</sup>

A Programme for International Economic Co-operation

The General Assembly,

Bearing in mind the solemn undertaking embodied in the Charter of the United Nations to promote social progress and better standards of life in larger freedom and to employ international machinery for the advancement of the economic and social development of all peoples,

Considering that the economic and social development of the economically less developed countries is not only of primary importance to these countries but is also basic to the attainment of international peace and security and to a faster and mutually beneficial increase in world prosperity,

Recognizing that during the decade of the nineteen-fifties considerable efforts to advance economic progress in the less developed countries were made by both the newly developing and the more developed countries,

Noting, however, that in spite of the efforts made in recent years the gap in per capita incomes between the economically developed and the less developed countries has increased and the rate of economic and social progress in the developing countries is still far from adequate,

Recalling its resolutions 1421 (XIV) of 5 December 1959, 1514 (XV) of 14 December 1960, 1515 (XV), 1516 (XV), 1519 (XV) and 1526 (XV) of 15 December 1960,

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<sup>1/</sup> A joint draft resolution entitled "United Nations Development Decade (II)" will be found in document A/C.2/L.555.

Convinced of the need for a concerted action to demonstrate the determination of Member States to give added impetus to international economic co-operation in the current decade through the United Nations system, and on a bilateral or multilateral basis,

1. Designates the current decade as the United Nations Development Decade, in which Member States and their peoples will intensify their efforts to mobilize and to sustain support for the measures required on the part of both developed and developing countries to accelerate progress towards self-sustaining growth of the economy of the individual nations and their social advancement so as to attain in each under-developed country a substantial increase in the rate of growth, with each country setting its own target, taking as the objective a minimum annual rate of growth of aggregate national income of 5 per cent at the end of the decade;

2. Calls upon States Members of the United Nations or members of the specialized agencies:

(a) To pursue policies designed to enable the less developed countries and those dependent on the export of a small range of primary commodities to sell more of their products at stable and remunerative prices in expanding markets, and so increasingly to finance their own economic development from their earnings of foreign exchange and domestic savings;

(b) To pursue policies designed to ensure to the developing countries an equitable share of earnings from the extraction and marketing of their natural resources by foreign capital in accordance with the generally accepted reasonable earnings on invested capital;

(c) To pursue policies that will lead to an increase in the flow of development resources, public and private, to developing countries on mutually acceptable terms;

(d) To adopt measures which will stimulate the flow of private investment capital for the economic development of the developing countries, on terms that are satisfactory both to the capital-exporting countries and the capital-importing countries;

3. Requests the Secretary-General to communicate to the Governments of Member States any documentation useful for the study and application of this resolution and to invite them to make proposals, if possible, concerning the contents of a United Nations Programme for the Development Decade and the application of such measures in their respective plans;

4. Requests the Secretary-General, taking account of the views of Governments, and in consultation, as appropriate, with the heads of international agencies with responsibilities in the financial, economic and social fields, the Managing Director of the Special Fund, the Executive Chairman of the Technical Assistance Board, and the regional economic commissions, to develop proposals for the intensification of action in the fields of economic and social development by the United Nations system of organizations, with particular reference, inter alia, to the following approaches and measures designed to further the objectives of paragraph 1 above:

(a) The achievement and acceleration of sound self-sustaining economic development in the less developed countries through industrialization, diversification and the development of a highly productive agricultural sector;

(b) Measures for assisting the developing countries, at their request, to establish well-conceived and integrated country plans, including - where appropriate - land reform, which will serve to mobilize internal resources and to utilize resources offered by foreign sources on both a bilateral and a multilateral basis for progress towards self-sustained growth;

(c) Measures to improve the use of international institutions and instrumentalities for furthering economic and social development;

(d) Measures to accelerate the elimination of illiteracy, hunger and disease, which seriously affect the productivity of the people of the less developed countries;

(e) The need to adopt new measures, and to improve existing measures, for further promoting education in general and vocational and technical training in the developing countries with the co-operation, where appropriate, of the specialized agencies and States which can provide assistance in these fields, and for training competent national personnel in the fields of public administration, education, engineering, health and agronomy;

(f) The intensification of research and demonstration and other efforts to exploit scientific and technological potentialities of high promise for accelerating economic and social development;

(g) Ways and means of finding and furthering effective solutions in the field of trade in manufactures as well as in primary commodities, bearing in mind, in particular, the need to increase the foreign exchange earnings of the under-developed countries;

(h) The need to review facilities for the collection, collation, analysis and dissemination of statistical and other information required for charting economic and social development and for providing constant measurement of progress towards the objectives of the United Nations Development Decade;

(i) The utilization of resources released by disarmament for the purpose of economic and social development, in particular of the under-developed countries;

(j) The ways in which the United Nations can stimulate and support realization of the objectives of the United Nations Development Decade through the combined efforts of national and international institutions, public and private;

5. Further requests the Secretary-General to consult Member States, at their request, with respect to the application of such measures in their respective development plans;

6. Invites the Economic and Social Council to accelerate its examination of, and decision on, principles of international economic co-operation directed towards the improvement of world economic relations and the stimulation of international co-operation;

7. Requests the Secretary-General to present his proposals for such a programme to the Economic and Social Council at its thirty-fourth session for its consideration and appropriate action;

8. Invites the Economic and Social Council to transmit the Secretary-General's recommendations, together with its views and its report on actions undertaken thereon, to States Members of the United Nations or members of the specialized agencies and to the General Assembly at its seventeenth session.



DRAFT RESOLUTION VI

Reaffirmation of General Assembly resolution 1522 (XV) on the  
accelerated flow of capital and technical assistance to the  
developing countries

The General Assembly,

Bearing in mind the responsibilities assumed by Member States under the Charter of the United Nations for international economic and social co-operation for promoting higher standards of living and solutions of international economic problems,

Recognizing that the greatest of present-day economic and social problems is the very low standard of living in the less developed countries,

Concerned that the gap between the standards of living of the great majority of the people of the world who inhabit the less developed countries and those of the economically advanced countries is ever widening because of the inadequate rate of economic growth of the less developed countries,

Recognizing further that the primary responsibility for the economic development of the less developed countries, whether through the creation of appropriate social and economic conditions or the generation of internal capital, is and must remain theirs,

Realizing that speedy progress towards advancement of the less developed countries is possible only through concerted co-operative effort of the international community,

Recalling resolution 1522 (XV) of 15 December 1960 on accelerated flow of capital and technical assistance to the developing countries, in which the General Assembly recognized the urgency of the problem for the promotion of world peace and security and the promotion of better understanding among nations, and expressed the hope that the flow of international assistance and developmental capital should be increased substantially so as to reach as soon as possible approximately 1 per cent of the combined national incomes of the economically advanced countries,

Noting with appreciation the information given in the report of the Secretary-General on international flow of long-term capital and official donations 1951-1959,<sup>1/</sup> which shows a progressive increase during the period,

Noting further that the net flow of capital of the less developed countries in the years 1951-1959 has been less than 1 per cent of the combined national incomes of the economically advanced countries,

1. Expresses again the hope that the annual flow of international assistance and capital, in accordance with paragraph 2 of General Assembly resolution 1522 (XV), should be increased substantially so as to reach as soon as possible approximately 1 per cent of the combined national incomes of the economically advanced countries;

2. Requests the Secretary-General to submit information so far as possible on both gross and net flows of international assistance and capital in the course of making the annual reports called for in paragraph 4 of General Assembly resolution 1522 (XV) concerning progress made towards the objectives of that resolution;

3. Urges the Governments of the States concerned, the specialized agencies and other related organizations to assist the Secretary-General in the preparation of these reports.

#### DRAFT RESOLUTION VII

##### Activities of the United Nations in the field of industrial development

##### The General Assembly,

Bearing in mind the provisions of Article 55 of the Charter of the United Nations which lays upon the United Nations the responsibility for promoting higher standards of living, full employment, and conditions of economic and social progress and development,

Recalling its resolutions 1431 (XIV) of 5 December 1959 and 1525 (XV) of 15 December 1960, as well as Economic and Social Council resolutions 751 (XXIX) of 12 April 1959, 817 (XXXI) of 28 April 1961 and 839 (XXXII) of 3 August 1961,

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<sup>1/</sup> A/4906.

Recalling in particular the provision of resolution 751 (XXIX) to the effect that "The Committee shall exercise its functions without prejudice to the activities of the regional economic commissions",

Noting with satisfaction the inauguration of the work of the Committee for Industrial Development and the results of its first session,

Bearing in mind the organizational recommendations of the Committee for Industrial Development relating to the establishment of the Industrial Development Centre and its decision relating to the establishment of the inter-sessional working group,

Expressing the hope that the Industrial Development Centre will not only collect and disseminate information but will also be an effective instrument for assisting the economically less developed countries in the field of industrialization, by means of imparting to them documentation concerning the latest achievements of science, technology and the planning of industrial development,

Taking into consideration the substantial and constantly increasing interest of the economically less developed countries in accelerating their own industrial development as the main way of diversifying their national economies generally and, thereby, raising the per capita income of their populations,

Considering that the less developed countries need the greatest possible assistance and international co-operation in the solution of technical, financial, economic, commercial and social problems connected with the process of industrial development,

Considering further that urgent measures to arrange for international co-operation and assistance to the less developed countries towards their industrialization, under the aegis of the United Nations as well as on a bilateral basis, will make a valuable contribution to the achievement of stable political, economic and social conditions in the world,

Bearing in mind the special responsibilities of existing specialized agencies active in this field,

1. Commends the Committee for Industrial Development for the constructive report on its first session;

2. Requests the Economic and Social Council, at its resumed thirty-second session, and the Committee for Industrial Development:

(a) To exert every effort with a view to enabling the Industrial Development Centre to commence its work without delay, one of its objectives being to set up as soon as possible working contacts, in co-operation with the regional economic commissions, with national bodies and both industrial and research organizations in charge of or concerned with industrial problems in States Members of the United Nations system, regardless of their stage of development;

(b) To ensure that the Industrial Development Centre should co-ordinate its activities with the activities of the regional economic commissions and the specialized agencies and the International Atomic Energy Agency in the industrial field in order to avoid duplication of work and not to impede existing activities;

(c) To devote particular attention to the question of financing industrial development, paying special consideration to utilizing internal resources for formation of capital, while taking into account the past and present experience of the highly industrialized and developing countries;

(d) To take into account, with the assistance of the United Nations institutions concerned, the social implications of the industrialization process;

3. Requests the Secretary-General and the Executive Chairman of the Technical Assistance Board, the Managing Director of the Special Fund, the executive heads of the specialized agencies and the International Atomic Energy Agency to inform the Committee for Industrial Development on assistance rendered by these bodies to the economically less developed countries in the field of industrial development;

4. Further requests the Committee for Industrial Development to study, in the light of information submitted in response to paragraph 3 above, the flow of assistance taking place, actually, under these programmes, and to submit to the Economic and Social Council recommendations with a view to expanding these activities for the benefit of industrialization of these countries;

5. Requests the Economic and Social Council to direct, at its resumed thirty-second session, the Committee for Industrial Development to give further consideration to the expansion of the United Nations activities in the field of industrial development, particularly the advisability of establishing a specialized agency or any other appropriate body for industrial development, and to prepare a special report on this question, including - if need be - recommendations regarding the structure and scope of such an organization;

6. Further requests that the report should be submitted to the Economic and Social Council at its thirty-fourth session, and, with the comments of the Council, to the General Assembly at its seventeenth session.

DRAFT RESOLUTION VIII

The role of patents in the transfer of technology  
to under-developed countries

The General Assembly,

Recalling its resolution 1429 (XIV) on the possibilities of a further expansion of international contacts, as well as an increased exchange of knowledge and experience in the field of applied science and technology,

Taking note of resolution 375 (XIII), of the Economic and Social Council, and of the reports on restrictive business practices prepared by the Secretariat and by the Ad Hoc Committee established by the aforesaid resolution,<sup>1/</sup>

Bearing in mind "The United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas" to be convened under resolution 834 (XXXII) of the Economic and Social Council,

Bearing in mind that access to knowledge and experience in the field of applied science and technology is essential to accelerate the economic development of under-developed countries and to enlarge the over-all productivity of their economies,

Realizing that the protection of the rights of the patent-holders both in their country of origin and in foreign countries has contributed to technical research and, therefore, to international and national industrial progress,

Affirming that it is in the best interest of all countries that the international patent system be applied in such a way as to take fully into account the special needs and requirements of the economic development of under-developed countries, as well as the legitimate claims of patentees,

Requests the Secretary-General, in consultation with appropriate international and national institutions, and with the concurrence of the Governments concerned, to prepare a report, to be submitted to the Committee for Industrial Development, to the Economic and Social Council, and to the General Assembly at its eighteenth session, and taking into consideration any

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pertinent discussions which might take place in the United Nations Conference on the Application of Science and Technology for the Benefit of Less Developed Areas, containing:

(a) A study of the effects of patents on the economy of under-developed countries;

(b) A survey of patent legislation in selected developed and under-developed countries, with primary emphasis on the treatment given to foreign patents;

(c) An analysis of the characteristics of the patent legislation of under-developed countries in the light of economic development objectives, taking into account the need for the rapid absorption of new products and technology, and the rise in the productivity level of their economies;

(d) A recommendation on the advisability of holding an international conference in order to examine the problems regarding the granting, protection and use of patents, taking into consideration the provisions of existing international conventions and the special needs of developing countries, and utilizing the existing machinery of the International Union for the Protection of Industrial Property.

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