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Nineteenth session

## ESTABLISHMENT OF A UNITED NATIONS CAPITAL DEVELOPMENT FUND\*

Note by the Secretary-General

1. In resolution 1936 (XVIII), the General Assembly requested the Secretary-General to prepare a study of the practical steps to transform the Special Fund into a capital development fund in such a way as to include both pre-investment and investment activities. The Secretary-General's report, which is before the General Assembly,<sup>1/</sup> has already been submitted to the United Nations Conference on Trade and Development, to the Economic and Social Council at its thirty-seventh session and to the Committee on a United Nations Capital Development Fund at its fourth session.
2. The United Nations Conference on Trade and Development adopted recommendations A.IV.7 and A.IV.8, the texts of which will be found in the Final Act of the Conference.<sup>2/</sup> The first of these recommendations deals with the United Nations Capital Development Fund and the second with the gradual transformation of the United Nations Special Fund. Background information regarding the Conference's consideration of these matters may be found in the relevant passages of the report of its Third Committee.<sup>3/</sup>
3. The question of establishing a United Nations capital development fund was also considered by the Economic and Social Council at its thirty-seventh

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\* Item 34 of the provisional agenda.

<sup>1/</sup> E/3947.

<sup>2/</sup> E/CONF.46/L.28, annexes A.IV.7 and A.IV.8.

<sup>3/</sup> E/CONF.46/L33 and Corr. 1-5, paras. 194-223.

session and a brief summary of the discussion may be found in chapter V, section II, of the Council's report to the General Assembly.<sup>4/</sup>

4. The fourth session of the Committee on a United Nations Capital Development Fund took place from 19 to 28 October 1964. The Committee reached a consensus that it would be better for it to postpone its work until the General Assembly had had an opportunity to consider the above-mentioned recommendations of the United Nations Conference on Trade and Development, as well as Economic and Social Council resolution 1020 (XXXVII) on the consolidation of the Special Fund and the Expanded Programme of Technical Assistance in a United Nations Development Programme. The Committee recommended that the General Assembly bear in mind the proposals contained in United Nations Conference on Trade and Development recommendation A.IV.8 while discussing the supplementary agenda item on the consolidation of the Special Fund and the Expanded Programme of Technical Assistance in a United Nations Development Programme, with a view to initiating activities of investment proper within the framework of the proposed programme. Certain delegations stated that the expression of consensus did not imply any change in their positions with regard to the above-mentioned recommendations of the Conference, while other delegations stated that it did not imply any commitment by them with regard to Council resolution 1020 (XXXVII). The full text of the Committee's report will be found in document A/5748.

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