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UNITED NATIONS CAPITAL DEVELOPMENT FUND

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 40 entitled "United Nations Capital Development Fund: confirmation of the appointment of the Managing Director".
2. The Committee considered this item at its 1176th meeting, on 12 December 1967.
3. In addition to a note by the Secretary-General (A/6843), the Committee had before it a draft resolution (A/C.2/L.996) submitted by the Netherlands, which read as follows:

"The General Assembly,

"Recalling its resolution 2186 (XXI) of 13 December 1966, on the United Nations Capital Development Fund,

"Considering that, owing to the initial lack of financial resources, it will not be possible, in the first year, to give effect to resolution 2186 (XXI),

"Noting with interest the suggestion of the Secretary-General that 'serious consideration should be given to the possibility of using for the management of the new Fund, under suitable arrangement, the experience and knowledge gained by the United Nations Development Programme' (A/6701/Add.1),

"1. Decides to adopt on provisional basis the following measures in implementation of its resolution 2186 (XXI):

(a) The Secretary-General is invited to ask the Administrator of the United Nations Development Programme to administer the United Nations Capital Development Fund, by performing the functions of the Managing Director, as set forth in article IX of resolution 2186 (XXI);

(b) The Governing Council of the United Nations Development Programme shall perform as appropriate the functions of the Executive Board of the United Nations Capital Development Fund, as set forth in article VIII of resolution 2186 (XXI);

(c) The United Nations Pledging Conference on the United Nations Capital Development Fund will be convened simultaneously with the Annual Pledging Conference on the United Nations Development Programme;

"2. Decides to review at its twenty-third session the institutional arrangements for the United Nations Capital Development Fund in the light of the experience gained during the first year of its operations."

4. Afghanistan, Algeria, Argentina, Ceylon, Colombia, Ghana, Greece, Guinea, India, Indonesia, Iran, Iraq, Jamaica, Jordan, Kuwait, Lebanon, Libya, Morocco, Nicaragua, Nigeria, Pakistan, Peru, the Philippines, Sudan, Syria, Thailand, Tunisia, United Arab Republic, United Republic of Tanzania, Uruguay, Yugoslavia and Zambia became sponsors of the draft resolution.

5. The representative of France proposed amendments (A/C.2/L.999) to the thirty-three-Power draft resolution, as follows:

(a) In operative paragraph 1 (a), the words "in conformity with regulations 7.2 and 7.3 of the Financial Regulations of the United Nations" would be inserted after the words "United Nations Capital Development Fund";

(b) Operative paragraph 1 (b) would be deleted.

The second amendment (see (b) above) was later withdrawn; instead, a separate vote on paragraph 1 (b) was requested by the representative of France.

6. The sponsors orally revised the draft resolution by inserting, in the second paragraph of the preamble, the word "full" before the word "effect".

7. In answer to a question, the Under-Secretary for Economic and Social Affairs informed the Committee that the draft resolution did not have any financial implications.

8. One delegation expressed reservations about the juridical effect and the "legal force" of Assembly recommendations that were adopted by a majority vote.

9. The Committee then voted on the draft resolution (A/C.2/L.996), as orally revised, and the amendment thereto, as follows:

(a) The amendment of France (see paragraph 5 (a) above) was rejected by 39 votes to 14, with 32 abstentions;

(b) Operative paragraph 1 (b), on which a separate vote had been requested by France, was approved by 71 votes to 10, with 11 abstentions;

(c) Operative paragraph 1 (c), on which a separate vote had been requested by Australia, was approved by 72 votes to 9, with 10 abstentions;

(d) The draft resolution (A/C.2/L.996) as a whole, as orally revised, on which a roll-call vote was requested by the United Arab Republic, was approved by 73 votes to 8, with 11 abstentions. The voting was as follows:

In favour: Afghanistan, Algeria, Argentina, Barbados, Bolivia, Brazil, Bulgaria, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Czechoslovakia, Dahomey, Ecuador, Ethiopia, Ghana, Greece, Guatemala, Guinea, Honduras, India, Indonesia, Iran, Iraq, Israel, Jamaica, Jordan, Kenya, Laos, Lebanon, Liberia, Libya, Madagascar, Malawi, Mauritania, Mexico, Mongolia, Morocco, Netherlands, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Poland, Romania, Rwanda, Senegal, Sierra Leone, Somalia, Spain, Sudan, Syria, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Upper Volta, Uruguay, Venezuela, Yugoslavia and Zambia.

Against: Belgium, Canada, France, Japan, Luxembourg, New Zealand, United Kingdom of Great Britain and Northern Ireland and United States of America.

Abstaining: Australia, Austria, Denmark, Finland, Iceland, Ireland, Italy, Malta, Norway, Portugal and Sweden.

RECOMMENDATION OF THE SECOND COMMITTEE

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

United Nations Capital Development Fund

The General Assembly,

Recalling its resolution 2186 (XXI) of 13 December 1966 on the United Nations Capital Development Fund,

Considering that owing to the initial lack of financial resources it will not be possible in the first year to give full effect to that resolution,

Noting with interest the Secretary-General's suggestion that serious consideration should be given to the possibility of using for the management of the new Fund, under some suitable arrangement, the experience and knowledge gained by the United Nations Development Programme,^{1/}

1. Decides to adopt on a provisional basis the following measures in the implementation of its resolution 2186 (XXI):

(a) The Secretary-General is invited to ask the Administrator of the United Nations Development Programme to administer the United Nations Capital Development Fund, by performing the functions of the Managing Director, as set forth in article IX of resolution 2186 (XXI);

(b) The Governing Council of the United Nations Development Programme shall perform as appropriate the functions of the Executive Board of the United Nations Capital Development Fund, as set forth in article VIII of resolution 2186 (XXI);

(c) The United Nations Pledging Conference on the United Nations Capital Development Fund will be convened simultaneously with the Annual Pledging Conference on the United Nations Development Programme;

2. Decides to review at its twenty-third session the institutional arrangements for the United Nations Capital Development Fund in the light of the experience gained during the first year of its operations.

^{1/} Official Records of the General Assembly, Twenty-second Session, Supplement No. 1 A (A/6701/Add.1), para. 64.