

NITED NATIONS ENERAL SSEMBLY



Distr. GENERAL

A/6961 11 December 1967

ORIGINAL: ENGLISH

Twenty-second session Agenda item 38

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Report of the Second Committee

Rapporteur: Mr. I.S. CHADHA (India)

1. At its 1564th meeting, on 23 September 1967, the General Assembly allocated to the Second Committee agenda item 38, entitled "United Nations Conference on Trade and **Deve**lopment: report of the Trade and Development Board".

The Committee began its consideration of the item at its 1146th meeting, on 2. 15 November 1967, when it heard a statement by the Secretary-General of the United Nations Conference on Trade and Development which was reproduced in document A/C.2/L.970. It continued its consideration at its 1154th to 1161st meetings, held between 24 and 29 November 1967, and completed the consideration of the item at its 1171st meeting, on 7 December 1967. At its 1154th meeting, the Committee heard statements by the Minister for Foreign Affairs of Algeria, who led a mission of the Ministerial Meeting of the Group of Seventy-Seven, and by a member of the Federal Executive Council of Yugoslavia; both statements were reproduced as official documents (A/C.2/L.979 and A/C.2/L.980). Statements were also made by other members of the mission, the representatives of Senegal and India. In considering the item, the Committee had before it a note by the Secretary-3. General (A/6904), the report of the Trade and Development Board, $\frac{1}{}$ a report of the Secretary-General on a proposed UNCTAD-GATT International Trade Centre (A/6879), a letter from the Permanent Representative of Algeria to the United Nations transmitting a copy of the Charter of Algiers, adopted at the Ministerial Meeting of the Group of Seventy-Seven (A/C.2/237), a note by the Secretary-General on the proposed UNCTAD-GATT International Trade Centre (A/C.2/239) and the report of the

^{1/} Official Records of the General Assembly, Twenty-second Session, Supplement No. 14 (A/6714).

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Économic and Social Council to the General Assembly at its twenty-second session. $\frac{2}{}$ The Committee also had before it two draft resolutions, the texts of which are reproduced in sections I and II below.

Ι

4. At its ll7lst meeting, the Committee had before it a note by the Chairman (A/C.2/L.989) proposing the text of a draft resolution which had been prepared on the basis of consultations with delegations and with all the regional groups. The draft resolution read as follows:

"Second session of the United Nations Conference on Trade and Development

"The General Assembly,

"Recalling its resolutions 2085 (XX) of 20 December 1965 on the United Nations Conference on Trade and Development, 2206 (XXI) of 17 December 1966 on the second session of the United Nations Conference on Trade and Development, and 2209 (XXI) of 17 December 1966 on implementation of the recommendations made by the United Nations Conference on Trade and Development at its first session,

"Taking note of Economic and Social Council resolutions 1266 (XLIII) of 3 August 1967 and 1282 (XLIII) of 2 November 1967,

"Having considered the annual report of the Trade and Development Board for the period 25 September 1966 to 9 September 1967, 3/

"Noting with great interest the Charter of Algiers adopted by the ministerial meeting of the group of seventy-seven developing countries, submitted to the General Assembly in document A/C.2/237, in particular its part two, entitled 'Programme of Action', regarded by the developing countries as the most urgent and immediate step to be taken by the Conference,

"Expressing serious concern at the lack of progress in solving, in the light of the Final Act adopted by the Conference at its first session, substantive problems of international trade and development with which the Conference was faced, and at the adverse economic trends which have contributed to the continuing unsatisfactory economic situation of developing countries,

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^{2/} A/6703/Add.1, chapter 1.

^{3/} Official Records of the General Assembly, Twenty-second Session, Supplement No. 14 (A/6714).

"<u>Recognizing</u> the urgent need for improving the economic situation of the developing countries through the adoption of appropriate measures on the part of both developed and developing countries, thus contributing to the elaboration of an international development strategy,

"Recognizing further the need for the second session of the United Nations Conference on Trade and Development to concentrate on fundamental and specific subjects with a view to achieving practical and concrete results by means of negotiation, aimed at securing the greatest measure of agreement, in order to solve the urgent problems of international trade and development, in particular those of developing countries,

"1. Takes note with satisfaction of the annual report of the Trade and Development Board for the period 25 September 1966 to 9 September 1967 and, in particular, of the agreement reached at the fifth session of the Board on the various aspects of the preparatory work for the second session of the United Nations Conference on Trade and Development;

"2. Invites the Governments of the States members of the Conference to give serious consideration, in their preparations for the second session of the Conference, to the Charter of Algiers, and in particular to its part two, entitled 'Programme of Action', bearing in mind also that special measures are to be worked out for the less developed of the developing countries as suggested in that Charter;

"3. Draws the attention of the Conference to the statement by the President of the Trade and Development Board at its fifth session, $\frac{4}{}$ which was commended by the spokesmen for the groups as a valuable guide to the work of the Conference and in particular to the following part of it:

'Our discussions have above all enabled us to clarify the objectives of the Conference. These have been defined with certain shades of meaning. I think, however, that a consensus has emerged on three basic objectives that can be stated thus:

'(a) To re-evaluate the economic situation and its implications for the implementation of the recommendations of the first session of UNCTAD:

(b) To achieve, through appropriate forms of negotiation, specific results that ensure real progress in international co-operation for development;

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'(c) To explore and investigate matters requiring more thorough study before agreements can be envisaged;'

4/ Ibid., para. 31.

"4. <u>Renews</u> its appeal to the Governments of the States members of the Conference to make maximum efforts, both in their preparations for the second session and during the deliberations of the Conference, to ensure its success with a view to the fulfilment of its basic objectives;

"5. Decides to consider at its twenty-third session, as a matter of high priority, the results of the second session of the United Nations Conference on Trade and Development."

5. The Committee unanimously approved the above draft resolution (see paragraph 10 below, draft resolution I).

II

6. At the ll7lst meeting, the representative of Argentina, on behalf of the delegations of <u>Argentina</u>, <u>Austria</u>, <u>Canada</u>, <u>Chile</u>, <u>Denmark</u>, <u>Finland</u>, <u>Ghana</u>, <u>Greece</u>, <u>Iceland</u>, <u>India</u>, <u>Nigeria</u>, <u>Norway</u>, <u>Pakistan</u>, <u>Senegal</u>, <u>Sudan</u>, <u>Sweden</u>, the <u>United</u> <u>Arab Republic</u>, the <u>United Kingdom of Great Britain and Northern Ireland</u>, the <u>United States of America</u> and <u>Yugoslavia</u>, introduced a draft resolution (A/C.2/L.990), which read as follows:

"<u>UNCTAD/GATT International Trade Centre</u>

"The General Assembly,

"Conscious of the particular needs of the developing countries for international assistance in promoting their exports,

"Considering that several recommendations of the first United Nations Conference on Trade and Development call for international action to help the developing countries in marketing and promoting their exports (in particular recommendations A.II.4, A.II.5, A.III.3 and A.III.8),

"Bearing in mind the need for concentration of efforts and close collaboration between the international organizations concerned,

"Having considered paragraphs 205 to 211 of the report of the Trade and Development Board of the United Nations Conference on Trade and Development 5/ and the report of the Secretary-General on a proposed UNCTAD/GATT International Trade Centre (A/6879), as well as the views expressed in the Administrative Committee on Co-ordination and in the Economic and Social Council,

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5/ Ibid.

"Noting that the United Nations rules governing technical co-operation projects will apply in toto to those activities of the Centre which are to be financed from technical co-operation funds (A/6879, para. 22),

"1. Approves the establishment of a Trade Centre, effective from 1 January 1968, to be jointly operated by the United Nations Conference on Trade and Development and the General Agreement on Tariffs and Trade on a continuing basis and in equal partnership;

"2. <u>Authorizes</u> the Secretary-General of the United Nations Conference on Trade and Development to agree with the Director-General of the General Agreement on Tariffs and Trade on the detailed administrative arrangements for 1968;

"3. <u>Requests</u> the Secretary-General of the United Nations Conference on Trade and Development to report to the twenty-third session of the General Assembly, through the Trade and Development Board, on the functioning of the joint Centre."

Brazil subsequently became a sponsor of the draft resolution.

- 7. The draft resolution was revised orally at the same meeting, as follows:
 - (a) The first part of paragraph 1 was reworded to read:

"Approves the accord between the United Nations Conference on Trade and Development and the General Agreement on Tariffs and Trade on the establishment of a Trade Centre, effective...";

(b) Paragraph 2 was revised to read:

"2. Authorizes the Secretary-General of the United Nations Conference on Trade and Development to come to an agreement with the Director-General of the General Agreement on Tariffs and Trade on the detailed administrative arrangements for 1968".

8. A statement by the Secretary-General on the financial implications of the draft resolution was circulated to the Committee in document A/C.2/L.991.
9. The Committee unanimously approved the draft resolution, as orally revised, at the same meeting (see paragraph 10 below, draft resolution II).

RECOMMENDATION OF THE SECOND COMMITTEE

10. The Second Committee therefore recommends to the General Assembly the adoption of the following draft resolutions:

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DRAFT RESOLUTION I

Second session of the United Nations Conference on Trade and Development

The General Assembly,

<u>Recalling</u> its resolutions 2085 (XX) of 20 December 1965 on the United Nations Conference on Trade and Development, 2206 (XXI) of 17 December 1966 on the second session of the Conference, and 2209 (XXI) of 17 December 1966 on the implementation of the recommendations made by the Conference at its first session,

Taking note of Economic and Social Council resolutions 1266 (XLIII) of 3 August 1967 and 1282 (XLIII) of 2 November 1967,

<u>Having considered</u> the annual report of the Trade and Development Board for the period 25 September 1966 to 9 September 1967, $\frac{1}{}$

Noting with great interest the Charter of Algiers adopted by the ministerial meeting of the group of seventy-seven developing countries, submitted to the General Assembly at its twenty-second session,^{2/} in particular part two, entitled "Programme of action", regarded by the developing countries as the most urgent and immediate step to be taken by the Conference,

Expressing serious concern at the lack of progress in solving, in the light of the Final Act adopted by the Conference at its first session, substantive problems of international trade and development with which the Conference was faced and at the adverse economic trends, which have contributed to the continuing unsatisfactory economic situation of developing countries,

<u>Recognizing</u> the urgent need for improving the economic situation of the developing countries through the adoption of appropriate measures on the part of both developed and developing countries, thus contributing to the elaboration of an international development strategy,

<u>Recognizing further</u> the need for the Conference at its second session to concentrate on fundamental and specific subjects with a view to achieving practical

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<u>1</u>/ Official Records of the General Assembly, Twenty-second Session, Supplement No. 14 (A/6714).

<u>2/ A/C.2/237.</u>

and concrete results by means of negotiation aimed at securing the greatest measure of agreement in order to solve the urgent problems of international trade and development, in particular those of developing countries,

1. <u>Takes note with satisfaction</u> of the report of the Trade and Development Board for the period 25 September 1966 to 9 September 1967 and, in particular, of the agreement reached at the fifth session of the Board on the various aspects of the preparatory work for the second session of the United Nations Conference on Trade and Development;

2. <u>Invites</u> the Governments of the States members of the Conference to give serious consideration, in their preparations for the second session of the Conference, to the Charter of Algiers, in particular to part two, entitled "Programme of action", bearing in mind that special measures are to be worked out for the less developed of the developing countries, as suggested in that Charter;

3. Draws the attention of the Conference to the statement made by the President of the Trade and Development Board at its fifth session^{$\frac{3}{}$} which was commended by the spokesmen for the groups of member States as a valuable guide to the work of the Conference - in particular the following part:

"Our discussions have above all enabled us to clarify the objectives of the Conference. These have been defined with certain shades of meaning. I think, however, that a consensus has emerged on three basic objectives that can be stated thus:

"(a) To re-evaluate the economic situation and its implications for the implementation of the recommendations of the first session of the United Nations Conference on Trade and Development;

"(b) To achieve, through appropriate forms of negotiation, specific results that ensure real progress in international co-operation for development;

"(c) To explore and investigate matters requiring more thorough study before agreements can be envisaged".

/...

4. <u>Renews its appeal</u> to the Governments of the States members of the Conference to make maximum efforts, both in their preparations for the second session and during the deliberations of the Conference, to ensure its success with a view to the fulfilment of its basic objectives; 5. <u>Decides</u> to consider at its twenty-third session, as a matter of high priority, the results of the second session of the United Nations Conference on Trade and Development.

DRAFT RESOLUTION II

UNCTAD/GATT International Trade Centre

The General Assembly,

<u>Conscious</u> of the particular needs of the developing countries for international assistance in promoting their exports,

<u>Considering</u> that several recommendations of the first United Nations Conference on Trade and Development call for international action to help the developing countries in marketing and promoting their exports (in particular recommendations A.II.4, A.II.5, A.III.3 and A.III.8), $\frac{1}{2}$

Bearing in mind the need for concentration of efforts and close collaboration between the international organizations concerned,

<u>Having considered</u> paragraphs 205 to 211 of the report of the Trade and Development Board of the United Nations Conference on Trade and Development²/ and the report of the Secretary-General on a proposed UNCTAD/GATT International Trade Centre (A/6879), as well as the views expressed in the Administrative Committee on Co-ordination and in the Economic and Social Council,

Noting that the United Nations rules governing technical co-operation projects will apply in toto to those activities of the Centre which are to be financed from technical co-operation funds (A/6879, para. 22),

1. <u>Approves</u> the accord between the United Nations Conference on Trade and Development and the General Agreement on Tariffs and Trade on the establishment of a Trade Centre, effective from 1 January 1968, to be jointly operated by the United Nations Conference on Trade and Development and the General Agreement on Tariffs and Trade on a continuing basis and in equal partnership;

^{1/} Proceedings of the United Nations Conference on Trade and Development, vol. I, Final Act and Report (United Nations publication, Sales No.: 64.IIB.11)

^{2/} Official Records of the General Assembly, Twenty-second Session, Supplement No. 14 (A/6714).

2. <u>Authorizes</u> the Secretary-General of the United Nations Conference on Trade and Development to come to an agreement with the Director-General of the General Agreement on Tariffs and Trade on the detailed administrative arrangements for 1968;

3. <u>Requests</u> the Secretary-General of the United Nations Conference on Trade and Development to report to the twenty-third session of the General Assembly, through the Trade and Development Board, on the functioning of the joint Centre.

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