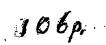
# PROPOSED REVISIONS TO THE MEDIUM-TERM PLAN FOR THE PERIOD 1980-1983

# **GENERAL ASSEMBLY**

OFFICIAL RECORDS: THIRTY-FIFTH SESSION SUPPLEMENT No. 6 (A/35/6)



**UNITED NATIONS** 



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New York, 1980

#### NOTE

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#### ABBREVIATIONS

ACC Administrative Committee on Co-ordination

CPC Committee for Programme and Co-ordination

ECE Economic Commission for Europe

ECLA Economic Commission for Latin America

ECWA Economic Commission for Western Asia

ESCAP Economic and Social Commission for Asia and the Pacific

FAO Food and Agriculture Organization of the United Nations

GATT General Agreement on Tariffs and Trade

IAEA International Atomic Energy Agency

UNCITRAL United Nations Commission on International Trade Law

UNCTAD United Nations Conference on Trade and Development

UNDP United Nations Development Programme

UNEP United Nations Environment Programme

UNESCO United Nations Educational, Scientific and Cultural Organization

UNIDO United Nations Industrial Development Organization

UNITAR United Nations Institute for Training and Research

WHO World Health Organization

WMO World Meteorological Organization

#### INTRODUCTION

#### A. Legislative background to the revision of the plan

- 1. The current medium-term plan covers the period 1980-1983. 1/ Under the planning procedures formulated by the General Assembly in resolution 31/93 of 14 December 1976, the plan, while having a four-year time horizon, was to be redrafted every two years in order to provide an up-to-date framework for the programme budget covering the first biennium of its four-year perspective. These arrangements would have necessitated the presentation to the General Assembly at its thirty-fifth session of a new plan for the period 1982-1985 which would have provided a framework for the discussion of the proposed programme budget for 1982-1983.
- 2. The Committee for Programme and Co-ordination (CPC) at its nineteenth session conducted an in-depth study of the planning process and made a number of recommendations 2/ with respect to planning procedures which were endorsed by the Economic and Social Council in decision 1979/66 and by the General Assembly in resolution 34/224.
- 3. The relevant recommendations of CPC, approved by the General Assembly, which created the need for the revision of the current medium-term plan were: 3/
- (a) The next proposed medium-term plan to be submitted should cover the period 1984-1989, and accordingly the submission of a 1982-1985 proposed medium-term plan currently scheduled for 1980 is no longer required.
- (b) The current medium-term plan should be reviewed at an appropriate time to take account of all decisions with programme implications during the first biennium.

#### B. Purpose of the revision and procedures used

#### 1. Purpose of the revision

4. Since the proposed programme budget for the biennium 1980-1981 4/ has already been reviewed by the General Assembly and the actual budget for this biennium adopted, the main purpose of this revision of the medium-term plan for the period 1980-1983 is to make the necessary adjustments to it so that it can provide

<sup>1/</sup> Official Records of the General Assembly, Thirty-third Session, Supplement
No. 6 (A/33/6/Rev.1).

<sup>2/</sup> Ibid., Thirty-fourth Session, Supplement No. 38 (A/34/38), paras. 304-306.

<sup>3/ &</sup>lt;u>Ibid</u>., para. 305 (b) and (c).

<sup>4/</sup> Ibid., Supplement No. 6 (A/34/6).

a framework for the proposed programme budget for the biennium 1982-1983. As a consequence, the focus of the revision is the subprogramme narratives presenting strategies for the biennium 1982-1983.

#### 2. Procedures

- 5. In the internal instructions three types of revision were identified:
  - (a) Revisions of entire programmes;
  - (b) Revisions of individual subprogrammes;
  - (c) Small textual revisions.

#### Revisions of entire programmes

6. The current plan was completed in the first half of 1978 and reviewed by CPC at the second part of its eighteenth session, from 28 August to 15 September 1978. A revision of an entire programme has been undertaken only where the legislative basis of a programme has been significantly altered (by, for example, the results of a conference such as the fifth session of UNCTAD) in the period since the plan was completed. Even in the circumstances the major programme and programme categories in the current plan were retained so that revisions of programmes take the form of a new set of subprogrammes or extensive revision of the existing subprogrammes. The text of the revision consists of (a) a short introductory explanation of the difference between the new legislative basis of the programme and the previous basis, together with a brief description of any relevant organizational changes, and (b) the new subprogramme narratives.

#### Revisions of individual subprogrammes

7. A revision of a subprogramme within a programme was considered necessary if there had been some change in its legislative authority or in the problem addressed significant enough to invalidate its objective or the approach presented in its strategy for the period starting with the biennium 1982-1983. Organizational changes which were not the consequence of a change in legislation or in the problem addressed were not considered grounds for a revision of the subprogramme. Changes in the problem addressed, in legislative authority or in the strategy for the biennium 1980-1981 were described only where they were the cause of a change in strategy for the period starting with the biennium 1982-1983. The section on the nature of the change in strategy briefly recapitulates the main features of the strategy in the current plan and contrasts the approach taken in the section on the new strategy for the period starting with the biennium 1982-1983.

#### Small textual revisions

8. Where circumstances did not warrant a change in an objective or strategy but some small adjustments in the text of the current plan none the less seem needed to programme managers, those adjustments have been recorded but are not presented in this revision of the plan unless they appear to affect the strategy for the biennium 1982-1983 or are otherwise considered to be significant enough to be brought to the attention of intergovernmental review bodies. The

reaffirmation of existing legislation by new legislation is noted only if it has led to changes in the strategy of a subprogramme. In such cases it is cited in that subprogramme's text.

## 3. Major programmes not requiring revisions

- 9. No significant revision was required to the following major programmes in the 1980-1983 medium-term plan:
  - 5. Special political affairs and special missions
  - 8. Disaster relief
  - 9. Human rights
  - 10. International drug control
  - 11. International protection of and assistance to refugees
  - 14. Environment
  - 21. Population
  - 22. Public administration and finance
  - 25. Transnational corporations
  - 26. Transport
  - 27. Social development and humanitarian affairs
  - 28. Major programmes unique to the regional commissions.

#### CHAPTERS 1-3

#### PERSPECTIVE AND INTRODUCTORY MATERIAL

No revisions to these chapters were considered necessary since their purpose of providing background material for the initial review of the plan has been fulfilled. Details of the budget proposals of the Secretary-General for the biennium 1980-1981 in terms of the programme categories of the medium-term plan for the period 1980-1983 (A/33/6/Rev.1) is given in table 2 of annex VII to the foreword to the proposed programme budget for the biennium 1980-1981. 5/

<sup>1/</sup> Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 6 (A/34/6).

#### CHAPTER 4

#### POLITICAL AND SECURITY COUNCIL AFFAIRS ACTIVITIES

PROGRAMME 1: DEPARTMENT OF POLITICAL AND SECURITY COUNCIL AFFAIRS (EXCLUDING THE UNITED NATIONS CENTRE FOR DISARMAMENT)

Replace paragraph 4.4 of A/33/6/Rev.l with the following

# 3. Expected completions

#### (b) In 1980-1981

4.4 As in the case with programme elements which were completed during 1978-1979, those planned for 1980-1981 are of a recurrent nature and in general encompass servicing the Security Council, the Special Committee against Apartheid, the Committee on the Peaceful Uses of Outer Space and its technical subsidiary bodies. Under the programme of work of the Special Committee against Apartheid, the General Assembly decided, by resolution 34/93 C of 12 December 1979, to hold an International Conference for Sanctions against South Africa in 1980, in co-operation with the Organization of African Unity. Under the United Nations Space Applications Programme, it is envisaged six seminars/workshops/training courses in the practical applications of space technology, including remote sensing, direct broadcast satellites and generation of solar energy, will be held in 1980 in the Upper Volta, Costa Rica, Italy, Japan, Greece and the USSR for the benefit of participants from developing countries. Ten such seminars were held, as programmed, during the biennium 1978-1979 in the Philippines, Italy, Japan, Kenya, Brazil, India, Nigeria, the Syrian Arab Republic and Argentina.

SUBPROGRAMME 1: FULLER IMPLEMENTATION OF UNITED NATIONS RESOLUTIONS CONCERNING APARTHEID

The following text for the subprogramme modifies the paragraphs of A/33/6/Rev.1 cited below.

# (c) Legislative authority

Add 33/183 of 24 January 1979 and 34/93 of 12 and 17 December 1979.

# (d) Strategy and output

# (iii) Biennium 1982-1983

4.29 It is expected that the Special Committee against Apartheid will be charged increasingly with the promotion of international action and public campaigns. Also, largely relying on the strategy developed and applied in the current (1980-1981) biennium the Centre against Apartheid will be required to intensify, in consultation with the Special Committee, its activities in the three main areas, namely: (a) services to the Special Committee, (b) publicity against apartheid,

and (c) promotion of assistance to the oppressed people of South Africa and their liberation movements. The Centre will also play an active role, under guidance of the Special Committee, in promoting the implementation of relevant United Nations resolutions, in promoting and facilitating co-ordination of international action against apartheid as well as in countering South African propaganda. It will need to maintain, for this purpose, closest contact with specialized agencies and non-governmental and other organizations.

SUBPROGRAMME 2: PEACEFUL USES OF OUTER SPACE

The following text modifies the paragraphs of A/33/6/Rev.l cited below.

- (c) Legislative authority
- 4.37 Add 33/16 of 10 November 1978, 34/67 and 34/68 of 5 December 1979.
- (d) Strategy and output
  - (ii) <u>Biennium 1980-1981</u>
- 4.39 It is anticipated that the following will be accomplished during the biennium:
- (a) The implementation of the United Nations Space Applications Programme during 1980-1981 for the benefit of developing countries will have entailed the holding of training courses in specific applications of space technology during 1980, and the holding of regional and interregional seminars during 1981, as approved by the Scientific and Technical Sub-Committee of the Committee on the Peaceful Uses of Outer Space at its 1979 and 1980 sessions. For 1980, these include four training courses on the various applications of remote sensing technology, to be held, respectively, in Ouagadougou, Upper Volta in January; at FAO headquarters in Rome, in May/June; San José, Costa Rica, in April; Tokyo, Japan in September; Athens, Greece in September/October; and Baku, USSR, in November. For 1981, they include four regional and interregional seminars on the applications of remote sensing technology and satellite telecommunications to education and development, to be held for Africa, possibly at the ECA headquarters, in January and February; for Latin America, in Argentina in March/April; for the ESCAP region, possibly in Indonesia or India towards the end of the year; for the ECWA and Mediterranean region during the last quarter of the year; an interregional seminar, to be held possibly in Toulouse, France, in early April; as well as two international training courses on remote sensing to be held at FAO headquarters in Rome, in May/June, and possibly, in Bulgaria during the last quarter of the year.
- (b) As regards Committee servicing, the Division will have serviced the annual sessions of the Scientific and Technical Sub-Committee and the Committee on the Peaceful Uses of Outer Space, which during 1980 and 1981 also serve, respectively, as the Advisory Committee and Preparatory Committee for the Second United Nations Conference on the Exploration and Peaceful Uses of Outer Space, to be held during the latter part of 1982. These include, in addition to substantive servicing, preparation of various studies required. Activities and programmes to be completed for the preparatory work of the Second United Nations Conference will have included the distribution of national papers and their summaries to Member States; assistance to the Secretary-General of the Conference with preparation, in various stages, of the main documentation for the Conference, which will be based on national papers submitted by Member States in accordance with the recommendation of the

Preparatory Committee, 6/ the preparation of background studies by the Secretariat, and supervision of studies by selected international organizations such as the COSPAR and IAF as well as other intergovernmental or scientific organizations, preparation of studies to be undertaken either jointly or in co-operation with specialized agencies in various areas of space technology and applications; and assisting in the organization of regional seminars concerning the Conference.

# (iii) <u>Biennium</u> 1982-1983

- 4.40 (a) Activities and programmes to be carried out for both cormittee servicing and implementation of the United Nations Space Applications Programme, in accordance with the resolutions adopted by the General Assembly during its thirty fourth and subsequent sessions will be carried out. These will include training seminars in the practical applications of space technology for development as well as studies and reports in the various space activities and research, including remote sensing, direct broadcast by satellites and generation of solar energy.
- (b) As a result of the final preparation for the holding of the Second United Nations Conference on the Exploration and Peaceful Uses of Outer Space in the latter part of 1982, activities and programmes during the first half of 1982 will additionally include administrative and conference servicing arrangements, including those to be made with the host country, and assisting in the organization of an exhibition and evening lecture series. Thereafter, in addition to the normal work programme, the Division's activity will include activities and programmes in the implementation of the recommendations of the Conference, as may be adopted by the General Assembly at its thirty seventh session.

#### (e) Expected impact

4.45 The holding of the United Nations conference on outer space during this period is expected to initiate improved modes of international co-operation in the peaceful uses of outer space and provide more meaningful assistance to the developing countries in the utilization of space technology in their development programmes.

#### SUBPROGRAMME 3: INTERNATIONAL MARINE POLITICAL AND SECURITY PROBLEMS

The following text for the subprogramme modifies the paragraphs of A/33/6/Rev.l cited below.

#### (a) Objective

4.46 The main objective of this subprogramme is to assist Member States with international political and security problems in marine activities. This subprogramme is concerned with the peaceful settlement of disputes between Member States and with increased inter-State co-operation in ocean-related activities.

#### (b) Problem addressed

4.47 The multiplication and extension of the various uses of the oceans and oceans space have demonstrated the necessity for the peaceful and orderly management of

<sup>1/</sup> Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 20 (A/34/20), para. 101.

all ocean related matters, including military uses, the delimitation of ocean spaces and the peaceful allocation of marine resources. As nations are increasingly turning to the oceans in quest of new sources of energy, food, and new modes of civil and military communication, and as they are establishing new frontiers of national maritime jurisdictions, new forms of inter-State tensions seem to be emerging. Attempts are made to monitor possible areas of tension in the ocean space. The background and nature of political and security problems arising from differences between States on marine issues are analysed and the Secretary General is provided with appropriate information and advice.

#### (c) Legislative authority

4.48 Add 32/194 of 20 December 1977; 33/17 of 10 November 1978, 34/20 of 9 November 1979 and 34/80 of 11 December 1979.

# (d) Strategy and output

#### (i) Situation at the end of 1981

4.49 A major objective of the subprogramme consists in monitoring ocean areas which may give rise to international conflicts thereby endangering international peace and security and to analyse and assess the nature and possible impact of those conflicts on the international community. The Third United Nations Conference on the Law of the Sea will have held two sessions in 1980 and it is envisaged that the work of the Conference would be completed and the text of a convention possibly approved (A/34/479). In that case, a structural reorganization of the Section may be required.

The Ad Hoc Committee on the Indian Ocean will have held a series of meetings in 1980 and a Conference on the Indian Ocean is scheduled to take place during 1981 at Colombo.

The Section will provide substantive secretariat services to meetings of both organs.

# (ii) Biennium 1982-1983

4.50 Future activities of the Section in 1982-1983 with regard to the Third United Nations Conference on the Law of the Sea will depend on the successful completion of the work of the latter.

The Section will provide in 1982-1983 substantive secretariat assistance to the Conference on the Indian Ocean, as well as to the Review Conference of the Parties to the Treaty on the Prohibition of the Emplacement of Nuclear Weapons and Other Weapons of Mass Destruction on the Sea-Bed and the Ocean Floor and the Subsoil Thereof, 7/ and issues on preventing the extension of the arms race to the sea-bed.

The Section will conduct studies on the most important issues of marine political and security problems, including the peaceful uses of the seas and oceans, potential areas of conflict and peaceful settlement of disputes.

<sup>2/</sup> General Assembly resolution 2660 (XXV), annex.

Other activities regarding sea and ocean affairs will be undertaken as follows:

- (a) Maintaining and developing the Sea and Ocean Affairs Library, and establishing specialized files on a wide range of marine issues;
- (b) Preparing monthly summaries and annual reviews on political and security aspects of developments in sea and ocean affairs;
- (c) Organizing seminars and symposia on political and security aspects of marine questions;
- (d) Maintaining working liaison with specialized agencies, other United Nations programmes, and intergovernmental and non-governmental organizations and groups which deal with problems related to sea and ocean matters.

#### PROGRAMME 2: UNITED NATIONS CENTRE FOR DISARMAMENT

The following text for the programme and subprogrammes 1, 2, 3 and 5 replaces paragraphs 4.53 to 4.101 and 4.111 to 4.118 of A/33/6/Rev.1. For subprogramme 4, Follow-up and Implementation, no revision is required. The programme as a whole and the four subprogrammes indicated above were extensively revised in the light of more recent legislative mandates of the terth special session, and the thirty-third and thirty fourth sessions of the General Assembly.

#### A. Organization

#### 1. Intergovernmental review

- 4.53 The work of the Secretariat in this programme is reviewed by the General Assembly and, in particular, the First Committee. The most recent comprehensive review took place during the special session of the General Assembly devoted to disarmament, which was held from 23 May to 30 June 1978. During this session the General Assembly, in its final document, adopted, inter alia, a programme of action on disarmament, which includes priorities, and reviewed the role of the United Nations in disarmament and of the international machinery for deliberations and negotiations on disarmament (resolution S-10/2). The General Assembly has decided to declare the decade of the 1980s as the Second Disarmament Decade. At its thirty-fifth session the Assembly is expected to adopt a resolution indicating targets during the Second Disarmament Decade for accomplishing the major objectives and goals of disarmament, as well as ways and means of mobilizing world public opinion in this regard.
- 4.54 The Disarmament Commission, which is a subsidiary organ of and reports annually to the General Assembly, also considers and makes recommendations on various disarmament questions, including the elements of a comprehensive programme for disarmament. The Committee on Disarmament, which meets for a maximum period of approximately six months each year, conducts negotiations on areas leading to general and complete disarmament concurrently with negotiations on limited measures of disarmament.
- 4.55 The work in the area of studies is reviewed, in particular, by the Advisory Board on Disarmament Studies which meets twice a year to make its recommendations to the Secretary-General. Several groups of experts meet each year in connexion with specific studies in the field of disarmament and their reports may contain recommendations to the Secretary-General on the further conduct of such studies.
- 4.56 Programme implications arising from recent decisions and recommendations of legislative organs have had extensive consequences on the strategy and output and on the impact of various subprogrammes.

# 4. Expected completions and consequent reorganizations

# (a) Expected completions

# (i) Biennium 1980-1981

4.57 The studies referred to under subprogramme 3: studies on disarmament  $(\Lambda/33/6/\text{Rev.l}, \text{para. 4.94})$  are scheduled for completion during this period.

#### (ii) Biennium 1982-1983

4.58 The servicing of the preparatory committee of the second special session of the General Assembly devoted to disarmament, and of the special session itself, will have been completed. It is possible that some follow-up work on the decisions of the special session will have also been completed.

#### B. Co-ordination

#### 1. Co-ordination within the Secretariat

4.59 The Centre for Disarmament co-ordinates the programmed activities within the United Nations in the area of disarmament. The Office of the Assistant Secretary-General supervises and co-ordinates the planning, implementation and follow-up of tasks in disarmament. Among others, UNITAR co-operates in activities relating to studies and research, and the Department of International Economic and Social Affairs and UNDP are participating in study activities on the relationship between disarmament and development. UNITAR also provides assistance in arranging seminars and providing lecturers in connexion with subprogramme 5: training in disarmament. The Department of Public Information publicizes disarmament matters through its various media in the form of audio-visual and printed material, the substantive contents of which are prepared by the Centre for Disarmament.

#### 2. Co-ordination within the United Nations system

4.60 The Charter provides that the United Nations has a central role and primary responsibility in the sphere of disarmament. The Centre for Disarmament co-ordinates on an <u>ad hoc</u> basis all activities undertaken in the area of disarmament and arms limitation within the United Nations system, particularly with the following organizations:

IAEA, on matters relating to the non-proliferation of nuclear weapons either directly or through that organization's liaison office at United Nations Headquarters, and by correspondence, personal contact and attendance at that body's meetings. The Centre has been participating as an observer in meetings of the governing bodies of the International Fuel Cycle Evaluation (INFCE), for which IAEA serves as the secretariat. It is expected to act in a similar capacity in respect of bodies that will be set up as a result or in follow-up of INFCE;

UNESCO, in particular, on studies and publications on various aspects of the arms race and its consequences;

UNEP, on environmental aspects of the arms race and disarmament;

WHO, on matters affecting human health arising from the use of particular weapons and the possible harmful effects of genetic engineering;

WMO, on matters concerning the impact on weather conditions of weapons of mass destruction.

IAEA, UNESCO, WHO and WMO regularly contribute to the <u>Disarmament Yearbook</u>. Representatives of specialized agencies and IAEA participate, as appropriate, in meetings, conferences and studies conducted under United Nations auspices in the field of disarmament and arms limitation; and the Centre for Disarmament closely follows the relevant activities of these agencies. Specific references to the activities of UNESCO are made in the Final Document of the Tenth Special Session of the General Assembly (resolution S-10/2, paras. 103 and 107; the latter paragraph mentions UNESCO plans to hold a world congress on disarmament education and urges it to step up its programme in this field).

# 3. Units with which significant joint activities are expected during the period 1980-1983

- 4.61 Activities regarding the implementation of the non-proliferation treaty will be carried out in conjunction with IAEA. This agency will also be involved in the second review conference of that treaty, as it was in the first such conference, and will continue to provide information on its activities in the general area of the non-proliferation of nuclear weapons.
- 4.62 In connexion with subprogramme 3: studies on disarmament, preparations are under way for the establishment of a United Nations institute for disarmament research, within the framework of UNITAR as an interim arrangement (34/83 M of 11 December 1979). A strong and effective link will be maintained between the Centre and the institute to avoid duplication of efforts. Within the Secretariat, a large proportion of the information work to be undertaken under subprogramme 2, information on disarmament, will have to be carried out in conjunction with the Department of Public Information. There will also be co-operative activities in public information with UNESCO and UNITAR.

#### D. Subprogramme narratives

SUBPROGRAMME 1: DELIBERATION AND NEGOTIATION

# (a) Objective

4.63 The objective of this subprogramme is to assist in formulating a comprehensive disarmament programme which should lead to general and complete disarmament under effective international control. The immediate goals are to assist in negotiations towards disarmament and arms limitation agreements in accordance with the priorities specified in the Final Document of the Tenth Special Session of the General Assembly devoted to disarmament and to help create favourable conditions for further negotiations and conclusion of agreements.

# (b) Problems addressed

4.64 It was noted in the Final Document of the tenth special session that real progress is lacking in negotiations towards a treaty on general and complete disarmament. The elements of a comprehensive programme for disarmament must be elaborated in international bodies and gradually implemented. The enormous amount of human and material resources consumed by the arms race only serves to increase international tension, instead of promoting world peace and security.

Measures are therefore necessary with a view to strengthening peace and security at progressively lower levels of resource consumption. Resources thus released could then be reallocated for economic and social development purposes, particularly in favour of developing countries.

### (c) Legislative authority

4.65 Apart from the relevant provisions of the Charter of the United Nations, legislative mandates on specific matters are adopted each year. Following a general review of the role of the United Nations in the field of disarmament, decided upon at the thirtieth session, the General Assembly adopted resolution 31/90 of 14 December 1976 on the strengthening of the role of the United Nations in the field of disarmament. At its tenth special session, the General Assembly, on 30 June 1978, adopted as resolution S-10/2 a final document which revitalizes the international machinery for disarmament negotiations and deliberations, and provides the basis for future action (see, in particular, paras. 117-120, 122 and 123). The basis for the activities of the Ad Hoc Committee on the Indian Ocean is resolution 2992 (XXVII) of 15 December 1972 and subsequent resolutions on the subject adopted annually by the General Assembly, the latest being 34/80 A and B of 11 December 1979. The basis for the activities of the Ad Hoc Committee on the World Disarmament Conference is to be found in resolution 3183 (XXVIII) of 18 December 1973 and subsequent resolutions on the subject adopted annually by the General Assembly, the most recent being resolution 34/81 of 11 December 1979. The United Nations Conference on Prohibitions or Restrictions of Use of Certain Conventional Weapons Which May Be Deemed to be Excessively Injurious or to Have Indiscriminate Effects is covered by General Assembly resolution 32/152 of 19 December 1977, 33/70 of 11 January 1979 and 34/82 of 11 December 1979.

# (d) Strategy and output

- 4.66 The General Assembly is the main deliberative organ in the field of disarmament. Its First Committee deals exclusively with disarmament and related international security questions and its subsidiary organ, the Disarmament Commission, considers and makes recommendations on disarmament questions. The Commission also follows up relevant decisions and recommendations of the General Assembly. The Commission has considered the elements of a comprehensive programme for disarmament to be submitted as recommendations to the General Assembly and, through it, to the Committee on Disarmament. To assist these bodies, the Secretariat provides background notes and documentation, as well as substantive reports and summaries. Assistance is also rendered to the bureaux of various bodies and to rapporteurs, through preparation of agendas and analyses of material generated at the meetings, to serve as the bases for assessments, future work programmes and publications.
- 4.67 The General Assembly expressed its conviction, in resolution 34/83 B of 11 December 1979, that the Committee on Disarmament, as the single multilateral negotiating body, should become urgently and most directly involved in substantive negotiations on priority disarmament questions and play the central role in the implementation of the Programme of Action set forth in section III of the Final Document of the Tenth Special Session of the General Assembly. The Committee on Disarmament was requested by the Assembly to initiate negotiations in 1980 on the comprehensive programme of disarmament with a view to completing its elaboration before the second special session of the General Assembly on

disarmament to be held in 1982 and, in doing so, to take as a basis the recommendations adopted by the Disarmament Commission.

- 4.68 In accordance with rules 14, 15, 29 and 44 of the rules of procedure adopted in 1979, the secretariat of the Committee on Disarmament has been assigned a number of substantive tasks which, in practice, reflect increasing responsibilities in sensitive aspects of the work of the negotiating body, such as the annual agenda, programme of work, professional assistance for the negotiating process and drafting of the reports of the Committee to the General Assembly on an annual basis, or more frequently if the Committee so decides. quantity of work demanded from the secretariat is likely to continue to increase in the near future, as the Committee proceeds to an in-depth consideration of a number of questions of particular importance, such as a nuclear test ban, cessation of the nuclear-arms race and nuclear disarmament, effective international arrangements to assure non-nuclear-weapons States against the use or threat of use of nuclear weapons, chemical weapons, new types of weapons of mass destruction and new systems of such weapons, radiological weapons, a comprehensive disarmament, as well as other disarmament issues which might be included in the annual agenda in the near future.
- 4.69 The General Assembly, in its resolution 34/80 A, expressed its hope for the early implementation of the Declaration of the Indian Ocean as a Zone of Peace and renewed the general mandate of the Ad Hoc Committee on the Indian Ocean. At the same time, in its resolution 34/80 B, it decided, among others, to enlarge the membership of the Ad Hoc Committee, to invite the permanent members of the Security Council and major maritime users of the Indian Ocean referred to in paragraph 12 (c) of the report of the meeting of the Littoral and Hinterland States of the Indian Ocean 8/ that have not yet done so to serve on the expanded Ad Hoc Committee, and to convene a conference on the Indian Ocean during 1981. It also requested the Ad Hoc Committee to undertake preparatory work for the convening of the Conference, including consideration of appropriate arrangements for any international agreement that may ultimately be reached for the maintenance of the Indian Ocean as a zone of peace.

# (i) Situation at the end of 1981

- 4.70 It is expected that the preparatory work of the Ad Hoc Committee on the Indian Ocean and the Conference on the Indian Ocean will be completed. Meanwhile, it is also expected that there will be more agenda items in the work programme of the Committee on Disarmament, the Disarmament Commission and the First Committee, particularly in connexion with preparations for the second special session of the General Assembly devoted to disarmament.
- 4.71 Furthermore, there will be increased activities in connexion with preparatory work for the second special session on disarmament.
- 4.72 The General Assembly, by resolution 34/81 of 11 December 1979, renewed the mandate of the Ad Hoc Committee on the World Disarmament Conference. At its tenth special session, the Assembly decided that at the earliest appropriate time

<sup>3/</sup> Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 45 (A/34/45).

a world disarmament conference should be convened with universal participation and with adequate preparation. The Ad Hoc Committee was requested to maintain close contact with the representatives of the States possessing nuclear weapons in order to remain currently informed of their attitudes, as well as with all other States, and to consider any possible relevant proposals and observations which might be made to the Committee. Secretariat work in this context will continue.

4.73 The second session of the United Nations Conference on Prohibitions or Restrictions of Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects will have been held in late 1980.

## (ii) Biennium 1982-1983

4.74 There will be continued deliberations by the Disarmament Commission on a variety of disarmament questions. The Committee on Disarmament will be fully engaged in the implementation of the decisions of the tenth special session and subsequent regular sessions of the General Assembly, as well as those which may be decided at the second special session devoted to disarmament. The Committee on Disarmament will be dealing with the cessation of the arms race and disarmament and other relevant matters in the following areas: (a) nuclear weapons in all aspects; (b) chemical weapons; (c) other weapons of mass destruction; (d) conventional weapons; (e) reduction of military budgets; (f) reduction of armed forces; (g) disarmament and development, (h) disarmament and international security; (i) collateral measures; confidence-building measures; effective verification methods in relation to appropriate disarmament measures, acceptable to all parties concerned; and (j) comprehensive programme for disarmament leading to general and complete disarmament under effective international control. As a consequence of decisions to be made by the General Assembly at its second special session, it is likely that there will be new items in the work programme of the First Committee, the Committee on Disarmament and the Disarmament Commission. A main development during this period could also be represented by progress towards a world disarmament conference. Considerations of measures to prohibit or restrict the use of specific conventional weapons will continue and may intensify as a result of the second session of the conference in 1980. Centre will also participate in other conferences and meetings of the United Nations and specialized agencies in which disarmament matters will be discussed.

#### (e) Expected impact

4.75 The contribution of the Centre in the area of disarmament and arms limitation is expected to enhance the deliberation and negotiation process among Member States. It is expected that, in conjunction with activities under subprogramme 3: studies on disarmament, it will be possible to identify and develop alternatives in the political, economic and social areas towards the more constructive use of resources now being consumed on armaments. It is hoped that progress will be made in alleviating some of the problems addressed in this subprogramme.

#### SUBPROGRAMME 2: INFORMATION ON DISARMAMENT

#### (a) Objective

4.76 The objective of this subprogramme is to provide information to Governments, intergovernmental and non-governmental organizations, research institutions and

others; as well as to inform the general public with a view to mobilizing opinion and activating support for disarmament; and to develop and maintain a comprehensive and efficient information system in order to promote a better understanding and resolution of disarmament problems.

#### (b) Problems addressed

4.77 The discussion of disarmament and arms limitation requires a thorough knowledge of the problems involved, including an awareness of the existence and the development of various means of mass destruction and conventional weapons and the effects of their use. Opinions expressed in numerous statements and resolutions by various bodies of the United Nations system recognize the need of the international community for regular and expanded information on disarmament related problems and developments. This need is specifically enunciated in the Final Document of the Tenth Special Session of the General Assembly (resolution S-10/2). It is widely accepted that such information could be helpful in better understanding and resolving these problems.

# (c) Legislative authority

4.78 The General Assembly, in its resolution 31/90 of 14 December 1976, endorsed, among other proposals, the provision of information in the field of disarmament, including the publication of the <u>United Nations Disarmament Yearbook</u>. At its thirty-second session, in its resolution 32/87 E of 12 December 1977, the Assembly also decided to publish a disarmament periodical. In paragraphs 99-104 and 123 of the Final Document of the tenth special session the need for an effective information programme in favour of disarmament and recommended specific means for implementation was emphasized. In its resolutions 33/71 D and G and 34/83 I, the Assembly also reaffirmed its decision taken, at its tenth special session, on the proclamation of a Disarmament Week devoted to fostering the objectives of disarmament, and in resolution 34/83 I, emphasized the urgent need for and the importance of wide and continued mobilization of world public opinion in support of halting and reversing the arms race.

#### (d) Strategy and output

4.79 The ongoing activities covered by this subprogramme comprise the preparation and publication of the United Nations Disarmament Yearbook and of the disarmament periodical, the preparation of contributions to the general United Nations Yearbook, the contribution to other publications of the United Nations and dissemination of information on armaments and disarmament throught other media such as national publications, film and television. In co-ordination with the Department of Public Information, an intensive use of the media will be made towards a more effective dissemination of disarmament-related information such as brochures, sales publications, film and other audio-visual materials, particularly in connexion with the Disarmament Decade and the observance of Disarmament Week. The substantive content of all these materials are determined and provided to the largest extent possible by the Centre as part of its work programme. In New York, as well as at Geneva, reference collections of disarmament-related materials are maintained and will be further improved and developed through computerization of information, in order to facilitate retrieval and dissemination of information. The Centre will continue to carry out, through consultations with the representatives of non-governmental organizations in New York, Geneva and

elsewhere, specific and practical aspects of present and future co-operation. Non-governmental organizations are encouraged to contribute to the work of various disarmament bodies. Staff members of the Centre, as well as governmental representatives, actively participate in seminars, conferences, symposia, conventions and other meetings organized by non-governmental organizations. Among others, the General Assembly invited States that wish to carry out programmes at the local level on the occasion of Disarmament Week to take into account the elements of the model programme prepared by the Secretary-General, and also invited international non-governmental organizations to take an active part in holding Disarmament Week. The planning and execution of Disarmament Week programmes are carried out in co-operation with non-governmental organizations. The General Assembly has also determined that the resolution on "Declaration of the 1980s as the Second Disarmament Decade", to be adopted at its thirty-fifth session, should embody, inter alia, ways and means of mobilizing world public opinion in support of the major objectives and goals of disarmament.

#### (i) Situation at the end of 1981

4.80 Five volumes of the <u>United Nations Disarmament Yearbook</u> and 12 issues of the disarmament periodical, entitled "Disarmament", will have been published. A computerized data collection and retrieval system will be operating in New York with a terminal in Geneva. Strong efforts will continue to be made in sustaining the impetus given by the tenth special session to generate favourable public opinion and to actively co-operate with research institutions and non-governmental organizations. There should also be a comprehensive programme of activities, carried out in co-ordination with the Department of Public Information, which will include the publication of materials reflecting the results of studies of various expert groups and major United Nations conferences and meetings. New channels and initiatives will be explored to give the greatest possible effect to the mandate given by the General Assembly.

#### (ii) Biennium 1982-1983

4.81 As a result of decisions which may be taken during the second special session of the General Assembly devoted to disarmament, in 1982, information activities may be expected to expand during the second biennium, both in respect of the number of items covered and of the wider public to be reached. There would also be a growth in the contributions on new subjects, both to the <u>United Nations Disarmament Yearbook</u> and to the periodical and an expansion of the bibliographic section of the periodical and of the recurring features containing information on current disarmament efforts. As a result of the work of the ad hoc panel on the reduction of military budgets, data on such topics as military expenditures, armed forces and armaments, military production, arms trade and military foreign aid will have to be included in the <u>United Nations Disarmament Yearbook</u>. There will be intensified co-operation with non-governmental organizations and research institutions towards a more direct involvement in international disarmament efforts.

#### (e) Expected impact

4.82 Improved knowledge and understanding of the complex problems involved in the disarmament process will contribute to the capability of Member States to play a more effective role in the deliberation and negotiation processes. A heightened

awareness among the general public of the problems in particular through the efforts of better informed non-governmental organizations, would improve the climate for discussions on disarmament and arms limitation.

SUBPROGRAMME 3: STUDIES ON DISARMEMENT

#### (a) Objective

4.83 The objective of this subprogramme is to bring about a more thorough understanding of the complex factors involved in the process of disarmament, through in-depth and comprehensive study of specific aspects of disarmament. The studies are undertaken to help define strategies and measures to curb the arms race and to assist in negotiations to that end.

#### (b) Problem addressed

4.84 Disarmament involves many different possible measures that are largely interrelated, each of which having multiple political, military, technical, economic and social aspects. As awareness of those aspects is essential in understanding the problems of the arms race and of disarmament, and in facilitating the process of deliberations and negotiations.

### (c) Legislative authority

4.85 Legislative authority for the general study activities of the Centre for Disarmament derives from General Assembly resolution 31/90 of 14 December 1976, as well as from the Final Document of the tenth special session (resolution S-10/2, paras, 96 and 98). Specific studies are being undertaken at the request of the General Assembly in its resolutions and decision:

Final document S-10/2, paras. 94-95; resolutions 33/71 I and M of 16 December 1978 and 34/83 K of 11 December 1979;

Resolutions 32/87 C of 12 December 1977, S-10/2, para. 97, 33/91 I of 18 January 1979 and 34/83 A of 11 December 1979;

Resolutions 33/67 of 14 December 1978 and 34/83 F of 11 December 1979;

Resolutions 33/71 J of 14 December 1978 and 34/83 E of 11 December 1979;

Resolutions 33/91 D of 16 December 1978 and 34/83 J of 11 December 1979;

Resolution 33/91 E of 16 December 1978;

Resolution 34/89 of 11 December 1979;

Resolution 34/87 B of 11 December 1979;

Resolution 34/87 E of 11 December 1979;

Resolution 34/76 B of 11 December 1979;

Decision 34/422 of 11 December 1979.

### (d) Strategy and output

- 4.86 The Advisory Board on Disarmament Studies, which meets twice a year, advises the Secretary-General on various aspects of studies to be made and or the auspices of the United Nations in the field of disarmament and arms limitation, including a programme of such studies. The Board has agreed that such a programme should be an integrated programme and should be related to a strategy for disarmament and to negotiations to implement that strategy. The Board takes careful account of the studies that had already been carried out and those that are under way. It provides guidance on the direction that particular studies may take, as well as advice on how to carry them out, taking due account of the various political, socio-economic, national security and regional considerations involved. It also makes proposals on studies to be undertaken. Background studies are also undertaken in the course of preparations for review conferences and other meetings on disarmament.
- 4.87 There are ll specific studies which are to be dealt with during the first half of the plan period. The Secretary-General was requested by the General Assembly to undertake these studies with the assistance of appropriate experts:
- (a) Relationship between disarmament and development an expert study on the relationship between disarmament and development, which should be made in the context of how disarmament can contribute to the establishment of the new international economic order;
- (b) Relationship between disarmement and international security a study on the interrelationship between disarmament and international security;
- (c) Reduction of military budgets with the assistance of an <u>ad hoc</u> panel of experienced practitioners in the field of military budgeting, to carry out a practical test of the proposed instrument for standardized reporting on the military expenditure of Member States, to assess the results, and to develop recommendations for further refinement and implementation of the reporting instrument;
- (d) Question of the establishment of an International Satellite Monitoring Agency a study of the technical, legal and financial implications of establishing an international satellite monitoring agency;
- (e) Comprehensive study on nuclear weapons a comprehensive study providing information on present nuclear arsenals, trends in the technological development of nuclear-weapon systems, the effect of their use and the implications for international security, as well as for negotiations on disarmement;
- (f) Regional aspects of disarmament a systematic study of all the aspects of regional disarmament;
- (g) Israeli nuclear armament with the assistance of qualified experts, to prepare a study on Israeli nuclear armament;
- (h) Confidence-building measures a comprehensive study on confidence-building measures, taking into account the replies received from Governments by the Secretary-General, as contained in document A/34/416;

- (i) Institutional arrangements relating to the process of disarmament a comprehensive study assessing present institutional requirements and future estimated needs in the United Nations management of disarmament affairs and outlining possible functions, structure and institutional framework that could meet those requirements and needs, including legal and financial implications, and formulating recommendations for possible decisions on the matter;
- (j) Huclear capability of South Africa a comprehensive report on South Africa's plan and capability in the nuclear field;
- (k) Comprehensive nuclear-test ban a study on the question of a comprehensive nuclear-test ban recommended by the Advisory Board on Disarmament Studies and by the Secretary-General himself. Further studies may be authorized by the General Assembly before the plan period is over. As in the past, these studies will be carried out by groups of governmental experts appointed by the Secretary-General, by groups of consultants, and by the Secretariat. In many cases, consultants with appropriate expertise are engaged for limited periods to help prepare background material and assist in drafting reports. The Secretariat's activities with regard to expert meetings, besides the compilation of documentation, and servicing and drafting the reports, usually entail the preparation of substantive background papers. Twenty-five expert group meetings involving the participation of about 140 governmental and other experts are scheduled to be held in New York and Geneva in 1980 in connexion with these studies. In addition, the 30-member Advisory Board on Disarmament Studies meets twice a year.

#### (i) Situation at the end of 1981

4.88 All the studies mentioned above should be completed by 1981. The Advisory Board will continue, however, to elaborate a comprehensive programme of disarmament studies and to advise the Secretary-General on its execution. It is foreseen that several new studies will be initiated in 1980 and 1981, in light of recommendations and decisions of the General Assembly.

#### (ii) Biennium 1982-1983

4.89 Work will continue on several new studies initiated during the previous biennium. The programme of studies will be further elaborated during the present biennium. The General Assembly, at its own initiative as well as acting upon proposals by the Advisory Board, may decide to request new studies on a number of subjects. The details and time-frame of these activities will be determined by the appropriate resolutions.

#### (e) Expected impact

4.90 Studies in the area of disarmament and arms limitation fall into two categories. The first consists of studies requested by the General Assembly or the negotiating body in the light of current negotiations on given disarmament measures. The results of such studies may play an important role in facilitating the process of such negotiations. The second category is made up of various comprehensive studies of which the purpose is to identify new developments relating to armaments or disarmament that might give rise or lend themselves to negotiation leading to conclusion of international agreements. It is expected that the results of these studies will thus contribute to subprogramme 1: deliberations and negotiations.

4.91 In addition, in conjunction with activities under subprogramme 2, information on disarmament, the results of these studies will become valuable sources of public information for the purpose of mobilizing public opinion and support for disarmament.

#### SUBPROGRAMME 5: TRAINING FOR DISARMAMENT

#### (a) Objective

4.111 The objective of this subprogramme is to contribute to the training and specialization of national public officials, particularly those from developing countries, to enable them to participate more effectively in international deliberating and negotiating forums, as well as to provide expertise at the national levels.

#### (b) Problems addressed

4.112 Government officials, and diplomats in particular, dealing with disarmament matters in deliberative bodies and in negotiations need a thorough knowledge of the issues and procedures involved. This programme is intended to meet these needs.

#### (c) Legislative authority

4.113 In paragraph 108 of the Final Document of its tenth special session (S-10/2), the General Assembly decided to establish a programme of fellowships on disarmament, to be funded from the regular budget of the United Nations, and requested the Secretary-General to prepare guidelines for the programme. Such guidelines (A/33/305) were approved by the General Assembly in resolution 33/71 E of 14 December 1978. At its thirty-fourth session, the General Assembly, in resolution 34/83 D, noted with satisfaction the report of the Secretary-General on the first (1979) United Nations Programme of Fellowships on Disarmament and decided to continue the programme.

#### (d) Strategy and output

4.114 In accordance with the above-mentioned decision of the General Assembly at its tenth special session, 20 fellowships on disarmament are made available each year. The duration of each training course is up to six months. During this period, participants in the programme are trained, at the United Nations Headquarters, at Geneva and elsewhere, in all aspects of disarmament by means of lectures, seminars, drafting courses, simulation exercises and on-the-job observation of disarmament bodies, including the Committee on Disarmament and the First Committee of the General Assembly. A brief course in Vienna, at the International Atomic Energy Agency, is part of the programme. The programme is organized and administered by the Centre for Disarmament. In organizing the programme, the Centre draws on expertise from the United Nations system - in particular UNITAR - from Member States and from relevant research institutes. Towards the end of each annual programme, an evaluation will be made through, among others, questionnaires to be completed by the participants. An informal evaluation by a number of Fellows and other participants of the 1979 programme indicates that the programme has made a very good start and that it will fulfil its aim.

#### (i) Situation at the end of 1981

4.115 During 1980-1981, about 60 officials, most of them from developing countries, will have received specialized training in the field of disarmament.

#### (ii) Biennium 1982-1983

4.116 While it may be assumed that the programme will continue along currently established lines, efforts will also continue to be made towards improving the organization and content of the curriculum. At the end of 1983, about 100 officials will have participated in the programme.

# (e) Expected impact

4.117 The Fellows will provide expertise at the national levels, and most of them will also be participants in international forums on disarmament. Their improved knowledge and understanding of disarmament problems will undoubtedly enhance their capabilities to represent their countries effectively in the negotiating and deliberating processes of disarmament.

#### CHAPTER 6

#### INTERNATIONAL JUSTICE AND LAW

PROGRAMME 5: PROGRESSIVE HARMONIZATION AND UNIFICATION OF THE LAW OF INTERNATIONAL TRADE (INTERNATIONAL TRADE LAW BRANCH, OFFICE OF LEGAL AFFAIRS)

#### A. Organization

# 4. Expected completions

Replace paragraph 6.136 of A/33/6/Rev.l with the following.

6.136 The following programme elements, which are described in paragraphs 20.6 and 20.15 of the proposed programme budget for the biennium 1978-1979, were completed by December 1979: Carriage of goods by sea and contract guarantees. The following programme elements are expected to be completed:

#### In 1980-1981

Adoption of the convention on contracts for the international sale of goods and of the rules on the conciliation of international trade disputes.

#### In 1982-1983

One or two programme elements listed in paragraph 26.30 of the 1980-1981 programme budget (1.1 (a) drafting of uniform rules on liquidated damages and penalty clauses and (b) drafting of uniform rules on standby letters of credit).

#### D. Subprogramme narratives

SUBPROGRAMME 1: HARMONIZATION AND UNIFICATION OF INTERNATIONAL TRADE LAW WITHIN THE FRAMEWORK OF THE UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW

The following text for the subprogramme <u>modifies</u> the paragraphs of A/33/6/Rev.l cited below.

#### (a) Objective

6.140 The objective of this subprogramme is to assist in the preparation by UNCITRAL of treaties and other legal instruments relating to international trade.

# (c) Legislative authority

6.142 The legislative authority for this subprogramme derives from General Assembly resolutions 2205 (XXI) of 17 December 1966 and 33/92 of 16 December 1978.

# (d) Strategy and output

- 6.143 (a) At its eleventh session in 1978, UNCITRAL adopted a new programme of work which attached priority to the following:
  - (i) Topics relating to international trade contracts: (a) International barter or exchange; (b) Study of international contract practices, with special reference to "hardship" clauses, force majeure clauses, liquidated damages and penalty clauses, and clauses protecting parties against currency fluctuations; (c) The 1955 Hague Convention on the Law Applicable to International Sales, to be considered by the Commission only after the Hague Conference on Private International Law had completed its revision of that convention;
  - (ii) Topics on international payments: (a) Standby letters of credit, to be studied in conjunction with the International Chamber of Commerce;
     (b) Electronic funds transfer, to be given, however, a lower priority than item (a);
  - (iii) Determination of a universal unit of account for international conventions,
    - (iv) International commercial arbitration: conciliation of international trade disputes and its relation to arbitration and to the UNCITRAL Arbitration Rules;
      - (v) Product liability;
    - (vi) The legal implications of the new international economic order;
  - (vii) Transportation: preparation of studies setting forth the work so far accomplished by international organizations in the fields of multimodal transport, charter-parties, marine insurance, transport by container and the forwarding of goods.
- (b) In respect of all the above topics, the Secretariat should, in the first instance, undertake preliminary studies, where necessary in consultation with interested international organizations. The Secretariat could exercise its discretion in determining the order in which such studies were prepared, but take into account any priorities indicated by the Commission.
- (c) The Commission should decide on the scope of further work on these subjects, and their possible allocation to Working Groups, after having examined the studies prepared by the Secretariat.
- (d) As a general rule, the Commission should not refer subject-matter to a Working Group until after preparatory studies had been made by the Secretariat and the consideration of these studies by the Commission had indicated not only that the subject-matter was a suitable one in the context of the unification and harmonization of a law, but that the preparatory work was sufficiently advanced for a Working Group to commence work in a profitable manner.
- (e) After the establishment of the new programme of work, the Secretariat has completed studies on the following topics:
  - (i) International barter or exchange;
  - (ii) Liquidated damages and penalty clauses;

- (iii) Clauses protecting parties against currency fluctuations:
  - (iv) Standby letters of credit;
  - (v) International commercial arbitration:
- (vi) The legal implications of the new international economic order;
- (vii) Transportation.

Meetings have been organized to discuss problems connected with the electronic transfer of funds and the determination of a universal unit of account, and studies have been presented to these meetings by outside experts.

#### (ii) Biennium 1980-1981

6.144 Work continues on the draft convention on international bills of exchange, on international commercial arbitration and on security interests in goods. The International Trade Law Branch is also engaged in preparation for the conference of plenipotentiaries which has been convened by the General Assembly from 10 March to 11 April 1980 (with a possible extension to 18 April 1980) for the purpose of concluding a Convention on Contracts for the International Sale of Goods. During the biennium 1980-1981, UNCITRAL will continue its work on the unification and harmonization of international trade law and will keep under review the extent to which the General Assembly resolutions regarding the establishment of a new international economic order may affect that work. As in the past, in addition to holding its annual session, UNCITRAL will utilize three intersessional working groups and will continue to consult with international trade and banking institutions through special study groups.

6.145 The Working Group on International Negotiable Instruments will complete its present work on international bills of exchange and international promissory notes, and will thereafter draft provisions governing international cheques. The Working Group on the New International Economic Order will make recommendations as to specific topics which could appropriately form part of the programme of work of the Commission, and undertake any further work entrusted to it by the Commission. The Working Group on International Contract Practices will examine the feasibility of drafting uniform rules on liquidated damages and penalty clauses applicable to a wide range of international trade contracts. The Study Group of International Payments will consider the issue of a universal unit of account, and the feasibility of formulating uniform rules for the regulation of electronic funds transfers.

6.146 In addition, the output during the biennium 1980-1981 will consist of preparatory studies and draft texts on topics in the programme of work, and the reports of UNCITRAL on the work of its annual sessions. This work will be intended primarily for Governments (the membership of UNCITRAL and its groups is made up of Governments) and secondly for international, intergovernmental and non-governmental organizations. Training and assistance in matters of trade law will continue, and a second UNCITRAL Symposium on International Trade Law will be held if the necessary extrabudgetary funds can be obtained.

# (iii) Biennium 1982-1983

6.147 During the biennium 1982-1983, work will continue under the programme of work except for the topics completed in 1980-1981 and those for which feasibility studies have shown that unification would not be necessary or feasible. In particular, it is expected that work will continue on research studies and drafting of legal instruments in respect of the following topics:

- (a) International negotiable instruments leading to a conference of plenipotentiaries to conclude a convention on international negotiable instruments;
- (b) International commercial arbitration, leading to a draft model law on international commercial arbitration:
- (c) International trade contract practices, possibly leading to the drafting of model clauses for international contracts in relation to "hardship" clauses, force majeure clauses, currency clauses and any other clauses in respect of which draft model clauses are valuable;
  - (d) Uniform rules to govern electronic funds transfers;
  - (e) A legal instrument determining a universal unit of account;
- (f) Products liability, possibly leading to a draft convention or draft model law on products liability in international trade;
  - (g) Legal instruments relating to the new international economic order.

#### (e) Expected impact

6.149 The work of UNCITRAL is expected to facilitate international commercial relations through the establishment of international conventions, uniform laws, model laws or rules and general conditions and trade terms governing such relations. The recently established UNCITRAL Arbitration Rules are being increasingly referred to by parties to international commercial contracts as the procedure by which their disputes are to be settled. The Convention on the Carriage of Goods by Sea (Hamburg Rules), which was adopted by a conference of plenipotentiaries, will enter into force when ratified by a sufficient number of States. The Convention will then have a significant impact on international trade by regulating certain rights and duties of carriers and shippers which are parties to contracts for the carriage of goods by sea.

SUBPROGRAMME 2: CO-ORDINATION OF WORK OF INTERNATIONAL, INTERGOVERNMENTAL AND NON-GOVERNMENTAL ORGANIZATIONS IN INTERNATIONAL TRADE LAW

The following text modifies the paragraphs of A/33/6/Rev.l cited below.

#### (a) Objective

6.150 The objective of this subprogramme is to assist the progressive harmonization and unification of the law of international trade by co-ordinating the work of UNCITRAL and other organizations active in that field and encouraging co-operation among them.

# (c) Legislative authority

6.152 The legislative authority for this subprogramme derives from General Assembly resolutions 2205 (XXI) of 17 December 1966 and 34/142 of 17 December 1979.

# (d) Strategy and output

# (iii) Biennium 1982-1983

6.156 Work on the programme elements in the programme of work set out in paragraph 6.143 above will continue except for the programme elements completed in the 1980-1981 biennium.

#### CHAPTER 7

#### TRUSTEESHIP AND DECOLONIZ 10N

PROGRAMME 1: DEPARTMENT OF POLITICAL AFFAIRS, TRUSTEESHIP AND DECOLONIZATION

- 7.3 Replace subparagraph 7.3 (i) of A/33/6/Rev.l with the following.
  - 3. Expected completions and consequent reorganization
  - (i) In 1978-1979

Six territories (Dominica, Kiribati, the Solomon Islands, Tuvalu, St. Vincent and the Grenadines) attained independence during this period.

#### D. Subprogramme narratives

SUBPROGRAMME 1: AFRICAN AND OTHER TERRITORIES\*

The following text modifies the paragraphs of A/33/6/Rev.l cited below.

### (a) Objective

7.18 The objective of this subprogramme is to assist in bringing about the decolonization of three territories in Africa (Namibia, Southern Rhodesia and Western Sahara) as well as three Territories (East Timor, Gibraltar and St. Helena) which are outside the African region.

#### (b) Problems addressed

7.19 The African territories which are grouped under this subprogramme include the most serious and challenging problems of decolonization which have confronted and are confronting the United Nations. In numerous resolutions, the General Assembly and the Security Council have emphasized the urgency of bringing an end to these situations by the attainment of freedom and independence based on majority rule.

#### (c) Legislative authority

7.21 <u>Delete</u> references to General Assembly resolutions 32/42, 32/9, 32/116, 32/22, 32/34, 32/410 and 32/44, and <u>replace</u> with the following resolutions: 34/94 (on the work of the Special Committee); 34/92 (Namibia); 34/192 (Southern Rhodesia); 34/37 (Western Sahara); 34/40 (East Timor); 34/411 (St. Helena); and 34/412 (Gibraltar).

<sup>\*</sup> The title of the subprogramme is amended to reflect its scope.

- (d) Strategy and output
- 7.22 Replace subparagraph 7.22 (ii) with the following.
  - (ii) Identifying through research and analysis the political, military, economic and social conditions in Africa as well as conditions in other territories included within this subprogramme which affect decolonization.
- 7.23 Until the decolonization of these territories is completed all the existing activities will continue to be important.
- SUBPROGRAMME 2: CARIBBEAN AND ASIA/PACIFIC

The following text modifies the paragraphs of A/33/6/Rev.l cited below.

- (b) Problems addressed
- 7.26 Replace the words "ll Territories" by the words "10 Territories".

In foot-note 3 delete references to Dominica, St. Lucia and St. Vincent.

7.27 <u>Asia/Pacific</u>. In the Asia/Pacific region this subprogramme relates to 8 island territories which have not yet achieved self-determination and independence.

In foot-note 4, delete references to Gilbert Islands, Solomon Islands, and Tuvalu.

- (c) Legislative authority
- 7.29 Delete reference to General Assembly resolutions 32/42 and insert General Assembly resolution 34/94 of 13 December 1979.

Replace the two last sentences of the paragraph with the following text.

At its thirty-fourth session, the Assembly also adopted resolutions 34/10 and 34/34 to 34/39 concerning 13 Territories in the Caribbean and Asia/Pacific regions. It also adopted decisions 34/413 to 34/416 on Brunei, Pitcairn, the Falkland Islands (Malvinas), Antigua and St. Kitts-Nevis-Anguilla, and consensus (decisions 34/409 and 34/410) on 2 Territories.

- (d) Strategy and output
- 7.32 For 11 non-self-governing Territories read 8 Non-self-governing Territories.
  - PROGRAMME 2: OFFICE OF THE UNITED NATIONS COMMISSIONER FOR NAMIBIA

Replace paragraph 7.42b of A/33/5/Rev.l with the following.

3. Expected completions and consequent reorganizations

7.42b In view of the unusual political situation, it is difficult to state accurately the date on which programmes listed below might be completed during

1980-1981 or 1982-1983. It is equally difficult to indicate the date of Namibia's independence. During the 1980-1983 biennium the following programmes would be undertaken or continued:

- (i) Education and training;
- (ii) United Nations Institute for Namibia;
- (iii) Nationhood Programme for Namibia;
- (iv) Implementation of travel document programme for Namibians;
- (v) Implementation of Decree No. 1 for the Protection of the Natural Resources of Namibia;
- (vi) Dissemination of information.

SUBPROGRAMME: NAMIBIA\*

The following text modifies the paragraphs of A/33/6/Rev.l cited below.

- (a) Objectives
- 7.45 In the first sentence of this paragraph, for implement read execute.

Also, replace the original text in 7.45 (iv) with the following:

(iv) To act as the co-ordinating authority in the implementation of the Nationhood Programme for Namibia;

and add the following new line as 7.45 (vi):

- (vi) To disseminate information.
- (c) Legislative authority
- 7.47 After 32/9 add 33/182.
- (d) Strategy and output
  - (ii) Biennium 1980-1981
- 7.49 Replace item c. of this paragraph with the following.

Implementation of the Nationhood Programme for Namibia through the direction and co-ordination of assistance by the specialized agencies and other organizations and bodies of the United Nations system to Namibians outside the Territory.

<sup>\*</sup> The title of the subprogramme is changed from "Assistance to Namibia" to "Namibia" to reflect better its content and objectives.

### (e) Expected impact

- 7.52 Replace items (ii), (iii) and (v) of this paragraph with the following.
  - (ii) UNDP has established an indicative planning figure for Namibia;
  - (iii) The Institute for Namibia has been established in Lusaka for training and research;

and the state of the

(v) Launching of the Nationhood Programme through which the specialized agencies have increased their programmes of assistance for Namibians under the direction of the Council for Namibia and in consultation with SWAPO.

#### CHAPTER 12

### PUBLIC INFORMATION

PROGRAMME: DEPARTMENT OF PUBLIC INFORMATION\*

The following text modifies the paragraphs of A/33/6/Rev.1 cited below.

### A. Organization

### 1. Intergovernmental review

- 12.1 The intergovernmental reviewing body known as the Committee to Review United Nations Public Information Policies and Activities, consisting of 41 Member States, was established pursuant to General Assembly resolution 33/115 C of 18 December 1978. The General Assembly, in its resolution 34/182 of 18 December 1979, decided to maintain the Committee, which will henceforth be known as the United Nations Committee on Information and increased its membership from 41 to 66.
- 12.2 The public information policies and activities are to be examined annually by the United Nations Committee on Information and will further be examined by the General Assembly in the context of the Fifth Committee's debate on budget submissions. Other substantive intergovernmental bodies undertake appraisals of information activities in their field as the need arises.

### SUBPROGRAMME 2: INFORMATION IN DEPTH

### (d) Strategy and output

### (iv) Division for Economic and Social Information

### 12.50 Add the following subitems

- e. United Nations Conference on New and Renewable Sources of Energy (1981);
- f. Symposia on the Activities of Transnational Corporations in Southern Rhodesia (1980-1981).

### (c) Legislative authority

12.61 Add General Assembly resolutions 33/115 and 34/182.

<sup>&</sup>quot; The title of the programme was changed to reflect the name of the Department.

### CHAPTER 13

### DEVELOPMENT ISSUES AND POLICIES

PROGRAMME 1: DEPARTMENT OF INTERNATIONAL ECONOMIC AND SOCIAL AFFAIRS

SUBPROGRAMME 3: FISCAL AND DOMESTIC FINANCIAL ISSUES

Replace paragraph 13.37 of A/33/6/Rev.1 with the following.

### (d) Strategy

# (i) Nature of the change in strategy

In comparison with the previous strategy the one proposed below provides for greater emphasis on the mobilization of private savings in developing countries with a view to increasing those countries' financial self-reliance and the use of such savings for promoting development at the grass-roots level. Another difference between the previous strategy and the one proposed below concerns the work on international taxation: the United Nations Model Double Taxation Convention between Developed and Developing Countries, having been finalized in December 1979 by the Group of Experts on Tax Treaties between Developed and Developing Countries, the work in 1980-1983 will focus on international tax evasion and avoidance, which causes substantial revenue losses in both developed and developing countries.

### (ii) New strategy for the period 1980-1983

In line with the findings and conclusions of the International Symposium on the Mobilization of Personal Savings in Developing Countries, held at Kingston, Jamaica, in February 1980, the programme of research and studies on the mobilization of personal savings will be aimed at providing the basis for the devising of more effective savings instruments and incentives and the formulation of policy suggestions for expanding credit facilities for farmers and small and medium-scale industrialists. The policies will be formulated at a second international savings symposium to be held early in 1982. The work on international taxation will be aimed at providing the basis for the formulation of policy suggestions or guidelines for strengthening international co-operation to combat tax evasion and avoidance. The work will consist of the preparation of a survey of devices used to evade or avoid taxes with regard to transactions occurring in an international context, of a study of possible solutions to the problems of tax evasion and avoidance and of a study of the feasibility of standardizing concepts, principles and criteria of interpretation in international taxation as a first step towards the possible drafting of an international convention on exchange of information for the prevention of tax evasion and avoidance. The survey and studies will be submitted to the Group of Experts on Tax Treaties (to be renamed Group of Experts on International Taxation). complement to the study of the taxation in developed countries of the profits from foreign investment in developing countries carried out in the preceding biennium, an in-depth assessment will be made of the effectiveness of investment incentives, especially tax incentives, granted by developing countries.

### PROGRAMME 2: DEPARTMENT OF TECHNICAL CO-OPERATION FOR DEVELOPMENT

Replace subprogramme 4, Delivery of Social Welfare Services, and subprogramme 5, People's Participation in Development Efforts at Local and Intermediate Levels (A/33/6/Rev.1, paras. 13.97-13.115) by the following text.

SUBPROGRAMME 4: INTEGRATED RURAL DEVELOPMENT

### (a) Objective

13.97 The objective of this subprogramme is to assist developing countries to plan and implement integrated rural development programmes oriented towards eradication of poverty more effectively.

### (b) Problems addressed

13.98 Faced with massive socio-economic development problems that are aggravating rural poverty and the urgent need to solve them in the interests of expeditious national dvelopment, Governments of developing countries have increasingly recognized the severe limitations of exclusively uni-sectoral or local-level approaches to rural development. These limitations have frequently led to the inefficient mobilization of national and international resources through dispersion of efforts, inconsistencies between activities at different governmental levels, and the lack of an integrated focus for sectoral activities in rural development plans and programmes. The preferred solution to this problem in many countries has been to establish new programmes which are integrated sectorally and operate in a multilevel framework. Implementation of such integrated rural development programmes, however, has often been difficult because the existing systems for development planning, administration and management usually require substantial changes in order to permit the preferred multisectoral, multilevel approach. Moreover, the information systems which would be required to exercise effective management control and expedite these programmes is also lacking. Even where some national experience has been accumulated on the successful implementation of such integrated rural development programmes, the experience gained in one country or region is rarely known in other countries facing similar difficulties. particularly true in developing monitoring and evaluation systems to enhance integrated planning, administration and management of development at all stages. In addition, technical co-operation from the United Nations system has often contributed to creating difficulties at the national level because the assistance itself had been restricted by agency-oriented sectoral considerations and lacked the required integrated focus, particularly in terms of programme planning and implementation.

### (c) Legislative authority

13.99 The legislative authority for this subprogramme derives from World Food Conference resolutions II, paragraphs 5, 6, 7, approved by General Assembly resolution 3348 (XXIX) of 17 December 1974; Economic and Social Council resolutions 1707 (LIII) of 28 July 1972, paragraph 5; 2073 (LXII) of 13 May 1977, paragraph 2; and decisions 175 (LXI) of 5 August 1976 and 1979/67 of 3 August 1979.

# (d) Strategy for the period 1980-1983

13.100 The strategy for this subprogramme is aimed at provision of support to interagency efforts at technical co-operation through direct advisory services on formulation and implementation of national integrated rural development programmes, which involve a multilevel, multisectoral approach. The technical co-operation projects covered by this subprogramme are those which are themselves multisectoral in orientation and will usually be multiagency in character and are concerned with planning, programming and programme management. To mobilize this concerted integrated approach to technical co-operation at the country level, substantive support will be given to the interagency effort under the ACC Task Force on Rural Development, which is expected to be further strengthened as part of the follow-up to the World Conference on Agrarian Reform and Rural Development.

### (e) Expected impact

13.101 The subprogramme is expected to result in the adoption by a number of countries of improved integrated rural development plans and programmes oriented towards eradication of poverty, on the basis of the results of multisectoral, multiagency technical co-operation. It is expected that several countries will adopt improved procedures for systematic monitoring and evaluation of rural development programmes to enhance the rural development planning and implementation processes. This in turn should lead to more effective use of resources for rural development, including more efficient application of multisectoral technical co-operation.

### PROGRAMME 5: ECONOMIC COMMISSION FOR LATIN AMERICA

Subprogramme 3, Economic policy and planning in Central America (A/33/6/Rev.l, paras. 13.185-13.190), does not appear as a separate subprogramme but is incorporated as programme element 2.2 of subprogramme 2, Design of strategies and policies, in paragraph 12.14 of the proposed programme budget for the biennium 1980-1981. 9/ This situation will continue in the biennium 1982-1983.

Subprogramme 4, Public sector policy analysis in Mexico (<u>ibid</u>., paras. 13.191-13.198), and subprogramme 5, Long-term economic analysis (<u>ibid</u>., paras. 13.199-13.206), do not appear in the proposed programme budget for the biennium 1930-1981. They were discontinued due to low priority.

<sup>1/</sup> Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 6 (A/34/6).

### CHAPTER 15

### FOOD AND AGRICULTURE

### PROGRAMME 1: WORLD FOOD COUNCIL

The underlined portions of the following text are revisions to the paragraphs of A/33/6/Rev.l cited and reproduced below.

# 3. Significant joint activities expected during the period 1980-1983

- 15.7 In addition to continuing formal co-ordination, special emphasis during the period of the medium-term plan will be given to the following joint activities:
- (a) With FAO, IBRD, <u>regional banks</u> and UNDP to develop special programmes to increase food production <u>and to support preparation and implementation of national</u> food sector strategies;
- (b) With WFP, FAO, the Committee on World Food Security and the International Wheat Council (IWC) to develop special programmes in the area of food security, including grain reserves;
- (c) With the Committee on Food Aid Policies and Programmes, IWC and bilateral organizations to develop and improve the policy framework of food aid;
- (d) With UNDP, UNICEF, WHO, IBRD and FAO to develop special nutrition and food distribution programmes;
  - (e) With FAO and IMF to establish a special food financing facility;
- (f) With FAO, IBRD, regional banks, IWC, IMF and UNCTAD to prepare a contingency plan for food crisis management.

### C. Subprogramme narrative

SUBPROGRAMME: CO-ORDINATION OF WORLD-WIDE ACTION TO COMBAT HUNGER

### (a) Objectives

- 15.8 The objectives of this subprogramme are:
  - (i) To stimulate food production in food priority countries to 4 per cent a year through the development of food sector strategies and support to other ongoing comprehensive plans and programmes;
  - (ii) To initiate specialized programmes in the areas of nutrition planning, nutrition intervention and micro-nutrient deficiency eradication in developing countries through existing agencies and through government

- participation and to devise mechanisms for a massive attack on hunger by making food directly accessible to the hungry;
- (iii) To secure continuous and adequate supplies of food aid at a minimum of at least 10 million tons, subject to appropriate review, and to develop and improve the policy framework for food aid;
  - (iv) To establish on an annual basis the 500,000-ton international emergency reserve of grain, as proposed by the General Assembly at its seventh special session;
  - (v) To achieve an effective and adequate grain reserve and to arrange access of food-deficit developing countries in particular to the reserve in times of scarcities and high prices, including a financing facility on generous terms;
  - (vi) To establish in advance a contingency mechanism for food crisis management;
- (vii) To initiate specific programmes to improve the food trade possibilities of the developing countries and to diversify sources of supplies so as to guard against dangers inherent in concentration of supplies;
- (viii) To increase the flow of resources for increasing food production in developing countries through specialized efforts to increase the availability of extra investments and of major agricultural inputs, commensurate with their development needs.

### (b) Problem addressed

15.9 The world food situation in all its aspects, including efforts of international organizations and Governments to develop short-term and long-term solutions to food problems, needs monitoring in order to obtain a view of the total food picture, to determine whether the world food strategy as a whole makes sense, to identify malfunctions, gaps and problem areas and to make recommendations to the General Assembly in order to bring about the desired results.

### (c) Legislative authority

- 15.10 The legislative authority for this subprogramme derives from:
  - (i) The World Food Conference, its Universal Declaration on the Eradication of Hunger and Malnutrition and its 22 recommendations; 1/
  - (ii) The food and agricultural provisions of General Assembly resolution 3362 (S-VII) of 16 September 1975;
  - (iii) The recommendations of the World Food Council, especially its Manila

<sup>1/</sup> See Report of the World Food Conference (United Nations publication, Sales No. E.75.II.A.3).

Communiqué: Programme of Action to Eradicate Hunger and Malnutrition, 2/ which was adopted by the General Assembly in resolution 32/52 on 8 December 1977; the Nexico Declaration of the World Food Council, which was adopted by the General Assembly in its resolution 33/90 of 15 December 1978; the Conclusions and recommendations of the World Food Council, 3/ which was adopted by the General Assembly in its resolution 33/90 of 15 December 1978; the Conclusions and recommendations of the World Food Council at its fifth ministerial session; 4/

- (iv) Economic and Social Council resolutions 1969 (LIX) of 30 June 1975; 2037 (LXI) and 2038 (LXI) of 10 August 1976; 2107 (LXIII) of 9 August 1977; 2114 (LXIII) of 11 August 1977; and 1978/69 of 16 August 1978;
- (v) General Assembly resolutions 31/121 of 16 December 1976; 32/52 of 11 January 1978, 33/90 of 15 December 1978; and 34/110 of 28 January 1980.

# (d) Strategy

## (i) Situation in 1980-1981

15.11 All of the issues of concern to this subprogramme are of a recurring nature and will be dealt with at progressive levels of higher action as progress is made. As a result, expected completions will take the form of intermediate progress for the progressive solution to major food problems. It is expected that the efforts of the Council, in co-operation with Governments and United Nations agencies, will result in the following achievements during 1980-1981:

- (a) The 10-million-ton food aid target will be approached through a new food aid convention pledging 7.5 million tons in place of the earlier pledge of 4.2 million tons. Actual commitment may however reach 10 million tons;
- (b) An adequate grain reserve will be established through the negotiation of the new agreement to replace the Wheat Agreement of 1971;
- (c) The target of 500,000 tons for an international emergency reserve will be <u>realized</u> on an annual replenishment basis;
- (d) Other aspects of the subprogramme are expected to be achieved in progressive steps, such as improvement in the areas of increasing food production, distribution and nutrition, a food financing facility, improving the food trade possibilities of developing countries, establishment of a food crisis management mechanisms and others;
- (é) Continued progress is expected in the achievement of higher levels of external resources for food production and increased inputs supplies.

<sup>2/</sup> Official Records of the General Assembly, Thirty-second Session, Supplement No. 19 (A/32/19) part one, para. 1.

<sup>3/</sup> Ibid., Thirty-third Session, Supplement No. 19 (A/33/19), part one, para. 1.

<sup>4/</sup> Ibid., Thirty-fourth Session, Supplement No. 19 (A/34/19), part one, para. 1.

# (ii) The period 1980-1983

- 15.12 The strategy of the World Food Council during the period 1980-1983 will have four basic elements:
- (a) Exploring all possible avenues to accelerate international efforts for a massive reduction of hunger during the 1980s aiming at its ultimate eradication;
- (b) Negotiations and political persuasion at the highest governmental levels by the Council's Ministerial Members, President, Bureau and the Executive Director;
- (c) The public presentation of the Council's recommendations at its meetings and elsewhere, including global and regional political and economic forums;
- (d) Consultations by the secretariat of the World Food Council with the secretariats of other international organizations and with individual Governments.

### (e) Expected impact

15.14 The impact of the World Food Council is expected to be evident through the achievement of the objectives of the United Nations system, as indicated in the recommendations contained in the resolutions noted in paragraph 15.10 above. The Council's impact can already be measured through the unanimous support given in the Economic and Social Council and the General Assembly to the Manila Communiqué: A Programme of Action to Eradicate Hunger and Malnutrition, 2/ which emerged from its third session and to its Mexico Declaration adopted at the fourth session in Mexico City. 3/ Initial impact is also evident in the success of the Council in achieving an increase in the contributions to the 500,000 ton emergency reserve proposed by the Assembly at its seventh special session, in the adoption of food sector strategies by 29 developing countries following the Council's fifth session in Ottawa and in the agreement reached for the conclusion of a new Food Aid Convention as a result of the Council's efforts following that session.

### CHAPTER 16

### HUMAN SETTLEMENTS

PROGRAMME 1: UNITED NATIONS CENTRE FOR HUMAN SETTLEMENTS (HABITAT)

Although programme 1 of the Human Settlements chapter in the medium-term plan for the period 1980-1983 was prepared according to the guidelines established by the Commission at its first session, the Commission had no opportunity to review the text of this plan until its second session. While there is no need for a drastic revision of programme 1 some changes have been introduced to reflect the views of the Commission in accordance with paragraph 2 of resolution 2/1, which requests the Executive Director of the United Nations Centre for Human Settlements (Habitat) to take full account of the views, relative priorities and criteria for project selection recommended by the Commission at its second session. The criteria for project selection are contained in the annex to resolution 2/1.

In summing up the debate, the Commission also decided that the following points should be taken into account in planning the activities of the Centre. 1/

- (a) The need for practical, concrete and realistic outputs from the work of the Centre rather than theoretical and academic studies;
- (b) The desire to have the Centre concentrate its attention on the improvement of living and working conditions in rural areas;
- (c) A general agreement that subprogramme 3 (Shelter, infrastructure and services) should carry the main thrust of the Centre's activities, particularly in technical co-operation, the area to which the Commission gives the highest priority; 2/
- (d) The requirement for appropriate indigenous systems of building technology, supported by appropriate codes and regulations and by programme of building and infrastructure facilities maintenance and rehabilitation;
- (e) The training of national staff to take up management responsibilities in human settlement programmes;
- (f) The intensification of efforts in public participation, including an intensive programme of information dissemination, including audio-visual activities.

The following text modifies the paragraphs of A/33/6/Rev.l cited below.

<sup>1/</sup> Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 8 (A/34/8), para. 61.

<sup>2/ &</sup>lt;u>Ibid.</u>, para. 73.

### SUBPROGRAMME 1: SETTLEMENT POLICIES AND STRATEGIES

### (a) Objective

16.15 The objective of this subprogramme is to involve policy makers in human settlements issues, in order to obtain a higher degree of recognition and awareness of the comprehensiveness of the approach required and identify priority issues requiring policy action.

### (b) Changes in the problems addressed since January 1978

16.18 The problems of rapid population growth, unplanned urbanization, inadequate living conditions in settlements and the disparity between urban and rural settlements are being perpetuated by segregation of decision-making bodies from the working level. At present political and legislative authorities are not adequately involved in a wide range of human settlements issues, which are basically political in character and call for strong political support, thereby weakening the ability of agencies on the working level. In the recent past some efforts have been made to build a national awareness of the need for a comprehensive approach towards human settlements development and to initiate a political process which would commit policy makers to deal with the issues of human settlements. These efforts, however, have been ad hoc, preliminary and inadequate. Present energy concerns and the effects that they are having on the development of human settlements, together with the General Assembly decision on the new international economic order, also call for reassessment of policies on human settlements.

## (c) Changes in legislative authority since January 1978

16.19 Add Guidelines and criteria recommended by the Commission on Human Settlements at its second session resolution 2/1, annex.

### (d) Strategy

### (i) Nature of the change in strategy

16.21 The new strategy will place more emphasis on research, training and information dissemination activities at the national and regional levels, as distinct from work at the global level, and will aim at developing more articulate political and legislative support for human settlements and at establishing interaction between legislative and executive authorities.

### (ii) New strategy for the period starting with the biennium 1982-1983

16.27-16.29 Since opportunities to influence the formulation of national settlement policies have been found to be better at the subregional/regional level than at the global level, programme activities will be directed to subregional/regional conferences of high-level policy makers, which will provide the focus for a number of supporting activities aimed at increasing understanding and awareness among high-level policy-making officials of the economic and social realities of urban and rural settlements. This subprogramme, which is also designed to assist the Commission in its role as a policy-making body, will provide the breadth of information required by the Commission. In information dissemination activities, priority will be given to the development of appropriate information systems at the national and regional levels, supported by a global system, and to

the distribution of existing audio-visual material to be supplemented by financial and technical support to encourage production of relevant new materials, especially in the developing regions, conceived to enable national policy makers to perceive and analyse the issues involved.

### (e) Expected impact

16.31 The involvement of government officials on a national and regional basis is likely to be more effective for the formulation of policy and strategies. With increased understanding of the problems and increased awareness of the urgency and importance of the formulation of policies, development policies in developing countries will give a higher priority to improving human settlements.

### SUBPROGRAMME 2: SETTLEMENT PLANNING

# (a) Objective

16.32 The objective of this subprogramme is to study trends, assess research and training facilities, and support countries and regions in specific settlement planning projects identified by them for priority action.

### (b) Changes in the problems addressed since January 1978

16.33 Add Planning for human settlements needs to be seen as an integral part of over-all national development planning in order to ensure that population distribution is properly considered in relation to the development of the different economic sectors and their required infrastructure components. Integrated planning of this type - covering urban areas proper, outlying districts or satellite communities closely linked economically and socially to the city, and rural areas is lacking in most countries.

# (c) Changes in legislative authority

16.36 Add Commission on Human Settlements resolution 2/1, annex.

# (d) Strategy

# (i) Nature of the change in strategy

16.38 In addition to efforts to be directed to promoting and implementing settlement planning activities at the metropolitan and urban planning level, attention is also to be given to rural settlements planning. Energy requirements will be reassessed and examined with a view to achieving maximum economies in energy consumption through a more rational approach to land use which, if successful, would reduce balance-of-payment deficits created by oil imports.

# (ii) New strategy for the period starting with the biennium 1982-1983

16.41 In view of the resources likely to be available it will be necessary to focus settlement planning on the most urgently needed types of support to attional efforts, such as assisting Governments in (a) institutionalizing the planning process within existing or emerging government institutions; (b) harmonizing sectoral activities and identifying settlement planning options; (c) training national cadres in the preparation of regional and metropolitan plans, in the

planning of new urban and rural settlements, and in maintaining information systems on human settlements; (d) assisting Governments in developing better data bases for settlement planning at national, regional and local levels: (e) supporting planning programmes specifically aimed at improving living conditions and employment opportunities for the poorest segment of the population in urban and rural settlements.

# (e) Expected impact

16.42 It is expected that more countries will move towards the institutionalization of the planning process within the framework of econoimc and social development planning and that rural settlements will receive a fair share of planning efforts and development resources, so that the possibilities of absorbing a higher percentage of rural population growth in rural settlements will be properly assessed and planned.

SUBPROGRAMME 3: SHELTER, INFRASTRUCTURE AND SERVICES

### (a) Objective

16.43 The objective of this subprogramme is to assist Governments in the development of policies, programmes, financial mechanisms and institutions to accelerate the provision of adequate shelter, infrastructure and services, with particular emphasis on lower-income settlements in urban and rural areas, and to facilitate the introduction of appropriate building materials and the development of innovative technologies.

# (b) Changes in the problems addressed since January 1978

16.44 The serious effects on the economies of most developing countries created by present energy crises are not only further postponing the implementation of housing and the provision of essential services, but energy shortage is having a much wider effect on human settlements owing to the particular effect in the costs of building materials and transportation. Human settlements planning, particularly land-use planning, may provide an excellent tool to conserve and reduce energy consumption. The new emphasis will be to minimize the need for movement of people and goods. Transportation systems, utility networks and construction techniques must be reassessed and developed with the view to reducing the use of energy and reduce costs.

# (c) Changes in legislative authority since January 1978

16.47 Commission on Human Settlements resolution 2/1, annex.

### (d) Strategy

### (i) Nature of the changes in strategy

16.50 This subprogramme has been accorded the highest priority by the Commission on Human Settlements; a greater share of staff resources will be assigned to it. The technological aspects of building materials, infrastructure and energy, will be expanded considerably. Greater emphasis will be given to energy issues in the provision of housing, infrastructure and services with particular emphasis on the needs and requirements of the urban and rural poor. The activities of the Centre will concentrate on the following areas:

- (a) Housing policies and programmes, especially those geared to the lowest income groups living in slums, squatter settlements and rural areas:
- (b) Organization and technology of the construction and building materials industries;
- (c) Standards and technologies for intrastructure and services, with particular attention to energy requirements and conservation, transportation and water supply, sewage and waste disposal;
- (d) Financial resources for the provision of shelter, infrastructure and services.
  - (ii) New strategy for the period starting with the biennium 1982-1983

### b. Regional level

16.61 Technical assistance at the regional level is expected to be geared to the priority areas assigned by Governments in the region, and to be selected in accordance with the criteria established by the Commission on Human Settlements at its second session emphasizing (a) upgrading of slum and squatter settlements, (b) mobilization of resources and development of innovative financial mechanisms, (c) support in the development of the building sector, (d) development of appropriate technologies, (e) facilitate the provision of basic infrastructures, especially transportation, water and sewerage, (f) promote conservation measures and efficiency in the use of energy and identification of innovative technologies.

### c. Global level

16.63 The work to be done at the global level will be geared to support the work of the Committee in the form of technical inputs for the adoption and implementation of housing policies and programmes. This will include a series of regional and interregional seminars; and studies on: (a) the contribution of the informal sector to the national economy as well as a study on the upgrading of the inner city slums; (b) policy questions relating to the development of the indigenous construction industry; (c) an interregional analysis of the standards and technologies for the provision of the settlements in low-cost housing; (d) the energy requirements of rural settlements and the urban poor; (e) energy conservation in building (in co-operation with ECE); (f) the financing of shelter infrastructure and services in support of the activities of the informal sector. A number of activities will also be undertaken to support Governments in their efforts to protect savings and finance institutions for housing against inflationary risks. Pilot demonstration projects will be initiated in the building sector.

### (e) Expected impact

16.65 The revisions to this subprogramme are expected to lead to a greater impact than in the original plan in the development of financial mechanisms for the provision of shelter, infrastructure and services, and through the development of building materials, reduction of costs and greater output in developing countries. The strategy is also expected to assist a larger number of national centres in the development of suitable standards for building and infrastructure design as well as criteria for the utilization of alternative sources of energy and in introducing more efficient uses of energy in human settlements.

### CHAPTER 17

### INDUSTRIAL DEVELOPMENT

# PROGRAMMES 1, 2 AND 3: UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

The New Delhi Declaration and plan of action, which was adopted by roll call vote at the Third General Conference of UNIDO, will be considered by the General Assembly at its thirty-fifth session. Following this consideration possible revisions to the medium-term plan will be presented as an addendum to the present document.

### CHAPTER 18

### INTERNATIONAL TRADE

This revision takes into account decisions of the governing bodies concerned (the Conference at its fifth session, and the Trade and Development Board at various sessions) since the first half of 1978 and also directions or recommendations affecting the work of UNCTAD that are embodied in resolutions adopted since then by the General Assembly or by United Nations conferences, including those held under UNCTAD auspices. The following texts replace the corresponding programme and subprogramme texts in A/33/6/Rev.1.

PROGRAMME 2: UNCTAD: COMMODITIES

### A. Organization

# 1. Intergovernmental review

18.48 The work of the secretariat in this programme is considered by the Trade and Development Board and its appropriate subsidiary bodies, particularly the Committee on Commodities and the Ad hoc Intergovernmental Committee for the Integrated Programme for Commodities, 1/ by the subsidiary bodies of the Committee

<sup>1/</sup> Up to December 1975, the work of the secretariat was considered mainly by the Committee on Commodities and its subsidiary bodies. In October 1976, at the first part of its sixteenth session, the Trade and Development Board, by its decision 140 (XVI), decided to establish, pursuant to Conference resolution 93 (TV), an Ad hoc Intergovernmental Committee, to co-ordinate the preparatory work and negotiations, to deal with major policy issues that might arise and to co-ordinate the implementation of the measures under the Integrated Programme for Commodities. In the period 1976-1979, the Committee on Commodities did not meet, some of its functions being exercised by the Trade and Development Board, while the Ad hoc Intergovernmental Committee held nine sessions. In October 1979, at its nineteenth session, the Trade and Development Board decided, by resolution 200 (XIX), to continue the Ad hoc Intergovernmental Committee until the end of 1980 and to entrust the responsibility for further work under the Integrated Programme for Commodities beyond this date to the Committee on Commodities. Both the Ad hoc Intergovernmental Committee and the Committee on Commodities are scheduled to meet in 1980.

on Commodities, 2/ and by conferences and preparatory and other meetings on commodities convened both within and outside the framework of the Integrated Programme for Commodities (IPC).

## 2. Secretariat

18.49 The secretariat unit responsible for this programme is the Commodities Division, in which there were 43 Professional posts on 1 January 1980. None of the posts was supported from extrabudgetary sources. The Division had the following structure as at 1 January 1980:

# Professional staff

| Organizational unit                              | Regular<br>budget | Extrabudgetary sources | Total |
|--|-------------------|------------------------|-------|
| Office of the Director $\underline{\mathtt{a}}/$ | 6                 | -                      | 6     |
| Development and General<br>Studies Branch        | 14                | -                      | 14    |
| Minerals and Metals Branch                       | 8                 | -                      | 8     |
| Agricultural Commodities Branch                  | 15                | -                      | 15    |
| Total  | 43                | ·-                     | 43    |

a/ Including IPC Negotiations Unit (see para. 18.50).

# 3. <u>Divergences between current administrative</u> structure and proposed programme structure

18.50 The basic administrative structure of the Commodities Division, as shown above, is compatible with the proposed programme structure, of which the principal element remains the implementation of the Integrated Programme for Commodities. From September 1977 to September 1979, a number of task forces (four covering agricultural commodities, two for minerals and metals and one for the Common Fund) were superimposed on the basic administrative structure in order to strengthen the secretariat's activities in respect of the Integrated Programme, especially the more technical activities required at the earlier stages of the Programme's implementation. In October 1979, when implementation of the Programme had moved to the more advanced preparatory and negotiating stages, the task forces were discontinued, some members being reabsorbed into the substantive branches and others being assigned to a newly-created Negotiations Unit, attached to the Office of the Director, designed to provide support in a flexible manner to the negotiating process.

<sup>2/</sup> Subsidiary bodies of the Committee on Commodities include the Permanent Sub-Committee on Commodities, which last met in 1967, and the Permanent Group on Synthetics and Substitutes, which last met in 1974. Further meetings of these bodies have not yet been scheduled. The Committee on Tungsten, which also reports to the Committee on Commodities, is scheduled to hold its twelfth session in February 1980.

### 4. Expected completions and consequent reorganization

# (a) Expected completions

### (i) Subprogramme 1: The Integrated Programme for Commodities

- 13.51 The original time-table for the implementation of the Integrated Programme for Commodities, as set out in Conference resolution 93 (IV), called for the completion of preparatory meetings on individual commodities by February 1978, and of negotiations on individual commodities by the end of 1978. At its eighteenth session, in August-September 1978, TDB extended the time-table until the end of 1979. At its fifth session, in May-June 1979, the Conference, in resolution 124 (V), decided that, after the end of the time-frame of the Integrated Programme for Commodities, any further preparatory meetings and negotiations in fulfilment of Conference resolution 93 (IV) should become part of the regular work programme of UNCTAD in the field of commodities, together with other aspects of commodity work.
- 18.52 In the light of the agreement reached in March 1979 on the basic elements of the Common Fund, it is expected that negotiations on the Fund will be completed in the first half of 1980.
- 18.52A To date, negotiations for one new commodity agreement, on natural rubber, have been completed in the framework of the Integrated Programme for Commodities. The completion of negotiations on other commodities included in the Programme and not already covered by international agreements will depend on decisions to be taken by governments and cannot be forecast at present, although it is considered probable that negotiating conferences on tea and jute will be convened in 1980. As regards commodities included in the Integrated Programme for Commodities and already covered by international commodity agreements, it is expected that negotiations under UNCTAD auspices to conclude new agreements will be completed for tin in 1980 and for sugar in 1982. Negotiations on cocoa were adjourned in November 1979; the Conference requested that efforts should be made with a view to reconvening the Conference, if possible before the end of 1980.
- 18.52B The other main aspects of the Integrated Programme for Commodities include stabilization of export earnings, marketing and distribution, processing and other developmental measures such as research and development, market promotion, diversification and productivity improvement. A number of individual studies under these headings already in progress will be completed in 1980. However, the duration and timing of further work in these areas will depend on decisions to be taken by Governments and it is therefore not possible, at this stage, to forecast when different aspects of the work may be completed.

# (ii) Subprogramme 2: Activities outside the framework of the Integrated Programme for Commodities

18.52C There are few aspects of the activities carried out under this subprogramme for which completion dates can be forecast at this stage. Conference resolution 126 (V) calls for the earliest possible resumption of regotiations to conclude an international arrangement to replace the International Wheat Agreement 1971; however, no date has yet been fixed for a resumption of the negotiating conference. Similarly, no date has yet been fixed for a negotiating conference on tungsten, as envisaged (subject to the recommendation of preparatory meetings) in Conference resolution 104 (V), and preparatory intergovernmental discussions are continuing.

Participation by the secretariat in the United Nations Conference on the Law of the Sea will cease when the Conference is concluded. Other activities under this subprogramme are mostly of a continuing nature.

### (iii) Subprogramme 3: Statistical and other common services

18.52D Activities in support of UNDP-financed seminars and workshops to enable developing countries to prepare and harmonize their positions in respect of preparatory work and negotiations on individual commodities will cease, in respect of each commodity, when negotiations on that commodity have been completed. However, for the reasons set out in paragraph 18.52A, completion dates cannot be forecast at this stage. The series of studies now in progress on the commodity economies of individual countries will largely have been completed by the end of 1982; however, it is envisaged that the original series of studies will then require review and updating on a continuing basis. Other activities under this subprogramme are mostly of a continuing nature.

## (b) Consequent reorganizations

18.53 The staff resources allocated to the Negotiations Unit referred to in paragraph 18.50 will be varied depending upon changes over time in the volume of preparatory work and negotiations under the Integrated Programme for Commodities. As other elements of the programme are completed, or as activities in respect of different elements increase or diminish in accordance with decisions taken by Governments, staff resources will also be redeployed within the basic administrative structure of the Commodities Division.

# B. Co-ordination

### 1. Formal co-ordination within the secretariat

18.54 None.

### 2. Formal co-ordination within the United Nations system

18.55 (See subsect. 3 below).

# 3. Units with which significant faint activities are expected during the period 1980-1983

18.56 It is expected that the UNCTAD secretariat will continue to receive active and valuable co-operation on agricultural commodities from the FAO secretariat, particularly with regard to implementation of the Integrated Programme for Commodities. Valuable co-operation with the regional commissions is also expected to continue, with particular reference to the preparation of country studies and to the holding of regional seminars and workshops in connexion with the Integrated Programme for Commodities. In accordance with Conference resolution 125 (V), the preparation of a detailed study for the operation of a complementary facility for commodity-related shortfalls in export earnings will be carried out in consultation with the staff of the International Monetary Fund. In accordance with Conference resolution 124 (V), studies on marketing and distribution structures for commodities, on prospects for expanding the processing of commodities in developing

countries and on the needs and costs in the fields of research and development, market promotion and horizontal diversification for commodities will be undertaken in consultation with the relevant producer/consumer bodies and international organizations, including FAO, UNIDO and the World Bank. Similarly, the studies on food trade called for by Conference resolution 105 (V) will be carried out, as required by the resolution, in co-operation with relevant international organizations, including FAO and the World Food Council.

# C. Allocation of resources to subprogrammes

18.57 The allocation of resources is expected to be approximately as follows:

# Allocation of resources to subprogrammes (Percentage)

|  | 1978-1979         |                                     |       | 1980-1981         |                                     |                    | 1982-1983         |                                     |               |
|--|-------------------|-------------------------------------|-------|-------------------|-------------------------------------|--------------------|-------------------|-------------------------------------|---------------|
| Subprogramme                                   | Regular<br>budget | Extra-<br>budget-<br>ary<br>sources | Total | Regular<br>budget | Extra-<br>budget-<br>ary<br>sources | Total              | Regular<br>budget | Extra-<br>budget-<br>ary<br>sources | Total         |
| Dabpi Obi dillic                               | buugeo            | <u>Boar ccb</u>                     | 10001 | buages            | bour ceb                            | 10001              | baabee            | bources                             | 10001         |
| 1. Integrated Programme for Commodities        | 60                | -                                   | 60    | 60                |                                     | 60)                |                   |                                     |               |
| 2. Activities outside the framework of the IPC | 10                | _                                   | 10    | 10                | -                                   | )<br>)<br>)<br>10) | 70                | -                                   | 70 <u>a</u> / |
| 3. Statistical and other common services       | 20                |                                     | 20    | 20                | -                                   | 20                 | 20                | _                                   | 20            |
| 4. Programme planning and management           | 10                | ~                                   | 10    | 10                | -                                   | 10                 | 10                |                                     | 10            |
| Total  | 100               | _                                   | 100   | 100               |                                     | 100                | 100               | _                                   | 100           |

 $<sup>\</sup>underline{a}/$  The future allocation of resources between subprogrammes 1 and 2 will depend on the progress made in implementing the Integrated Programme.

### D. Subprogramme narratives

SUBPROGRAMME 1: INTEGRATED PROGRAFTE FOR COMMODITIES

### (a) Objectives

18.58 The basic objectives of this subprogramme, as set out in Conference resolution 93 (IV), may be summarized as follows: to achieve stable conditions in commodity trade, including avoidance of excessive price fluctuations; to improve and sustain the real income of individual developing countries through increased export earnings, and to protect them from fluctuations in export earnings, especially from commodities; to seek to improve market access and reliability of supply for primary products and the processed products thereof, bearing in mind the needs and interests of developing countries; to diversify production and to expand processing of primary products in developing countries; to improve the competitiveness of, and to encourage research and development on the problems of, natural products competing with synthetics and substitutes; to improve market structures in the field of raw materials and commodities of export interest to developing countries; and to improve marketing, distribution and transport systems for commodity exports of developing countries, including an increase in their participation in these activities and their earnings from them. By the adoption of Conference resolution 124 (V), the objectives of the subprogramme were broadened and clarified in certain respects to include, inter alia, the establishment of a framework of international co-operation for expanding in developing countries the processing of primary commodities and export of processed goods, and the establishment of a framework of international co-operation in the field of marketing and distribution of commodity exports of developing countries.

### (b) Problems addressed

18.59 On average, developing countries depend on exports of primary commodities for over 70 per cent of their export earnings. For some countries, dependence exceeds 90 per cent. Commodity markets are characteristically unstable, experiencing excessive fluctuations in demand, supply and prices. Consequently, developing countries face uncertainties regarding the level and stability of export earnings and thus uncertainties in their economic and social development. Instability of commodity markets has been a problem for developed market-economy countries also, particularly through its impact on inflation and the business cycle. In addition to the problem of market instability, there is the no less important problem of the nature and scale of developing countries participation in processing, marketing and other economic activities related to commodities. In the vast majority of cases, this participation is seriously inadequate in relation to the developmental needs of the countries concerned. Other problems addressed include those raised in relation to the commodity economies of developing countries by their needs in the fields of research and development, market promotion and horizontal diversification.

# (c) Legislative authority

18.60 Authority derives principally from General Assembly resolution 1995 (XIX), Trade and Development Board decision 7 (I) and Conference resolutions 93 (IV), 124 (V) and 125 (V).

# (d) Strategy and output

### (i) Situation at the end of 1979

18.61 As noted previously, negotiations on the Common Fund had reached an advanced stage by the end of 1979 and are expected to be completed in 1980. Preparatory work and negotiations on individual commodities covered by the Integrated Programme for Commodities will have reached different stages; for example, whereas with respect to natural rubber an international agreement was concluded in October 1979, bananas and bauxite have not yet formed the subject of preparatory meetings under the Integrated Programme. Activities in pursuance of Conference resolution 124 (V), section III (processing, marketing and distribution and other developmental aspects of the Integrated Programme) and Conference resolution 125 (V) (complementary facility for commodity-related shortfalls in export earnings) are still at a relatively early stage of implementation.

# (ii) Bienniums 1980-1981 and 1982-1983

18.62 It is expected that a period of about 12 months will elapse between the adoption of the Articles of Agreement of the Common Fund and the commencement of operations of the Fund itself. It is not yet clear what interim machinery will be established to bring the Fund into operation but, in any event, it is expected that the UNCTAD secretariat will be called upon to provide both administrative and substantive support, including assistance and advice with respect to the operations of the Fund's first and second accounts.

18.63 The commodities included in the Integrated Programme for which international agreements corresponding to the objectives of the Programme do not yet exist are bananas, cotton and cotton yarns, hard fibres and products, jute and products, meat, tea, tropical timber, vegetable oils and oilseeds, bauxite, copper, iron ore, manganese and phosphates. Activities in respect of these commodities will include the preparation of studies for preparatory meetings, the drafting of articles of commodity agreements or arrangements for negotiating conferences as and when required and, after the completion of negotiations, follow-up activities in support of preparatory machinery established by negotiating conferences and, subsequently, assessments of the operations of the international agreements or arrangements.

18.64 In the case of commodities included in the Integrated Programme which are covered by existing international commodity agreements (cocoa, coffee, olive oil, sugar and tin), activities will include, as appropriate, the preparation of studies, including analyses of the performance and effectiveness of agreements and of possibilities for their improvement, as well as studies relating to the association of agreements with the Common Fund, consultations with appropriate international organizations, including participation at meetings of the Councils and other organs of the Agreements concerned, and substantive servicing of negotiating conferences.

18.64A After the conclusion of negotiations on the Common Fund and the successive completion of negotiations on individual commodities, resources will be transferred progressively to reinforce other activities in the field of commodities, particularly the developmental objectives of the Integrated Programme covered by Conference resolution 124 (V), section III. As required by the resolution, efforts will be directed towards the establishment of a framework of international co-operation for expanding in developing countries the processing of primary

commodities and the export of processed goods; to this end, studies will be undertaken relating, inter alia, to: the structure and characteristics of, and prospects for, world production and trade in individual processed products; the potential economic impact of an expansion of processing in the developing countries concerned; major factors, such as investment requirements, technology, market access and prevailing business practices: and the possibilities for practical action through international co-operation to improve the position of developing countries. Resolution 124 (V), section III, also calls for the establishment of a framework of international co-operation in the field of marketing and distribution of commodity exports of developing countries, with a view to increasing the participation of developing countries in these activities and their earnings from them. It is envisaged that studies undertaken in response to this section of the resolution would include detailed information with respect to the individual commodities concerned on: the main characteristics of the marketing and distribution chains; the potential economic impact of greater participation by developing countries in the different stages of marketing and distribution; major factors, such as the physical and financial infrastructure, management and adequacy of information systems; and possibilities for practical action through international co-operation for improving the position of developing countries. Finally, the resolution calls for studies of the needs and costs, in the medium term, in the fields of research and development, market promotion and horizontal diversification, for commodities included in the Integrated Programmes; it is envisaged that, for each commodity, the studies would include a preliminary identification of programmes and projects in the various areas; estimates of costs and possible sources of finance; and possibilities for international co-operation in programme and project development and implementation. Studies in all the fields referred to above will be undertaken in consultation with the relevant international organizations, as well as relevant producer/ consumer bodies.

18.64B In accordance with Conference resolution 125 (V), a detailed feasibility study will be undertaken, in consultation with the International Monetary Fund, of a possible scheme on a commodity-specific basis for the stabilization of export earnings.

### (e) Expected impact

18.65 Implementation of the Integrated Programme for Commodities will contribute to the attainment of the objectives summarized in paragraph 18.58, and, in particular, will improve the stability of market conditions for a wide range of commodities of export interest to developing countries, thus contributing to the attainment of greater stability in the international economy as a whole, and will provide conditions for increasing the participation of developing countries in their commodity economies. The attainment of the objectives of the Integrated Programme will represent a major contribution to the implementation of the Programme of Action on the Establishment of a New International Economic Order (General Assembly resolution 3202 (S-VI)).

SUBPROGRAMME 2: ACTIVITIES OUTSIDE THE FRAMEWORK OF THE INTEGRATED PROGRAMME FOR COMMODITIES

## (a) Objectives

18.66 The objectives of this subprogramme include the following, inter alia: to improve conditions in the markets for commodities, such as tungsten, not covered

by the Integrated Programme for Commodities and to increase the participation of developing countries in processing, marketing and other economic activities related to such commodities; to contribute to the improvement of conditions in international trade in food and thereby to contribute to world food security; to contribute to the solution of problems which might arise in the markets for certain minerals and metals as the result of production from the sea-bed and to assist in ensuring that developing countries derive an adequate share of the benefits derived from such production; and to contribute generally to an increase in knowledge and understanding of the world commodity economy.

### (b) Problems addressed

18.67 The problems affecting commodities covered by the Integrated Programme for Commodities, which were outlined in paragraph 18.59 above, are faced also by the majority of the commodities not included in the Programme. In the case of food commodities, whether included in the Integrated Programme or not, particular attention needs to be devoted to the role of international trade in helping to solve the problems of hunger, malnutrition and food security. Similarly, in the case of mineral commodities, whether or not covered by the Integrated Programme, special attention needs to be devoted to the problem of ensuring that the markets for certain minerals and metals are not adversely affected by production from the area of the sea-bed beyond the limits of national jurisdiction, as well as to the problem of ensuring that developing countries derive adequate benefits from such production. In addition to specific problems of this kind, there is the more general problem of inadequate knowledge and understanding of the workings of the world commodity economy.

# (c) Legislative authority

18.68 Authority is derived principally from General Assembly resolution 1995 (XIX), and Conference resolutions 51 (III), 78 (III), 104 (IV), 105 (V) and 126 (V), and the terms of reference of the Committee on Commodities.

# (d) Strategy and output

# (i) Situation at the end of 1979

18.69 Wheat, coarse grains and tungsten are the only commodities not included in the Integrated Programme for Commodities which have been the object of intergovernmental consideration in UNCTAD in 1979. Negotiations under UNCTAD auspices to conclude an international arrangement to replace the International Wheat Agreement 1971, as extended, were adjourned in February 1979 and have not yet been resumed; Conference resolution 126 (V), adopted in June 1979, acknowledged the urgency of reviewing unresolved issues, with a view to resuming the negotiations as soon as real possibilities of success are apparent. Tungsten has been under active consideration in UNCTAD for many years, the possibility of convening a negotiating conference with a view to concluding an international agreement has been envisaged in several decisions and resolutions, including Conference resolution 104 (V), but no firm decision to convene a conference has yet been taken, although intergovernmental consultations are continuing, currently within the framework of the Committee on Tungsten. UNCTAD's involvement in questions relating to international food trade was reinforced by Conference resolution 105 (V), which requests the Secretary-General of UNCTAD, in co-ordination with relevant international organizations, to maintain under regular review all matters

regarding international food trade and to examine the impact of food trade on food production and consumption and food security of developing countries. As regards the production of minerals from the sea-bed, the UNCTAD secretariat has continued to participate in sessions of the United Nations Conference on the Law of the Sea. Owing to the requirements of other aspects of the programme, the resources devoted to the preparation of general reviews and analyses of the commodity situation have had to be reduced to a minimum in recent years.

# (ii) Bienniums 1980-1981 and 1982-1983

18.70 Efforts directed towards the negotiation of a new international grains arrangement will be continued, as well as efforts aimed at increasing the scope of international co-operation with respect to tungsten and, as required, with respect to other commodities not covered by the Integrated Programme for Commodities. In accordance with Conference resolution 105 (V), and in co-ordination with relevant international organizations, all matters regarding international food trade will be maintained under regular review, the impact of food trade on food production and consumption and food security of developing countries will be examined, and reports thereon will be submitted to the Trade and Development Board or its subsidiary bodies. The problems which might arise from the production of certain minerals from the sea-bed will continue to be examined, with a view to formulating effective solutions. To the extent that resources permit, periodic reports will be prepared, reviewing on a global basis the general situation and outlook for the main commodities, including trends in international trade and policy developments at the international level.

# (e) Expected impact

18.71 The impact of the activities carried out under this subprogramme in respect of individual commodities is expected to be comparable to the impact of activities carried out under subprogramme 1 in respect of commodities covered by the Integrated Programme for Commodities (see para. 18.65). The activities relating to international food trade are expected to contribute to greater stability in world markets for food commodities, to an increase in developing countries' food production and exports, and to the enhancement of world food security. Activities related to mineral production from the sea-bed are expected to assist in ensuring that such production is carried out under conditions favourable to developing countries and without adverse effects on their export trade in the minerals concerned. The preparation of general reviews and analyses of the commodity situation is expected to contribute to a broader and deeper understanding of the world commodity economy.

SUBPROGRAMME 3: STATISTICAL AND OTHER COMMON SERVICES

### (a) Objective

18.72 The objective of this subprogramme is to provide statistical and other common services in support of the activities carried out under subprogrammes 1 and 2.

### (b) Problem addressed

18.73 The activities carried out under subprogrammes 1 and 2 require to be supported by statistical and other inputs which can most efficiently and economically be provided on a common basis.

# (c) Legislative authority

18.73A As for subprogrammes 1 and 2 (see paras. 18.60 and 18.68).

# (d) Strategy and output

# (i) Situation at the end of 1979

18.73B Common statistical and quantitative analysis support services are provided, involving the continuous compilation and analysis of data covering the whole range of primary commodities, as well as the regular preparation of the Monthly Commodity Price Bulletin and the quarterly bulletin Tungsten Statistics. A programme of UNDP-financed seminars and workshops is organized to enable developing countries, particularly producers, to prepare and harmonize their positions in respect of preparatory meetings and negotiations on individual commodities. A series of country studies on the commodity problem is undertaken as part of the preparatory work on individual commodities, as well as for work on wider issues of commodity policy. These studies also contribute to the design of international commodity policies by ensuring that they are suited to the differing circumstances of individual developing countries.

# (ii) Bienniums 1980-1981 and 1982-1983

18.73C The activities outlined in paragraph 18.73B will be maintained and intensified, to the extent that available resources permit, while at the same time being continuously adapted to changes in requirements resulting from developments in the preparatory work and negotiations on individual commodities and from other developments under subprogrammes 1 and 2.

### (e) Expected impact

18.73D This subprogramme is designed to contribute to the effectiveness of subprogrammes 1 and 2 and thus to enhance their expected impact (see paras. 18.65 and 18.71).

### PROGRAMME 3: UNCTAD: MANUFACTURES AND SEMI-MANUFACTURES

### A. Organization

### 1. Intergovernmental review

18.74 The work of the secretariat in this programme is considered by the Committee on Manufactures, which normally meets twice between sessions of the Conference, and by the Special Committee on Preferences, which normally meets annually. The last session of the Committee on Manufactures was from 4 to 8 July 1977 and that of the Special Committee on Preferences from 27 June to 1 July 1977.

# 2. Secrotariat

18.75 The secretariat unit responsible for this programme is the Manufactures Division. There were 25 Professional posts as at 1 January 1980. The Division had the following sections as at 1 January 1980:

# Professional staff

| Organizational unit                                 | Regular<br>budget | Extrabudgetary<br>sources | Total |
|---|-------------------|---------------------------|-------|
| Office of the Director                              | 3                 | -                         | 3     |
| General Preferences and Tariffs Section             | 5                 | -                         | 5     |
| Non-Tariff Barriers Section                         | 4                 | -                         | 4     |
| Restrictive Business Practices Section              | 5                 | -                         | 5     |
| Current Trade and Quantitative Analysis Section     | 14                | -                         | 4     |
| Export Policy, Country and Sectoral Studies Section | 4                 | -                         | · 4   |
| Total   | 25                |                           | 25    |

# 3. Divergences between current administrative structure and proposed programme structure

18.76 In general terms, subprogramme 1 (Liberalization of governmental barriers to trade) is covered by the General Preferences and Tariffs Section and the Non-Tariff Barriers Section, while subprogramme 3 (Export development and restructuring of world trade in manufactures) is covered by the Current Trade and Quantitative Analysis Section and the Export Policy, Country and Sectoral Studies Section. This divergence between the current administrative structure and the proposed programme structure presents no difficulty for programme formulation and implementation.

# 4. Expected completions and consequent reorganizations

### (a) Expected completions

18.77 Action on the following items of the programme elements described in paragraph 11A.28 in the proposed programme budget for the biennium 1978-1979 3/was completed in 1978-1979:

- a. Support activities for the multilateral trade negotiations;
- b. Studies on the trade aspects of the industrialization of developing countries for sectors under consideration in the UNIDO system of consultation;

Action on the following items is expected to be completed in 1980-1981:

- a. Evaluation of the results of the multilateral trade negotiations (Tokyo Round);
- b. A comprehensive review of the generalized system of preferences for consideration at the intergovernmental level;
- c. Negotiation of a set of multilaterally agreed equitable principles and rules for the control of restrictive business practices:
- d. Completion for consideration at the intergovernmental level of a model law on restrictive business practices for developing countries;
- e. Continuation of studies on the trade appects of the industrialization of developing countries for other sectors covered by the UNIDO consultations.

### (b) Consequent reorganizations

18.78 In spite of the conclusion of the multilateral trade negotiations, which resulted in the agreements on the reduction of most-favoured-nation tariffs and in measures on non-tariff barriers, tariff and non-tariff barriers still constitute a major obstacle to the exports of developing countries. Therefore work in UNCTAD on this aspect will have to continue with renewed vigour especially in view of increasing protectionist pressures. The successful negotiation of principles and rules for the control of restrictive business practices is only a first step towards the elimination or control of such practices, and increased efforts will be required to meet this goal. As the subprogrammes are all of a continuing nature, no organizational changes are contemplated.

### B. Co-ordination

### 1. Formal co-ordination within the secretariat

18.79 The UNCTAD secretariat has signed a collaboration agreement with the UNEP secretariat on trade barriers and restrictions resulting from environmental

<sup>3/</sup> Official Records of the General Assembly, Thirty-second Session, Supplement No. 6 (A/32/6 and Corr.1 and 2), vol. II.

policies. The studies prepared by the UNCTAD secretariat in this connexion are presented to the Committee on Manufactures for consideration under the relevant agenda item. There is an agreement of understanding with UNDIO calling for UNCTAD's participation in and substantial support to the UNIDO system of consultations. In addition, the Trade and Development Board and the Industrial Development Board have established a joint UNCTAD/UNIDO expert group on trade and trade-related aspects of industrial collaboration arrangements: the group met from 22 to 26 October 1979 and was serviced by both organizations. Intersecretariat co-operation will involve also follow-up action on the results of the expert group.

# 2. Formal co-ordination within the United Nations system

18.80 In accordance with Conference resolutions 76 (III), 82 (III) and 91 (IV), and resolution 6 (VI) of the Committee on Manufactures, UNCTAD reports and secretariat studies are transmitted to the Director-General of the General Agreement on Tariffs and Trade (CATT) for use by bodies of GATT in connexion with the multilateral trade negotiations. In addition, Conference resolution 131 (V) requests the Secretary-General of UNCTAD to continue the work of compiling and up-dating the inventory of non-tariff barriers "taking into account the information already available in GATT".

# 3. Units with which significant joint activities are expected during the period 1980-1983

18.81 Close co-operation will continue with the Customs Co-operation Council on matters such as tariff reclassification and the International Convention on the Simplification and Harmonization of Customs Procedures and related matters, as well as participation in the work of the International Organization for Standardization concerning standardization.

### C. Allocation of resources to subprogrammes

18.82 The trend in the percentage allocation of resources to subprogrammes is expected to be approximately as shown in the following table:

# Allocation of resources to subprogrammes (Percentage) a/

|   | 1978–1979         |                                |       | 1980-1981         |                                |       | 1982-1983         |                                |       |
|---|-------------------|--------------------------------|-------|-------------------|--------------------------------|-------|-------------------|--------------------------------|-------|
| Subprogramme  | Regular<br>budget | Extra-<br>budgetary<br>sources | Total | Regular<br>budget | Extra-<br>budgetary<br>sources | Total | Regular<br>budget | Extra-<br>budgetary<br>sources | Total |
| l. Liberalization of governmental barriers to trade                                 | 44                | _                              | 44    | 46                | _                              | 46    | 43                | _                              | 43    |
| 2. Restrictive business practices, market structures and marketing and distribution | 22                | _                              | 22    | 21                | _                              | 21    | 23                | -                              | 23    |
| 3. Export development and restructuring of world trade in manufactures              | 23                | -                              | 23    | 22                | -                              | 22    | 24                | <u>-</u>                       | 24    |
| (Programme<br>management)   | 11                | <del></del>                    | 11    | 10                | -                              | 10    | 10                | -                              | 10    |
| Total   | 100               | -                              | 100   | 100               | _                              | 100   | 100               |                                | 100   |

a/ Components may not add to totals due to rounding.

### D. Subprogramme narratives

SUBPROGRAMME 1: LIBERALIZATION OF GOVERNMENTAL BARRIERS TO TRADE 4/

# (a) Objectives

18.83 The general objective of this subprogramme is to facilitate the liberalization of governmental barriers to trade affecting, in particular, products

<sup>4</sup>/ In conformity with the programme budget for 1980-1981, this subprogramme amalgamates the former subprogrammes 1 (Tariff barriers) and 2 (Non-tariff barriers to trade and related aspects).

of export interest to developing countries, <u>inter alia</u>, through the formulation of concrete measures to deal with the problems relating thereto, with a view to contributing to the expansion of world trade. The more specific objectives are:

- (i) The liberalization and removal of tariff barriers in developed countries affecting the export trade of developing countries in manufactured and semi-manufactured products, including semi-processed and processed agricultural products, taking particular account of the interests of the least developed countries. Preservation and maintenance of the liberalization achieved in this respect is assential, in particular the maintenance and improvement of the generalized system of preferences.
- (ii) Progressive reduction or removal of non-tariff barriers and maintenance of the standstill on quantitative and related restrictions on trade, and improvement of government procurement policies, particularly in developed countries;
- (iii) Improvement of market access and furtherance of trade expansion opportunities in developed countries for developing countries through appropriate industrial readjustment, including adjustment assistance measures: promotion of trade and industrial collaboration arrangements in the context of trade liberalization;
  - (iv) Facilitation of appropriate remedial action for reduction or removal of non-tariff barriers to trade stemming from environmental policies and assistance to developing countries to take advantage of trade expansion opportunities arising from comparative advantages in that area;
    - (v) Assistance in the promotion and implementation of programmes of economic co-operation of developing countries at the subregional, regional and interregional levels in the field of non-tariff barriers.

# (b) Problems addressed

# (i) Tariff barriers in developed countries

18.84 The tariff structure in developed countries and, in particular, the escalation of tariffs with the degree of processing of a product continue to inhibit the efforts of the developing countries to expand and diversify their exports of manufactured and semi-manufactured products to the markets of developed countries. With the implementation of the generalized system of preferences (GSP), the preference-giving countries have eliminated or reduced tariffs on most of the industrial products in chapters 25 to 99 of the Customs Co-operation Council Nomenclature (CCCN) and on selected agricultural products in chapters 1 to 24 of the CCCN originating in developing countries. A number of these developed countries have also, through special arrangements, extended preferential or more favourable tariff treatment to hand-made/handicraft products of developing countries. However, despite their positive impact, both the GSP and the special arrangements for hand-made/handicraft products fall short of the trade and development needs of developing countries and call therefore for further substantial improvement. Moreover, tariff reductions by developed countries on a preferential basis among themselves, or on a most-favoured-nation basis, as in the recently concluded multilateral trade negotiations in GATT, erode to a varying degree, or even eliminate, the preferential tariff margins enjoyed by developing countries under the GSP and reduce their advantages under the special arrangements.

18.85 The products of export interest to developing countries which could be distinguished for tariff purposes from similar products made in developed countries are not generally identified and classified separately in the existing international trade classifications system. Separate classification of those products would, from the technical point of view, facilitate the granting of special and more favourable tariff treatment by developed countries to such products.

# (ii) Non-tariff barriers in developed countries

18.86 With the progressive lowering of tariffs, the increasing importance of non-tariff barriers in international trade and of measures for their liberalization have been recognized by the international community. Non-tariff barriers to international trade inhibit the expansion of world trade, particularly the efforts of the developing countries to expand and diversify their exports of manufactured and semi-manufactured products. Progressive reduction or removal of these barriers would allow developing countries to increase their exports substantially. Protectionist pressures, however, impede the liberalization of non-tariff barriers and aim at the introduction or intensification of existing restrictions. Strict adherence to the agreed standstill on quantitative restrictions and related non-tariff measures is essential to avoid increasing protectionism. Liberalization of non-tariff barriers could be greatly facilitated by the development of appropriate adjustment assistance policies in developed countries that would encourage domestic factors of production to move progressively away from lines of production in which they are less competitive internationally. There is also a tendency for import barriers in developed countries to increase as comparative advantage in certain sectors moves in favour of developing country exports. this connexion, trade and industrial collaboration arrangements between developed and developing countries could serve the redeployment of industries to developing countries (see also subprogramme 3).

### (iii) Environmental policies

18.86A Environmental policies can lead to the imposition of measures which affect international trade. Trade-restricting measures might be imposed with a view, inter\_alia, to protecting domestic industries whose costs have increased as a result of environmental policies. In the short run, the major impact of environmental measures on trade in manufactures and semi-manufactures will probably consist in the creation of new tariff and non-tariff barriers. On a medium- and long-term basis, however, there will be a much greater impact through the influence of policies on the location of polluting industries. In this regard, UNCTAD, in collaboration with UNEP, carries out on a global scale a joint project, which was initiated early in 1974. During the second phase of this project, studies on trade barriers and restrictions resulting from environmental policies will be prepared for the Committee on Manufactures.

### (c) Legislative authority

18.87 Logislative authority for this subprogramme derived from the following resolutions:

# (i) Generalized system of preferences

United Nations Conference on Trade and Development resolutions 21 (II),

96 (IV), sections I, A and I, C and 91 (IV); Trade and Development Board decision 179 (XVIII) and agreed conclusions of the Special Committee on Preferences (annex to Board decision 75 (S-IV)).

# (ii) Tariff reclassification

Conference resolution 96 (IV), section I, C, and resolution 7 (VII) of the Committee on Manufactures.

# (iii) Non-tariff barriers, adjustment assistance measures

Conference resolutions 72 (III), 76 (III), 82 (III), 91 (IV), 96 (IV) section I, subsections C, D and E, and 131 (V); Committee on Manufactures decisions 10 (VII), 6 (VI), 1 (V), and 2 (III).

# (iv) Trade and related aspects of environmental policies

Conference resolution 47 (III) and subsequent actions of the Trade and Development Board and the Committee on Manufactures.

# (d) Strategy and output

### (i) Situation at the end of 1979

18.88 In conformity with the agreed conclusions of the Special Committee on Preferences, a comprehensive review was held in 1979 during the fifth session of the Conference to determine, in the light of the objectives of Conference resolution 21 (II), the length of time the system should be continued beyond the initial period of 10 years. The matter was remitted to the permanent machinery of UNCTAD and will be taken up by the Special Committee on Preferences at its ninth session. Technical assistance provided by the subprogramme in connexion with GSP would increase, owing to the phasing out of UNDP/UNCTAD Technical Assistance Project INT/77/002 at the end of 1980.

18.88A The results of the multilateral trade negotiations, completed in 1979, will be reviewed by the Trade and Development Board at its twentieth session in March 1980. The UNCTAD secretariat will present its evaluation of the results to the Trade and Development Board, including the implications of the most-favoured-nation tariff concessions for the GSP, as well as for the tariff structures of developed countries, and the implications of the agreed measures in the field of non-tariff barriers on the exports of developing countries. Studies will be continued with a view to the further reduction and elimination of tariff and non-tariff barriers, especially those affecting the exports of developing countries.

# (ii) Biennium 1980-1981 and 1982-1983

18.89 The activity on tariff liberalization is a continuing one, relating to the improvement and maintenance of the GSP and of the special arrangements on hand-made/handicraft products, as well as most-favoured-nation tariff concessions. Annual reviews of the operation and trade effects of the GSP will continue to be held at the intergovernmental level during the medium-term plan period. For these reviews studies and reports will be prepared on the changes and improvements in various GSP schemes, on their administration and their effects on exports of

developing countries and on measures taken by developing countries to ensure better utilization of generalized preferences. These studies and reports will, as in the past, contain specific proposals and recommendations for improvement and maintenance of the GSP. In line with Board decision 179 (XVIII), additional documentation will be prepared, at the request of interested member States, for plurilateral consultations on individual schemes to be held during annual sessions of the Special Committee on Preferences. The secretariat will also assist the participants in such consultations at their request. Special arrangements on hand-made products and most-favoured-nation tariff liberalization will be reviewed biennially at the intergovernmental level.

18.90 The activity concerning non-tariff barriers is a continuing one, relating, inter alia, to identification, analysis and the liberalization of such restrictions. Conference resolution 131 (V), paragraph 5, requested the Trade and Development Board and its subsidiary bodies concerned to continue to review developments involving restrictions of trade, with a view to examining and formulating appropriate recommendations concerning the general problem of protectionism. Secretary-General of UNCTAD was further requested (para. 18.78) to continue the work of compiling and up-dating the inventory of non-tariff barriers affecting the trade of developing countries and of analysing the effects of such barriers, taking into account the information already available in GATT. In this connexion, attention will be given to measures which could facilitate the liberalization of non-tariff barriers, such as adjustment assistance measures and other measures promoting redeployment of industries. To this end, in addition to contributing to the continuous up-dating of the computerized Information System on Imports and Barriers to Trade as in the past (see subprogramme 4 of programme 1), the subprogramme will need to assume this activity upon the phasing out of the UNDP/ UNCTAD technical assistance project on the multilateral trade negotiations.

### (a) Expected impact

18.91 The GSP is undoubtedly the single most important trade policy measure adopted since the Second World War by developed countries in favour of developing countries as a whole. It is expected that the preference-giving countries will continue to improve their respective schemes during the medium-term plan period. This should constitute an effective means of continuing the new protectionist tendencies. However, important changes in the system might occur as from 1981 (i.e. after the expiration of its initial 10-year period), as a result of the tendency towards graduation and differentiation in preferential treatment of beneficiary developing countries. As regards the period for which the GSP will be extended, it should be noted that a corsensus had already been reached at the fourth session of the Conference that the GSP should continue beyond the initial period of 10 years originally envisaged, without determining, however, for how long. It is further expected that the special arrangements on hand-made products will be improved or at least maintained.

18.91A It is difficult to give a quantitative assessment, as in the case of tariffs, of the impact of the subprogramme as regards non-tariff barriers, but it is expected that the activities outlined above will result in the reduction and, in certain specific instances, the removal of non-tariff obstacles to affected exports, particularly of the developing countries. The substantive work carried out will result in the identification and analysis of existing and potential non-tariff barriers affecting international trade particularly of the developing countries, and thus assist in action for their liberalization.

(Paragraphs 18.92 to 18.99 are omitted owing to merging of subprogrammes)

SUBPROGRAMME 2: RESTRICTIVE BUSINESS PRACTICES, MARKET STRUCTURES AND MARKETING AND DISTRIBUTION

# (a) Objectives

18.100 The objectives of this subprogramme through action at the national, regional and international levels are: to eliminate or deal effectively with restrictive business practices, including those of transnational corporations, which adversely affect international trade, particularly that of developing countries, and the economic development of these countries; and to improve market structures and systems of marketing and distribution so as to strengthen the participation of developing countries in international trade.

## (b) Problems addressed

### 18.101 The problems addressed in this subprogramme are:

- (i) Lack of agreement among Governments on means of controlling restrictive business practices and the need for international co-operation in this respect;
- (ii) Need to develop information for the effective control of restrictive business practices adversely affecting the trade and development of developing countries;
- (iii) Absence or inadequacy in developing countries of restrictive business practice legislation and lack of trained personnel in this area;
  - (iv) Absence, insufficient development or limited control of marketing and distribution channels in developing countries for their exports and imports;
    - (v) Absence of market power of enterprises of developing countries in world markets vis-à-vis enterprises of developed countries.

### (c) Legislative authority

18.102 Legislative authority for the subprogramme derives from General Assembly resolution 33/153, United Nations Conference on Trade and Development resolutions 96 (IV), section III, 97 (IV) and 103 (V).

### (d) Strategy and output

### (i) Situation at the end of 1979

18.103 In its resolution 96 (IV), section III, the Conference called for negotiations with the objective of formulating a set of multilaterally agreed equitable principles and rules for the control of restrictive business practices; the devising of ways and means of improving the supply and exchange of information in respect of restrictive business practices adversely affecting the trade and development of developing countries; collection and dissemination of information on

restrictive business practices generally by the UNCTAD secretariat and in close co-operation with the Centre on Transnational Corporations; the provision of technical assistance to developing countries, especially in training; and the elaboration of a model law or laws on restrictive business practices in order to assist developing countries in devising appropriate legislation. To facilitate the achievement of these goals, the Conference established the Third Ad hoc Group of Experts on Restrictive Business Practices, which held six sessions between the fourth and fifth sessions of the Conference.

18.104 Upon the recommendation of the Trade and Development Board, the General Assembly, in resolution 33/153, decided to convene, ir the period from September 1979 to April 1980, a United Nations Conference on Restrictive Business Practices to negotiate, on the basis of the work of the Third Ad hoc Group of Experts, and to take all decisions necessary for the adoption of a set of multilaterally agreed equitable principles and rules for the control of restrictive business practices. In accordance with the request of the General Assembly, UNCTAD, at its fifth session, set the dates of 19 November to 7 December 1979 for the holding of the Conference on Restrictive Business Practices. At the same time, in resolution 103 (V), it took a number of decisions concerning future work on restrictive business practices; in particular, it called for continued action within UNCTAD on the collection and dissemination of information on restrictive business practices and on the elaboration of a model law or laws on restrictive business practices; the initiation of action by UNCTAD on the undertaking of technical assistance; and studies concerning especially marketing and distribution arrangements in respect of exports and imports and exclusive dealing arrangements. In addition, UNCTAD requested the Conference on Restrictive Business Practices to make recommendations through the General Assembly to the Trade and Development Board in respect of institutional aspects concerning future work on restrictive business practices.

### (ii) Bienniums 1980-1981 and 1982-1983

18.105 Once the United Nations Conference on Restrictive Business Practices has adopted a set of principles and rules, action in UNCTAD in this area would involve carrying out the international measures agreed upon and surveillance of its implementation by the machinery to be established. The international measures include consultation procedures, technical assistance, advisory and training programmes, and collection and dissemination of information. Annual reports will continue to be produced on legislative and other developments in the area of restrictive business practices and further studies will be made on the experience acquired, especially in developing countries, in the implementation of restrictive business practice legislation and on the problems arising in this context. Regarding technical assistance activities, seminars, field missions and support to regional and subregional efforts to control restrictive business practices will be developed. The model law on restrictive business practices for the developing countries will be used as an instrument of providing technical assistance following its finalization at the intergovernmental level. Further studies on a sectoral basis concerning market structures will be made, and further policy reports will be prepared on possible remedial action.

### (e) Expected impact

18.106 The objectives established for this subprogramme are of a long-term nature and a step-by-step approach is required for their ultimate achievement. The action

outlined above essentially constitutes the initial steps and, as noted, the outcome of each step is the subject of negotiations. Hence, it is not possible to predict with any accuracy when they will be concluded. This is particularly the case since the steps involve important changes in governmental policies. The action envisaged is likely to lead to improvements in international trade and, in particular, the trade and economic development of developing countries. It can be said with certainty that, during the period 1980-1983, an increasing number of developing countries will introduce legislation on restrictive business practices and that a number of those already having legislation will amend it in order to make it more effective.

SUBPROGRAMME 3: EXPORT DEVELOPMENT AND RESTRUCTURING OF WORLD TRADE IN MANUFACTURES 5/

### (a) Objectives

18.107 The objectives of this subprogramme are:

- (i) To assist in the elaboration of trade-related measures in developed and developing countries aimed at removing supply constraints in developing countries which inhibit their exports of manufactures and semi-manufactures;
- (ii) To promote the formulation and operation of international collaboration arrangements for industrial development, aimed at facilitating the production of and trade in manufactures and semi-manufactures of developing countries;
- (iii) To provide a comprehensive factual and analytical background of global trends of world production, imports and exports of manufactures and semi-manufactures with a view to assisting in the identification of the fundamental factors most relevant, in the light of the dynamics of comparative advantage, to the attainment of an effective international division of labour.

# (b) Problems addressed

18.108 The problems addressed in this subprogramme are:

- (i) Difficulties faced by Governments of developing countries in devising and implementing export policies tailored to their specific requirements in such fields as industrial financing, direct export subsidies, subsidization of imports used by export industries, export credit facilities and export credit insurance, as well as remission of taxes and tariffs on imports;
- (ii) Need to strengthen international co-operation and trade between developed and developing countries:

<sup>5/</sup> In conformity with the programme budget for 1980-1981, this subprogramme replaces the former subprogramme 4 (Industrial development and trade co-operation).

- (iii) Necd for the developing countries to increase their share in world trade in manufactures, in particular through the diversification of their exports;
  - (iv) Need for structural change in the international division of labour between developing and developed countries, based, to an increasing extent, on mutual exchange of specialized industrial products.

### (c) Legislative authority

18.109 Legislative authority for the subprogramme derives from United Nations Conference on Trade and Development resolutions 96 (IV), section II, and 131 (V) section A.

### (d) Strategy and output

# (i) Situation at the end of 1979

- 18.110 The activities under this subprogramme have dealt with, <u>inter alia</u>, various issues connected with the development and diversification of exports from developing countries and the restructuring of world trade in manufactures.
- a. A number of studies, which may lead to possible policy measures, have been undertaken on such topics as the analysis of existing supply constraints hampering exports from developing countries, export policy and incentives, industrial financing and export credit insurance. These general studies have been complemented by sectoral studies concentrating particularly on the trade aspects of the industrialization of developing countries, which have also provided the necessary substantive support for UNCTAD's participation in the UNIDO system of consultations.
- b. A joint UNCTAD/UNIDO Group of Experts on Trade and Trade-related aspects of Industrial Collaboration Arrangements was set up by the Trade and Development Board and the Industrial Development Board and met in October 1979.
- c. The secretariat prepared annual reviews of trade in manufactures of developing countries, analysing their commercial flows with developed market-economy countries and with socialist countries, as well as trade among developing countries themselves, in addition studies were undertaken on such subjects as structural changes required to reach the Lima target.
- d. Substantive support to technical co-operation activities and training programmes in the export incentives field on a national, regional and interregional basis, especially in the areas of export finance, export credit insurance and international subcontracting, forms another important element of this subprogramme; at the regional level the project of establishing an export credit insurance scheme for the ESCAP region was given support.

### (ii) Bienniums 1980-1981 and 1982-1983

18.111 The work outlined above is essentially of a continuing nature and will therefore extend over the whole period of the medium-term plan.

- a. Emphasis will be put on export policies in developing countries, as well as the industrial policies of the developed countries in so far as they affect exports of manufactured goods from developing countries. Sector studies will continue to be undertaken in order to identify those sectors which are of actual or potential export interest to developing countries. Studies will also be undertaken on a country-by-country basis with a view to evaluating medium-term and long-term prospects for exports of manufactures from developing countries.
- b. At its meeting in October 1979, the joint Ad hoc UNCTAD/UNIDO group of experts on trade and trade-related aspects on industrial collaboration arrangements recommended that the secretariats of UNCTAD and UNIDO undertake a programme of work in order to assist and facilitate further consideration of related issues, and considered, furthermore, that it would be useful to convene a second meeting of the Group.
- c. Conference resolution 131 (V), section A, entrusted the Trade and Development Board with organizing in an appropriate existing body an annual review of the patterns of production and trade in the world economy. This matter will be taken up for final decision by the Board at its twentieth session in March 1980, in order to initiate immediately thereafter preparatory work for this annual review. During the period of the medium-term plan, the secretariat will undertake work to provide the required comprehensive factual and analytical background information in the field of manufactures. Such work by the secretariat will represent, in part, a continuation of the activities currently pursued within the framework of the previous annual reviews of trade in manufactures of developing countries and in studies on structural change in manufacturing output and trade, and will also incorporate an important new element relating to industrial production at a global level, and to fundamental factors influencing changes in the pattern of world industrial output.
- d. Other studies will be undertaken on the identification and analysis of dynamic and stagnant products in exports of manufactures from developing countries and on the regional disaggregation of the trade implications of the Lima target.

## (e) Expected impact

- 18.112 The objectives established for this subprogramme are of a long-term nature. It is expected that the activities under the subprogramme will progressively reduce the difficulties that Governments of developing countries face in devising and implementing export policies which promote their industrialization in such areas as export incentives, industrial financing and export credit insurance. With regard to the industrial sectors taken up by the UNDIO system of consultations, the relevant activities under the subprogramme are expected to contribute to the development of commercial policies and related measures that would support the creation of new industrial facilities in developing countries included in their development programmes pursuant to proposals made in these consultations.
- 18.113 Furthermore, it is expected that the programme of action for structural adjustment related to trade, including the annual reviews of the patterns of production and trade in the world economy and any general recommendation flowing from them, will provide a basis for evolving a framework of international co-operation which will help in achieving optimum over-all growth, including the development and diversification of the economies of developing countries, and an effective international division of labour which will enable developing countries to secure an an increase in their share in world trade in processed goods and in manufacturing.

PROGRAMME 6: UNCTAD: ECONOMIC CO-OPERATION AMONG DEVELOPING COUNTRIES

#### A. Legislative basis of the revision

The adoption of resolution 127 (V) at the fifth session of the United Nations Conference on Trade and Development has imparted a major new thrust to the First, the Conference agreed that UNCTAD's work programme on economic co-operation among developing countries should take due account of the relevant recommendations and decisions contained in the First Short/Medium-Term Action Plan on Economic Co-operation among Developing Countries adopted at the fourth Ministerial Meeting of the Group of 77 held at Arusha in February 1979. Secondly, the resolution enlarged the priority areas of UNCTAD's work programme in this field by introducing and specifying new programme elements. Thirdly, in consequence of the new mandate derived from the resolution and of the conceptual and analytical work completed during the biennium 1978-1979, the activities of the programme during the biennium 1980-1981 will enter a second, action-oriented phase. Fourthly, the resolution included the decision to convene a special session of the Committee on Economic Cc-operation among Developing Countries early in 1980, the recommendations and decisions of which are expected to give further guidance to the work programme in this field. It should be noted that, pursuant to the same resolution, in the months preceding the special session of the Committee preparatory meetings of governmental experts of developing countries and of other regional groups that may request such meetings will be held. Lastly, by resolution 127 (V) the Trade and Development Board is requested to decide on the convening and the organization of similar meetings of governmental experts of developing countries, as well as of other countries if they so wish, on specific aspects of interregional economic co-operation among developing countries. UNCTAD secretariat is expected to service such meetings. Accordingly, there is a need to revise the programme in order to introduce new dimensions and programme components as derived from Conference resolution 127 (V).

# B. Secretariat

18.185 The secretariat unit responsible for this programme is the Division for Economic Co-operation among Developing Countries. There were 18 Professional posts as at 1 January 1980, one of which was supported from extrabudgetary sources. The Division has no sections or other administrative units.

#### C. Subprogramme narratives

SUBPROGRAMME 1: TRADE EXPANSION AND PROMOTION

#### (a) Objective

18.192 The objective of this subprogramme is to assist in promoting trade co-operation among developing countries, in improving their trading position and in reducing their dependence vis-à-vis developed countries.

#### (b) Problems addressed

- 18.193 The subprogramme addresses itself to the following issues: (i) preparatory activities, including supporting activities, for intergovernmental trade pre-negotiations and negotiations for the establishment of a global system of trade preferences among developing countries; (ii) establishment, operation and maintenance of a Trade Information System; (iii) promotion of co-operation among State-trading organizations in such fields as imports of products of common interest, joint export promotion and marketing activities and promotion of mutual trade through long-term purchase and supply commitments: and (iv) identification and promotion of joint import procurement policies and related institutional arrangements.
- 18.194 Proposals related to the establishment of a global system of trade preferences are contained in the studies prepared during the biennium 1978-1979. However, the establishment of such a system requires that a number of complex issues be solved, and for this purpose further investigation is necessary. Such issues include basic approaches and principles that will ensure advantages to all participating countries; appropriate negotiating techniques and the definition of negotiating stages, according to circumstances; the definition of concrete preferential and other trade measures, taking full account of the variety of policy instruments used by developing countries; the harmonization of a global system of trade preferences among developing countries with existing subregional and regional integration schemes of developing countries; and ensuring that the system contributes to improving the international trading framework.
- 18.194A The Trade Information System will make a contribution to the negotiations on a global system of trade preferences among developing countries by identifying trade flows and opportunities among developing countries, and by analysing individual tariff and non-tariff barriers, trading techniques and requirements in the fields of transport, finance and marketing.
- 18.194B The State-trading process offers to developing countries wide opportunities for commercial promotion through the harmonization of buying and selling operations. Such problems as differing legislation and administrative procedures, varied demand and supply patterns for different products and an absence of suitable links among State-trading organizations in developing countries will need to be settled in creating the proposed system.

## (c) Legislative authority

18.195 Legislative authority for the subprogramme derives from the following: United Nations Conference on Trade and Development resolutions 48 (III), 92 (IV) and 127 (V); resolution 1 (I), paragraphs 2 (a) (i) and (ii), of the Committee on Economic Co-operation among Developing Countries; decision 161 (XVII) of the Trade and Development Board endorsing the work programme adopted by the Committee on Economic Co-operation among Developing Countries.

# (d) Strategy

# (i) Situation at the end of 1981

18.196 Further research concerning complex issues mentioned under (b) above and related to the establishment of a global system of trade preferences will have been carried out. It is expected that, after the interregional meetings of developing

countries to be held in preparation for the special session of the Committee on Economic Co-operation among Developing Countries and in the light of that Committee's decisions concerning support measures for implementation of the Arusha Action Plan, the Group of 77 will have entered an advanced stage of the pre-negotiation and negotiation process leading to the formulation of a global system. The basis for a Trade Information System (TIS) will have been established, including a data bank on foreign trade régimes of developing countries, which will be updated on a continuing basis. It will thus be possible for country studies on foreign trade and trade régimes to be prepared, as well as product studies on the immediate trading potential among developing countries. A service will have been established to respond to specific requests from developing countries. TIS data would also be covering State-trading organizations and multilateral marketing and production enterprises (see subprogramme 2 below).

18.196A Specific activities to be undertaken in order to intensify co-operation among State-trading organizations will be determined by the recommendations and decisions of the meetings of governmental experts of developing countries to be convened early in 1980 and of the special session of the Committee on Economic Co-operation among Developing Countries, on the basis of the studies carried out in this field during the biennium 1978-1979. A handbook on State-trading organizations will have been prepared. Technical co-operation activities will be under way and seminars and training courses for staff of State-trading organizations will have been organized in conjunction with national or multilateral assistance organizations.

## (ii) The period starting with the biennium 1982-1983

18.197 Activities related to the global system of trade preferences will enter into a further stage requiring support for new negotiations among developing countries. Such support will involve the identification of new series of products suitable for negotiations and of trade barriers affecting these products; case studies for selected commodities and manufactures offering a particular trade potential; an analysis of the implications of various negotiating formulae and proposals for specific country and product situations. For this purpose a number of negotiating meetings are readily foreseeable. The results of the initial rounds would be the basis for a new set of negotiations in order to extend and deepen the results already achieved. Substantial secretariat assistance will be required during the intensive negotiating phases up to the conclusion of the initial rounds of negotiations, as well as for the implementation of the agreements and for the dynamics of the negotiation process in the future, which by its very nature will be a continuing, long-term operation.

18.199 Following the completion of additional studies and related activities on State-trading and joint import procurement and the recommendations of the State-trading enterprises, follow-up action will continue to be required for the creation of mechanisms through which State-trading enterprises may further activate their reciprocal trading operations, for the establishment of multinational purchasing agencies specialized in particular products, and for assistance at the interregional level with a view to helping State-trading enterprises overcome market and other limitations on their operations and carry out joint actions.

#### (e) Expected impact

18.201 A successful conclusion of negotiations on trade preferences among developing countries should lead to a substantial expansion of their mutual trade and stimulate their industrial and agricultural production. It should also contribute to the satisfaction of their basic needs through collective self-reliance and to an increase in their purchasing power. In the longer run it should also stimulate productive investment in the developing countries, geared to their own structure of demand. Through the promotion of co-operation among State-trading organizations and the adoption of joint import procurement policies, it is expected that the utilization of trade channels directly or indirectly controlled by the public sector will contribute to a significant expansion of trade among developing countries and to an improvement of the bargaining position of these countries vis-à-vis the developed countries.

SUBPROGRAMME 2: ESTABLISHMENT OF AND CO-OPERATION AMONG MULTINATIONAL ENTERPRISES\*

## (a) Objective

18.201A The objective of this subprogramme is to contribute to the efforts of developing countries to establish and reinforce multinational marketing enterprises and to strengthen their co-operation in the field of production through the establishment of multinational production enterprises.

#### (b) Problems addressed

18.201B The subprogramme addresses itself to the following issues:
(i) establishment and reinforcement of multinational marketing enterprises, identification and promotion of new enterprises and support and assistance to existing ones; and (ii) establishment of multinational production enterprises.

18.201C Developing countries are heavily dependent on the proceeds from exports of a relatively limited number of products, which are often subject to substantial price variations in world markets. The creation of multinational marketing enterprises will facilitate efficient marketing by developing countries and thus contribute to a more orderly development process. There is a noticeable lack of co-ordination among developing countries in regard to co-operation in production and, as a consequence, their situation in world markets is not always as favourable as it might be. The creation of multinational production enterprises will require very intensive and complex work, covering varying fields of endeavour, if satisfactory conditions of production and export are to be achieved for developing countries.

# (c) Legislative authority

18.201D Legislative authority for this subprogramme derives from United Nations Conference on Trade and Development resolutions 48 (III), 92 (IV) and 127 (V); resolution 1 (I) of the Committee on Economic Co-operation among Developing Countries (paras. 2 (a) (iii) and 2 (b) (viii)); and decision 161 (XVII) of the Trade and Development Board endorsing the work programme adopted by the Committee.

<sup>\*</sup> A new subprogramme.

# (d) Strategy

# (i) Situation at the end of 1981

18.201E In the light of the recommendations made at the meetings of intergovernmental experts of developing countries to be held in 1980 and of decisions of the Committee on Economic Co-operation among Developing Countries on the basis of the work undertaken by the UNCTAD secretariat during the biennium 1978-1979, further studies will have been undertaken as necessary in connexion with the establishment and reinforcement of multinational marketing enterprises. By the end of 1981, operational activities concerning the establishment and promotion of such enterprises should be substantially advanced and, in consultation with the appropriate machinery of the Group of 77, measures will have been taken on follow-up action on further work done by the UNCTAD secretariat. Promotional and other assistance will have been provided to existing multinational marketing enterprises.

18.201F In the light of studies prepared by the UNCTAD secretariat during the biennium 1978-1979, it is expected that new intergovernmental measures will have been adopted during 1980-1981 to implement recommendations relating to the establishment of joint marketing ventures among developing countries, including joint import procurement, with assistance from the UNCTAD secretariat as appropriate.

18.201G Follow-up action will have been taken on three sectoral studies on multinational production enterprises prepared by the UNCTAD secretariat during 1978-1979, as determined by consultations among Governments of developing countries. In this connexion, proposals at the pre-feasibility and feasibility stage would have been considered, giving rise to consultations among multilateral financial institutions and subregional and regional secretariats to consider such proposals and decide on follow-up action. Studies involving new sectors, conceptual criteria and basic policy guidelines should have been further developed as appropriate for the identification, promotion and development of multinational production enterprises.

## (ii) For the period starting with the biennium 1982-1983

18.20lH Assistance will continue to be provided to multinational marketing enterprises already established by the developing countries. Promotional assistance will also be provided in the establishment of new multinational enterprises. This type of operation work will be based on new in-depth studies. Activities concerning the identification, promotion and development of multinational production enterprises should continue and be expanded, as an increasing number of products come under consideration and as follow-up action is decided on concrete proposals by multilateral financial institutions and subregional and regional secretariats.

#### (e) Expected impact

18.201I Growing participation of the developing countries is expected in the processing, distribution and marketing of a large proportion of their exports, as is a substantial increase in their foreign exchange earnings on invisible account; expanded co-operation and co-ordination in the export trade of their basic commodities; and, finally, increased co-operation among themselves in the commercial, technological and financial fields as a result of possible increased investment and joint ventures in the related productive activities. Through

increased co-operation in production at the subregional, regional and interregional levels, it is expected that a better utilization of productive resources in the developing countries may be brought about.

SUBPROGRAMME 3: SUBREGIONAL, REGIONAL AND INTERREGIONAL ECONOMIC CO-OPERATION AND INTEGRATION AMONG DEVELOPING COUNTRIES 6/

## (a) Objective

18.202 The objective of this subprogramme is to assist subregional and regional economic co-operation integration groupings of developing countries to (i) overcome a number of obstacles of diverse nature encountered in the implementation of their respective programmes; (ii) propose ways and means of expanding the scope of these programmes to include additional economic sectors where appropriate and increase the number of participating countries; and (iii) create interregional links among these schemes.

#### (b) Problems addressed

18.203 A number of economic co-operation and integration programmes operating at the subregional and regional levels have been initiated by the developing countries. They involve more than 70 such countries. Their main objective has been to lower existing obstacles to the movement of goods, services and factors of production, as well as actively to promote economic co-operation in all fields. However, a great number of obstacles of an economic, institutional, legal, technical and political nature have been encountered in the implementation of these programmes, which require the continuous support of their secretariats and of other international organizations (primarily the United Nations international and financial institutions).

# (c) Legislative authority

18.204 Legislative authority for the subprogramme derives from United Nations Conference on Trade and Development resolutions 48 (III), 92 (IV) and 127 (V); resolution 1 (I) of the Committee on Economic Co-operation among Developing Countries (para. 2 (b) (i)); and decision 161 (XVII) of the Trade and Development Board endorsing the work programme adopted by the Committee on Economic Co-operation among Developing Countries.

# (d) Strategy and output

18.205 The subprogramme includes the following activities: (i) strengthening of subregional and regional economic integration groupings and establishment of interregional links among them through assistance to and co-operation among their secretariats as a prerequisite for action by Governments; (ii) research, collection, dissemination and exchange of information and experience in the field of economic integration; and (iii) preparation, in co-operation with the respective secretariats, of detailed multinational projects of interest to regional and subregional integration groupings, to be submitted for consideration to the Committee on Economic Co-operation among Developing Countries.

<sup>6/</sup> Replaces the previous subprogramme 2, Economic integration among developing countries. Apart from the change in title only the underlined portions of the text of the paragraphs cited have been altered.

# (i) Situation at the end of 1981

18.206 A Working Party on Economic Co-operation among Developing Countries was convened in April 1978, 7/ at which secretariats of subregional and regional economic groupings met with a view to providing guidelines for this subprogramme in connexion with the strengthening of subregional and regional integration groupings of developing countries. In conformity with a recommendation of the Mexico City Conference on Economic Co-operation, this meeting <u>drew up</u> guidelines for: (i) measures of support of concomitant action at the interregional level to be implemented by the developing countries as a whole; (ii) establishment of links among such groupings; (iii) facilitating the participation of countries that are at present outside such schemes; and (iv) consideration of a possible mechanism or consultative body, whichever is appropriate, to co-ordinate and promote their activities with regard to the above-mentioned areas. A meeting of secretariats of subregional and regional economic groupings will have been convened to consider institutionalizing the Inter-Secretariat Consultative Group (ISCG) proposed by the Working Party and to draw up guidelines for action by the ISCG. A meeting of secretariats of economic co-operation and integration groupings and multilateral financial institutions of developing countries should have considered specific intercountry projects derived from other activities of this programme.

18.207 Activities concerning research, collection, dissemination and exchange of information and experience in this field will be essentially action-oriented, seeking practical solutions to specific problems which may arise in the process of economic integration which are of common interest to the majority of existing groupings. By the end of 1981 these activities will have covered: (a) methodology for cost/benefit evaluation of the integration process and identification of possible compensatory measures; (b) role of transnational corporations in the context of economic integration among developing countries, particularly in Africa and in Asia; (c) policies of global, regional and subregional financial institutions with respect to economic integration among developing countries; and (d) analysis of trade among member countries of regional and subregional groupings.

#### (ii) For the period starting with the blannium 1982-1983

18.208 It is expected that a substantial part of the resources of the Division for Economic Co-operation among Developing Countries will continue to be directed to substantive support for technical co-operation to strengthen subregional and regional economic integration groupings of developing countries. Indeed, together with subregional and regional economic co-operation schemes, these schemes constitute a basic institutional network for the implementation of the Mexico City Programme and Arusha Action Plan of economic co-operation. It is expected that work deriving from a number of intergovernmental meetings will be well advanced by then, including negotiating conferences on specific areas of co-operation at the interregional level, particularly in the commercial, industrial and financial fields. Considerable intensification of all these activities is expected to take place as the programme develops, with the emergence of interregional arrangements supplementary to the present subregional and regional schemes.

<sup>7</sup>/ See A/33/367, annex, paras. 2-4, and "Report of the Working Party on Trade Expansion and Regional Economic Integration among Developing Countries" (TD/B/702).

#### (e) Expected impact

18.210 Economic integration and co-operation schemes have had a considerable impact on the volume of trade and on the development of the developing countries belonging to such groupings. Thus, as a result of the intensification and expansion of these schemes and programmes and of the number of countries involved, a major restructuring of the economies of the participating countries may evolve, together with a relatively faster growth of trade among them.

SUBPROGRAMME 4: MONETARY AND FINANCIAL CO-OPERATION\*

#### (a) Objective

18.211 The objective of this subprogramme is to contribute, through intensified research and technical support activities, to the efforts of developing countries to strengthen their co-operation in the fields of monetary and financial co-operation at the subregional, regional and interregional levels.

#### (b) Problems addressed

18.212 Taking into account the priorities set out in resolution 1 (I) of the Committee on Economic Co-operation among Developing Countries and in Conference resolution 127 (V), this subprogramme addresses itself more particularly to the following issues: (i) strengthening and improvement of existing clearing and payments arrangements and promotion of new ones at the subregional, regional and interregional levels and establishment of links among them: and (ii) promotion and facilitation of capital flows among developing countries.

18.213 Links among developing countries in regard to payments and clearings arrangements are generally weak, especially at the interregional level. However, the existence of suitable mechanisms of this sort is vital to effective trade promotion and to other aspects of their economic co-operation, including the establishment of a global system of trade preferences. Institutional links covering the whole range of these complex issues will therefore have to be established. Reciprocal financing among developing countries offers a great potential which is only just beginning to yield results. The creation of suitable mechanisms to promote, channel and strengthen these financial flows will require intensive work in the financial and related fields.

#### (c) Legislative authority

18.214 Legislative authority for this subprogramme derives from United Nations Conference on Trade and Development resolutions 48 (III), 92 (IV) and 127 (V) resolution 1 (I) of the Committee on Economic Co-operation among Developing Countries (paras. 2 (b) and (c)); and decision 161 (XVII) of the Trade and Development Board endorsing the work programme adopted by the Committee.

#### (d) Strategy and output

#### (i) Situation at the end of 1981

18.215 By the end of 1981 a series of studies and supporting activities in the

<sup>&</sup>quot; Replaces previous subprogramme 3.

field of monetary co-operation should be considerably advanced, covering:
(i) accession to clearing and payments arrangements of new members in the same region and/or other regions; (ii) establishment of a system of information regarding activities of clearing and credit arrangements; (iii) common features and obstacles faced by payments arrangements; (iv) identification of possible links between specific payments arrangements, as well as mechanisms and instruments for such links to become operative; (v) survey of existing financial instruments and mechanisms among developing countries for trade; (vi) joint action by existing credit arrangements; and (vii) establishment of a bank for developing countries. The Co-ordination Committee on Multilateral Payments Arrangements and Monetary Co-operation among Developing Countries was created in 1978. Consequently, there will be considerable scope for the promotion and establishment of links at the regional and interregional levels among such arrangements. At the second meeting of the Committee, held at Dakar in October 1979, UNCTAD was invited to act as technical secretariat of the Committee until the end of 1982.

18.216 The examination of measures to promote capital flows to and among developing countries will have progressed. A study will have been undertaken of the capital markets of developing countries with a view to identifying measures for improving access to them by other developing countries, thereby assisting in the mobilization of resources. Assistance will have continued with respect to existing multilateral financial institutions of developing countries in order to increase their capability of identifying, preparing, monitoring and financing large-scale projects of economic co-operation among developing countries in all sectors.

#### (ii) For the period starting with the biennium 1982-1983

18.217 Assistance will continue to be provided to existing clearing and payments arrangements and for the establishment of new ones. Studies and activities referred to under (d) (i) above will continue as necessary, particularly concerning the identification of possible links between specific payments arrangements and of mechanisms and instruments for such links to become operative. It can also be expected that activities will continue concerning possible links between payments arrangements of developing countries and the payments system of the socialist countries of Eastern Europe. The study of capital markets and of institutions and policies of donor developing countries will continue.

#### (e) Expected impact

18.220 Through increased co-operation in the monetary and financial fields at the subregional, regional and interregional levels, it is expectd that a better utilization of productive resources in the developing countries may be brought about, together with an expansion of current and capital transactions (including invisibles) among themselves.

PROGRAMME 7: UNCTAD: TRADE AMONG COUNTRIES HAVING DIFFERENT ECONOMIC AND SOCIAL SYSTEMS

#### A. Organization

#### 1. Intergovernmental review

18.221 The work of the secretariat in this programme is considered by the Trade and Development Board, which now meets twice a year and establishes at its

regular session (from 1980, at its second regular session of the year) a sessional committee to study problems in this area.

#### 2. Secretariat

18.222 The secretariat unit responsible for this programme is the Division for Trade with Socialist Countries. There were 10 Professional posts as at 1 January 1980; none of the posts was supported from extrabudgetary sources. The Division had no sections or other organizational units as at 1 January 1980.

#### 3. Expected completions

- 18.223 The activities under this programme are essentially of a continuing nature. Action on the following items of the programme elements was, however, completed or is expected to be completed:
- (a) In 1978-1979: A report on the main policy issues in trade relations among countries having different economic and social systems for the fifth session of the Conference: annual reviews for 1978 and 1979 of trends and policies in all flows of this trade, supplemented by statistical reviews: a number of studies on various aspects of these trade flows such as the legal and institutional framework, tripartite links and collaboration in third countries, industrial collaboration arrangements, co-operation in planning, etc.; several studies on the experience and trade prospects of individual countries and groups of countries (Bulgaria, India, Morocco, Nigeria, Poland); various country studies and a comprehensive study on "Economic relations between Latin American countries and countries members of CMEA" in the framework of a joint UNCTAD/ECLA research project; substantive support to the organization, during sessions of the Board in 1978 and 1979, of bilateral and multilateral consultations between interested countries within the UNCTAD consultative machinery established for this purpose; elaboration of a comprehensive UNCTAD/UNDP programme of technical assistance in this area and substantive support and advisory services to individual Governments at their request, etc.
- (b) In 1980-1981: The work will concentrate on activities referred to in the proposed programme budget for 1980-1981: preparation of reviews of trends and policies; studies on experience and prospects for trade, modalities of payments arrangements, economic and technical co-operation, statistical services and analysis; co-operation with ECE in research on various issues of East-West trade and with the other regional commissions of the United Nations on regional aspects of trade between developing countries and socialist countries; substantive support to and organization of bilateral and multilateral consultations within the established consultative machinery of UNCTAD; substantive support to the implementation of various technical co-operation activities; consultations and co-operation with interested countries, regional and subregional organizations and other United Nations bodies.

#### D. Subprogramme narratives

SUBPROGRAMME 1: EXPANSION OF ALL TRADE FLOWS AMONG COUNTRIES HAVING DIFFERENT ECONOMIC AND SOCIAL SYSTEMS

#### (a) Objective

18.228 The objective of this subprogramme, which corresponds to an item of the agenda of the fifth session of UNCTAD and will be considered periodically by the Trade and Development Board, is to promote policies and measures conducive to the expansion and diversification of all trade flows among countries having different economic and social systems on a stable, long-term and large-scale basis through the promotion of interrelated policies within a comprehensive approach covering various forms of trade and economic co-operation.

# (b) Problems addressed

18.229 Trade flows between socialist countries of Eastern Europe and both developing countries and developed market-economy countries are expanding rapidly. At the same time, there are still unused opportunities. Developments in these flows of trade should be analysed taking into account their interrelationship. Measures are needed leading to long-term and stable trade links between countries participating in East-West trade, including measures conducive to the improvement of commodity structure, attainment of an equilibrium in trade and elimination of existing trade policy obstacles and protectionist measures affecting this trade. Trade between developing countries and socialist countries of Eastern Europe could be promoted through long-term agreements and the diversification of the geographical pattern of trade and its commodity structure. An evaluation should be made of the institutional and legal framework of trade in member countries. Trade-creating industrial specialization and co-operation will contribute to the over-all economic growth of developing countries and to sustained transfer of technology from socialist countries.

## (d) Strategy and output

#### (i) Situation at the end of 1979

18.232 The above problems were discussed at the Conference and at sessions of the Board held in 1978 and 1979. These problems required in-depth research and collection of information. The experience of individual countries and groups of countries was analysed with a view to broadening the geographical basis of these flows of trade. Expansion of mutual trade was the subject of bilateral and multilateral consultations within the established consultative machinery and the intensification of UNCTAD technical assistance activities in this field. A research project was implemented jointly with ECLA on trade and economic relations between Latin American countries and countries members of CMEA.

## (ii) Bienniums 1980-1981 and 1982-1983

18.234 Since the mandate in this field is of a continuing nature, the main activities of the previous biennium will be pursued to facilitate the consideration by the Board of problems pertaining to these trade flows through the preparation of reviews of trends and policies; research and analytical work on ways and means of promoting stable expansion and diversification of trade; improvement of the

intergovernmental legal and institutional framework; substantive support to the implementation of the comprehensive UNCTAD/UNDP programme of technical co-operation activities in this field. Advisory services will be provided, upon request, to individual countries and economic organizations of developing countries.

#### (e) Expected impact

18.236 It may be expected that the activities under this subprogramme will further contribute to the promotion of long-term, stable and balanced trade between socialist countries of Eastern Europe and both developing countries and developed market-economy countries. Trade would expand and its geographical pattern and commodity structure diversify, involving, inter alia, increased exports of manufactures from developing countries to socialist countries. Solutions of trade policy and practical issues will be promoted through the UNCTAD machinery for bilateral and multilateral consultations and various operational activities, with the substantive support of the UNCTAD secretariat.

SUBPROGRAMME 2: PROMOTION OF VARIOUS FORMS OF ECONOMIC CO-OPERATION\*

# (a) Objective

18.236A The objective of the subprogramme is to promote various forms of economic relations among member countries, such as technical and industrial co-operation, which are conducive to the expansion of trade and strengthening of the intergovernmental legal basis and the institutional mechanism for economic co-operation.

#### (b) Problems addressed

18.236B New forms of co-operation have emerged in recent years in trade among countries having different economic and social systems. Developing countries, socialist countries of Eastern Europe and developed market-economy countries have been implementing multilateral trade and payments arrangements and establishing joint ventures and various multilateral links, such as tripartite industrial collaboration and co-operation in the markets of third countries. Co-operation will be carried out with ECE in research on various issues of East-West trade and with the other regional commissions of the United Nations on some regional aspects of economic co-operation between developing countries and socialist countries of Eastern Europe. The multilateral schemes under implementation by the CMEA member countries will be further studied with a view to identifying potential trade opportunities. Efforts should be directed towards expanding trade and economic relations through co-operation in planning.

# (d) Strategy and output

# (i) Situation at the end of 1979

18.236C Studies have been prepared on various forms of co-operation mentioned above, including the existing co-operation mechanism and the legal basis and institutional framework for trade and economic co-operation. Operational

<sup>\*</sup> A new subprogramme.

activities have been aimed at promoting better knowledge of opportunities and modalities of co-operation. Co-ordination of activities with other organizations in the United Nations system (UNIDO) and with regional commissions has been intensified.

# (ii) Bienniums 1980-1981 and 1982-1983

18.236D In view of the continuing nature of the issues, the main activities of the previous biennium under this subprogramme will be pursued. They will include research and analytical work on accumulated experience and arrangements introducing various new forms of co-operation. The operational activities will include dissemination of information and advisory services to individual developing countries, groups of countries and their regional and subregional economic groupings and organizations. Substantive and organizational support to bilateral and multilateral consultations on problems of economic co-operation held within the established consultative machinery of UNCTAD will continue.

## (e) Expected impact

18.236E These activities are expected to contribute to the adoption by UNCTAD intergovernmental bodies of recommendations which would lead to the intensification of mutually advantageous long-term economic co-operation between the countries concerned. Relations between developing countries and the socialist countries can be expected to be intensified on the basis of more sophisticated forms of co-operation. The activities within the co-operation mechanisms at the governmental and enterprise/organization level would be further improved.

PROGRAMME 8: UNCTAD: LEAST DEVELOPED, LAND-LOCKED AND ISLAND DEVELOPING COUNTRIES

#### A. Legislative basis of the revision

18.237 At its fifth session, the United Nations Conference on Trade and Development decided, by resolution 122 (V), as one of its major priorities, to launch a comprehensive and substantially expanded programme in two phases, Immediate Action Programme (1979-1981) and a Substantial New Programme of Action for the 1980s for the least developed countries. The Conference called upon the Secretary-General of UNCTAD to continue the detailed preparation of the Immediate Action Programme (1979-1981) and the Substantial New Programme of Action for the 1980s for the least developed countries. The resolution provides the basis for the revision of programmes on behalf of the least developed countries.

#### B. Secretariat

18.238 The secretariat unit responsible for this programme is the Special Programme for Least Developed, Land-locked and Island Developing Countries. There were 10 Professional posts as at 1 January 1980, rere of which was supported from extrabudgetary sources.

#### C. Subprogramme narratives

SUBPROGRAMME: LEAST DEVELOPED, LAND-LOCKED AND ISLAND DEVELOPING COUNTRIES

#### (a) Objective

18.244 The objective of this Special Programme is to assist the least developed countries in their developmental efforts through an <u>Immediate Action Programme</u> (1979-1981) and a <u>Substantial New Programme of Action for the 1980s</u> for the least developed countries, and to assist the land-locked and island developing countries through specific actions to offset the geographical disadvantages hindering their trade and development.

#### (b) Problems addressed

18.245 With respect to the least developed countries, the following targets are envisaged: greatly expanded flow of assistance; improvement in the utilization of assistance, more favourable terms and conditions, criteria and procedures for financial and technical assistance; expansion of exports; more efficient procurement of imports; development of appropriate special measures in the fields of financial flows and commercial policy and in other areas of UNCTAD's competence. With respect to land-locked developing countries, the following targets are envisaged: reduction of transit costs, improvement of physical facilities for the transit trade, including management and maintenance as well as requirements for new facilities; and simplification of transit rules and procedures. With respect to island developing countries, the target is to expand and improve opportunities for fruitful integration in the world economy, through appropriate economic arrangements and improvements in transport.

# (c) Legislative authority

18.246 Legislative authority for this subprogramme derives from United Nations Conference on Trade and Development resolutions 11 (II), 24 (II), 62 (III), 63 (III), 98 (IV), 122 (V), 123 (V) and 111 (V); and Trade and Development Board resolutions 101 (XIII), 108 (XIV), 109 (XIV) and 171 (XVIII).

#### (d) Strategy

#### (i) Situation at the end of 1981

18.247 By 1981 the results of the implementation of the Immediate Action Programme 1979-1981 will be known. The detailed preparation of the Substantial New Programme of Action for the 1980s with commitments at the global level with respect to inter alia, gcals and objectives, financial needs, priority areas for support, and institutional arrangements on behalf of the least developed countries will have been completed. The elaboration of the detailed arrangements at the global level for the implementation, co-ordination and monitoring of the Substantial New Programme of Action for the 1980s for the least developed countries, and arrangements for the full participation of all organs and bodies of the United Nations system concerned in these activities will have been done. particular, in conformity with General Assembly resolution 34/203 of 19 December 1979, a United Nations Conference on the Least Developed Countries will have been held in 1981, in order to finalize, adopt and support this Programme, and will have laid the guidelines for further UNCTAD work in this area. With respect to land-locked and island developing countries, much will have been done by 1981 to identify the practical steps which might lower the transit and transport costs of the geographically disadvantaged countries. It is expected that a programme to identify the peculiar constraints to economic growth and development of small island States will have been completed. Thus, the time will be ripe for an expanded and strengthened programme of special measures which can accelerate the progress of these disadvantaged countries during the 1980s.

#### (ii) Nature of the change in strategy

18.248 The <u>Substantial New Programme of Action for the 1980s</u> on behalf of the least developed countries requires, in the first place, a global effort, aimed at launching the programme and mobilizing international support. This should be paralleled by the commencement, as soon as possible, of planning efforts for a greatly expanded programme by each least developed country itself, with full support from bilateral and multilateral assistance institutions to complement each country's own more intensive work in the identification, preparation and implementation of such a major new programme, and reflecting its own specific needs and priorities.

## (iii) For the period starting with the biennium 1982-1983

18.249 With respect to least developed countries the major focus of work during the biennium 1982-1983 will be the <u>Substantial New Programme of Action for the 1980s</u>, including: (a) further elaboration of the Programme at the global level and assistance in the preparation and implementation of individual country programmes of action; (b) review, evaluation and monitoring of progress in the implementation of the Programme; (c) identification of bottle-necks and

recommendations for corrective measures; (d) formulation of special measures in the fields of commercial policy and other areas of UNCTAD's competence; (e) co-ordination of international efforts on behalf of the least developed countries. In addition, advisory services and other technical co-operation programmes at the interregional, regional and country levels will need to be strengthened, in keeping with the growing capacity of the least developed countries to use such services effectively, and also to help implement the recommendations of UNCTAD intergor remental meetings or expert groups, as well as the <u>Substantial New Programme of Action for the 1980s</u> and other new special measures. With regard to land-locked and island developing countries, research on specific actions to help offset their geographical handicaps will continue. Planning studies of transit-transport costs facing particular land-locked developing countries will be followed, in close co-operation with their transit neighbours, by projects to implement the recommended improvements.

# (e) Expected impact

18.250 With respect to the least developed countries the following results are expected: substantial expansion of technical and financial assistance and of the capacity to utilize it; improvement of assistance policies to meet the needs of these countries, such as liberal terms and conditions, flexible criteria for assistance, improvements in the administration and management of assistance, provision of assistance on a predictable, continuous and increasingly reliable basis, and speeding up of disbursements; strengthening of institutions and policies for the expansion of exports and the reduction in the cost of imports; and improvement of policy measures of special benefit to the least developed countries; provision for the most pressing social needs. With respect to land-locked developing countries, reduction in the real costs of their access to and from the sea and to world markets is expected. With respect to island developing countries, improved conditions and lower costs of access to world markets for remote island developing countries are expected.

18.250A Additional results expected include: further expansion of technical and financial assistance to the least developed countries and of the capacity to utilize it, higher rate of development, greater provision for nutrition, health, transport and communications, housing and education, as well as job opportunities to all citizens of these countries, and particularly to the rural and urban poor. With respect to the land-locked and island developing countries, further improvements in their access to markets are expected.

#### CHAPTER 19

#### NATURAL RESOURCES AND ENERGY

PROGRAMME 2: DEPARTMENT OF INTERNATIONAL ECONOMIC AND SOCIAL AFFATRS

SUBPROGRAMME 2: MINERALS

As a result of the restructuring of the Secretariat in implementation of General Assembly resolution 31/197, the work of the separate unit on minerals mentioned in paragraph 19.63 of A/33/6/Rev.l is now conducted in the Ocean Economics and Technology Branch of the Department. Accordingly, this subprogramme (paras. '9.77 to 19.84) is deleted from this chapter and incorporated in the revised plan for chapter 20, programme 1, subprogramme 2.

#### PROGRAMME 6: ECONOMIC COMMISSION FOR WESTERN ASIA

The following text for subprogrammes 1 and 2 modifies the paragraphs of A/33/6/Rev.l cited below.

SUBPROGRAMME 1: ENERGY RESOURCES DEVELOPMENT

## (a) Objective

19.247 The objective of this subprogramme is to provide information and outlook on the supply and utilization of energy resources, and to assist in the harmonious development of the energy sector and in an appropriate diversification of the energy base in Western Asia, in the context of national development goals and inter-Arab co-operation, devoting particular attention to the oil-importing and the least developed countries in the region.

- (b) Changes in the problem addressed since January 1978
- 19.248 There have been no changes in the problem addressed.
- (c) Changes in legislative authority since January 1978
- 19.249 Add General Assembly resolution 33/148
- (d) Strategy for the period starting with the biennium 1982-1983
- 19.253 The new strategy for the period starting with the biennium 1982-1983 will be dictated by the results and recommendations at the regional level of the United Nations Conference on New and Renewable Sources of Energy, to be held in 1981. More emphasis will be put on new and renewable sources of energy in the ECWA region with the result of diverting limited manpower resources from designing a strategy and programme of action for an integrated inter-Arab energy and hydrocarbon economy.

#### (e) Changes in the expected impact

19.255 Delete it is expected that by 1981 a strategy on inter-Arab co-operation in hydrocarbons and energy will have been adopted and that by 1982 a programme of action for the implementation of this strategy will have been endorsed, together with the relevant national programmes and legislation.

SUBPROGRAMME 2: MINFRAL RESOURCES DEVELOPMENT

#### (a) Objective

19.256 The objective of this subprogramme is to promote regional co-operation in the exploration and development of mineral resources and to provide the required reliable information.

#### (b) Changes in the problem addressed since January 1978

19.257 There have been no changes in the problem addressed.

#### (c) Changes in legislative authority since January 1978

19.258 There have been no changes in legislative authority.

#### (d) Strategy

#### (i) Nature of the change in strategy

19.259 The proposed changes in strategy for the biennium 1982-1983 are made to accommodate new priorities that have arisen in mineral development in the region. The current strategy of executing studies of some selected non-metallic minerals is being reoriented to a complex economic survey of industrial minerals in general, which is expected to provide a basis for more detailed follow-up studies of selected targets. An inventory of economic mineral deposits will also facilitate the above integrated approach. The planned studies of phosphate deposits in the region will concentrate on the appraisal of the feasibility of uranium recovery from phosphate rocks.

# (ii) The new strategy for the period starting with the biennium 1982-1983

19.262 Findings of the survey and economic analysis of the development potentials of industrial minerals in the region will be subjected to expert consideration, with the view to selecting economically interesting targets for more detailed follow-up studies. Project proposals for regional co-operation in this regard will be developed and action towards their implementation initiated through regional advisory services, reporting and direct consultations and assistance at the national level. In addition, further studies will be undertaken of other selected, economically promising, mineral development projects, with the main stress to be put on non-ferrous metals. The results of the preliminary appraisal of uranium extraction from phosphate rocks in the region will be evaluated and, depending on economic parameters of the proposal, a further co-ordination action may prove necessary on execution of detailed feasibility studies by the concerned countries. Outputs of this period will consist of project proposals on the development of specific industrial mineral and non-ferrous metal resources for policy makers,

government technical department and financial institutions and a further co-ordination action on feasibility studies of uranium extraction from phosphate rocks.

# (e) Changes in the expected impact

19.264 It is expected that the studies on the development potentials of industrial minerals and non-ferrous ores in the region as detailed above will result in identification of possibilities for intercountry and regional co-operation in the exploration, mining, processing and marketing activities. Depending on the findings of the studies, a few regional projects should be under active consideration by the end of 1983. Moreover, feasibility studies on uranium extraction from phosphates in the region may be put into execution.

#### CHAPTER 20

#### OCEAN ECONOMICS AND TECHNOLOGY

PROGRAMME 1: DEPARTMENT OF INTERNATIONAL ECONOMIC AND SOCIAL AFFAIRS

The following text modifies the paragraphs of A/33/6/Rev.l cited below.

20.12 Add In implementing activities, particularly in these areas, full account will be taken of ongoing negotiations within the context of the Third United Nations Conference on the Law of the Sea and, when required, of the results of the Conference so as to ensure that such activities are consonant with, and are in no way prejudicial to, developments occurring within the Conference and its outcome and follow-up.

SUBPROGRAMME 1: USES OF THE SEA

## 20.21 Delete the following sentences

The global offshore/nearshore mineral-resources survey, scheduled to begin in 1978-1979, will be continued on a regional basis. The findings of this long-term undertaking will be made available periodically in the form of printed official documents and/or United Nations sales publications, as appropriate, and are expected to provide an important statistical input into the assessment of the potential impact of marine resources and activities on gross national products that may be undertaken during the biennium.

Modify the first sentence of the new paragraph to read

In consultation with the United Nations Statistical Office and the United Nations organizations concerned, consideration will be given to the feasibility of an assessment either in 1980-1981 or in the subsequent biennium of the potential impact of marine resources and activities on gross national products.

#### SUBPROGRAMME 2: MINERAL RESOURCES

The previous title of this subprogramme was "Sea-bed mineral resources." The change in the title and the changes introduced in the plan narrative reflect:
(a) work on near-shore minerals and (b) work on land-based minerals, as indicated in chapter 19, programme 1, above. This has been done by the introduction without modification of paragraphs 19.78 to 19.84 of A/33/6/Pev.l into the relevant parts of the subprogramme plan. For ease of reference the full text of the subprogramme has been reproduced below. This text replaces paragraphs 20.28 to 20.38 of A/33/6/Rev.l.

## (a) Objectives

20.28 The objectives of this subprogramme are to provide information that will improve resource allocation and decision-making at the national and international

levels in the mineral sector, recognizing the importance of this sector in development planning; to analyse trends in the field of minerals in relation to the world economy, and to contribute to the formulation of international strategies and policies.

#### (b) Problem addressed

20.29 The availability of certain primary metals, including copper and nickel, constitutes a basic condition for growth. Current estimates of the global stocks of these resources, however, have focused almost exclusively on land-based sources and generally have not taken into account sea-bed manganese nodules, which, until a few years ago, were considered an improbable source of metals. However, given the recent technological advances for exploiting the sea-bed and the production in the near future of copper, nickel, cobalt and possibly manganese from sea-bed nodules, the omission of sea-bed nodules from estimates of the available stock and from projections of the future stock of mineral resources will become increasingly significant. The inclusion of this resource would improve the accuracy and reliability of resource estimates and, therefore, the utility of models, strategies and planning exercises which build upon such estimates. Production of large volumes of these netals from sea-bed nodules can be expected to affect market prices. earnings of mineral-exporting countries and the flow of investment into capacity expansion in land-based mining. This in turn would have implications for long-term mineral development policies in both developed and developing countries. Sea-bed nodule production may offer opportunities for developing nations to participate. directly or indirectly, in a new-style mining venture. This will take into account the ongoing negotiations in the Conference on the Law of the Sea. In regard to near-shore hard minerals, there is a lack of readily available, standardized data on their occurences, which diminishes the effectiveness of exploration and development work on the part of government and national and international organizations.

## (c) Legislative authority

20.30 The legislative authority for the work on sea-based minerals derives from General Assembly resolution 2750 A (XXV) and Economic and Social Council resolutions 1380 (XLV) and 1954 A and C (LIX). Legislative authority for work on land-based minerals derives from General Assembly resolutions 3201 (S-VI) and 3362 (S-VII); and Economic and Social Council resolutions 1761 B (LIX), 1954 (LIX) and 2014 (LXI).

#### (d) Strategy for the period 1980-1983

20.31 The adequacy of mineral supplies, the effects of mining on the economy, and mineral prices and the issues of their stabilization are of central importance to the functioning of the international economy. The subprogramme will examine the policy implications of these issues, taking into account the potential of sea-bed mineral resources, and drawing particularly upon the work in the minerals field that will be undertaken by UNCTAD in the context of its integrated programme for commodities, by the World Bank on questions relating to financing and lending practices, by the Department of Technical Co-operation for Development and upon relevant activities of the regional commissions.

## (i) Sea-bed minerals

20.32 Economic and technical studies will be prepared in the biennium 1980-1981 within the framework of a long-term work programme which, in the initial phase, tentatively consists of several interrelated projects: (a) the monitoring of the public information base on consortia activities, including research and development work; (b) the technology for nodule-mining venture; (c) the development of a financial "balance sheet" for a nodule-mining venture; (d) a critical evaluation of the validity of the mine site concept; (e) an analysis of the primary geological data base; and (f) the global impact of sea-bed mining. In light of the rate of development in sea-bed mining, which is still an activity of the future, the output of each project will be regarded as progress reports. Activity under each project, therefore, will be continuing and reports will be issued periodically in order to provide up-to-date information and analyses.

20.33 The results of these projects will serve as direct input into departmental multidisciplinary research and analysis connected with any new development strategy and the new international economic order; they will also be submitted, as required, to the Committee for Development Planning and other concerned bodies. In addition, several of them are expected to be suitable for issue as sales publications. Progress made under this subprogramme will also be reviewed in a progress report to be submitted to the Economic and Social Council in 1981. These exercises will be undertaken in the context of the negotiations and concerns of the Third Conference on the Law of the Sea. This programme element may need review upon the establishment of the International Authority for the sea-bed mineral resources.

20.34 Programme elements formulated for the 1982-1983 biennium will either be continuations of projects carried out during the 1980-1981 biennium or will be adopted, refined or replaced in light of experience gained in implementing the 1978-1979 programme budget and, for the first nine months, the 1980-1981 programme budget, and in light of Government needs and priorities.

#### (ii) Near-shore minerals

20.35 Work will continue on a project aimed at constructing a uniform report system for near-shore hard mineral occurences and at developing a computer programme for storing, recalling and cross-checking any reported data.

#### (iii) Land-based minerals

20.36 Analyses concerning the relationship of the mining industry to economic development will be continued during the biennium 1980-1981. These analyses and others concerning the adequacy of mineral supplies, and mineral prices and their stabilization will be submitted, as required, to the General Assembly, the Economic and Social Council and other United Nations intergovernmental and expert bodies. Efforts will also be made to promote co-ordination in the minerals sector among the organizations concerned of the United Nations system in relation to the objectives of the present subprogramme and to those of the other organizations.

20.37 The activities undertaken during the 1980-1981 biennium are expected to continue during 1982-1983.

# (e) Expected impact

- 20.38 The expected impact of these activities will be:
  - (i) A greater capacity on the part of Governments to make more informed judgements about participation in nodule-mining ventures and in formulating their positions in the context of negotiations for international agreements on the exploitation of marine minerals beyond national jurisdiction, as well as in formulating general mineral-development policies.
  - (ii) The development of international mechanisms, such as commodity agreements and compensatory arrangements, for dealing with the impact of sea-bed mineral mining on mineral prices and markets and on the land-based exporters of the minerals involved.
  - (iii) Mineral problems will be taken into account in the preparation of international policies and strategies and the co-ordination of the activities of the United Nations system in minerals will be strengthened, thereby minimizing duplication or overlapping of work and utilizing existing expertise and resources effectively.

#### CHAPTER 23

#### SCIENCE AND TECHNOLOGY

The General Assembly, in resolution 34/218 of 19 December 1979 adopted as a result of the United Nations Conference on Science and Technology for Development, requested the Secretary-General to establish, as a new, organizationally distinct entity, a Centre for Science and Technology for Development within the United Nations Secretariat. The Secretary-General is not yet in a position to formulate a medium-term plan for the Centre. A medium-term plan for the Centre, and consequent revisions of the plans of central organizational units in this area (A/33/6/Rev.1, paras. 23.1-23.39) will be submitted to the appropriate intergovernmental bodies at a future date.

PROGRAMME 6: ECONOMIC COMMISSION FOR WESTERN ASIA

SUBPROGRAMME: REGIONAL CO-OPERATION IN TRANSFER AND DEVELOPMENT OF SCIENCE AND TECHNOLOGY

The following text  $\underline{\text{modifies}}$  the paragraphs of A/33/6/Rev.1, volume IV, cited below.

# (a) Objective

23.134 The objective of this subprogramme is to (1) promote regional co-operation in the development of technological capabilities, (ii) reinforce the development of national and regional institutions and capabilities which are concerned with formulating policy and taking decisions about the use of science and technology in the development process, and (iii) support the execution of research to guide policy formulation and decision making about the use of science and technology within the region.

#### (b) Changes in the problem addressed since January 1978

23.135 The member States of ECWA, through their recent efforts in the preparations for the 1979 United Nations Conference on Science and Technology for Development, have become more aware of the fact that the degree of their technology dependence has not diminished despite their political independence. This awareness creates an urgent need to understand more thoroughly the interlinkages between scientific and technological activities, on the one hand, and the economic productive activities, on the other. It also calls upon renewed efforts in understanding the ways and means to develop technological capabilities.

#### (c) Changes in legislative authority since January 1978

23.136 There has been no change in legislative authority since January 1978.

# (d) Strategy

#### (i) Nature of the change in strategy

23.137 In order to realize the aspirations in the ECWA region to reduce its technology dependence, policies must first be formulated to guide efforts to accumulate technological capabilities. However, policy formulation capabilities, like technological capabilities, have to be developed. To assist the member States of ECWA in this pursuit, the subprogramme will foster the development of capabilities in the region to formulate technology policies.

# (ii) The new strategy for the period starting with the biennium 1982-1983

23.144 For the biennium 1982-1983, the strategy of this subprogramme is to stimulate and reinforce the development of capabilities in the region to perform research and analysis on technology policy. The implementation of this strategy requires the subprogramme to perform a supportive rather than an executing role in relation to policy research in the region. Hence, the evaluation criteria of this strategy are the quantity, quality and effectiveness of research on technology policy carried out in the ECWA region as a result, directly or indirectly, of ECWA's initiatives and activities.

## (e) Changes in the expected impact

23.146 ECWA resources channelled to stimulate and to support research in member States rather than the execution of policy studies are likely to increase the number of policy studies being conducted in the region. Furthermore, policy studies conducted by researchers in the member States are likely to be more relevant to specific conditions of their countries than those externally executed by ECWA. Recommendations from policy studies conducted by the member States themselves are more likely to be implemented than those externally executed by ECWA. As a consequence of the above factors, there is more likelihood that self-reliant technology policies are to emerge in the region to reduce the degree of its technological dependence.

#### CHAPTER 24

#### STATISTICS

PROGRAMME 2: DEPARTMENT OF TECHNICAL CO-OPERATION FOR DEVELOPMENT

The following text modifies the paragraphs of A/33/6/Rev.1 cited below.

#### D. Subprogramme narratives

SUBPROGRAMME 1: IMPROVEMENT OF STATISTICAL CAPABILITIES OF DEVELOPING COUNTRIES

#### (c) <u>Legislative authority</u>

24.127 Add twentieth session (paras. 152-209) and, in connexion with the National Household Survey Capability Programme, Economic and Social Council resolutions 2055 (LXII) and 1979/5.

## (d) Strategy and output

24.128 Add Of major significance is the National Household Survey Capability Programme, co-sponsored by UNDP and the World Bank, which is designed to help interested developing countries develop their household survey capabilities and obtain data that are best suited to meet their national needs and priorities.

## (i) Situation at the end of 1979

24.129 Add The National Household Survey Capability Programme was officially launched at a consultative meeting in June 1979 and, with the help of a small central co-ordinating unit and the advisory resources at the regional commissions, country projects will be drawn up in interested countries and donor support will be obtained.

## (ii) Period 1980-1983

24.130 The last sentence should read In the field of national household surveys, it is envisaged that technical co-operation will be promoted, with the help of the regional commissions and with funding from bilateral and multilateral sources, to some 30 to 40 interested developing countries to enable them to establish or strengthen their own household survey capability.

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