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SECOND COMMITTEE, 1171st

Thursday, 7 December 1967, at 3.20 p.m.

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Chairman: Mr. Jorge Pablo FERNANDINI (Peru).

AGENDA ITEM 41

United Nations Development Decade: report of the Secretary-General (<u>continued</u>) (A/6703 and Corr.1, chap. III; A/6824, A/C.2/235, A/C.2/L.984/Rev.1, E/4362 and Corr.1, E/4376)

1. The CHAIRMAN announced that Guatemala, Morocco and the United Republic of Tanzania had decided to become co-sponsors of the revised draft resolution (A/C.2/L.984/Rev.1).

2. Mr. AHMED (Pakistan), speaking on behalf of the sponsors of the revised draft resolution, said that they had not been able to accept the United Kingdom amendment to the first preambular paragraph. On the other hand, they considered acceptable the amendment to operative paragraph 2 suggested by the representative of France. Accordingly, in that paragraph, the words "on appropriate measures... in the preliminary framework" should be replaced by the words "on the appropriate means of harmonizing measures that could be considered by international organizations, on the one hand, and by developing and developed countries, on the other."

3. Sir Edward WARNER (United Kingdom), supported by Mr. O'CONOR (United States of America), expressed the view that the reference to General Assembly resolution 2158 (XXI) in the first preambular paragraph completely upset the balance of the draft resolution. He formally proposed the inclusion in the same paragraph of a reference to General Assembly resolution 2087 (XX) of 20 December 1965 on the financing of economic development.

4. After an exchange of views in which Mr. PISANI MASSAMORMILE (Italy), Mr. AGIUS CESAREO (Malta) and Sir Edward WARNER (United Kingdom) took part, Mr. MARTIN WITKOWSKI (France) proposed that the first preambular paragraph should be replaced by three new preambular paragraphs in the following terms:

"<u>Recalling</u> its resolution 2218 (XXI) of 19 December 1966 on the United Nations Development Decade, "Recalling also its resolution 2158 (XXI) of 25 November 1966 on permanent sovereignty over natural resources,

"<u>Recalling further</u> its resolution 2087 (XX) of 20 December 1965 on the financing of economic development,".

5. Sir Edward WARNER (United Kingdom) endorsed the proposal of the representative of France but felt that the resolutions should be cited in chronological order. In any case, his delegation would like General Assembly resolution 2087 (XX) to be mentioned before Assembly resolution 2158 (XXI).

6. Mr. CVOROVIC (Yugoslavia), speaking on behalf of the sponsors of the revised draft resolution, asked for a suspension of the meeting.

The meeting was suspended at 3.50 p.m. and resumed at 4 p.m.

7. After an exchange of views in which Mr. LEKONGA (Democratic Republic of the Congo), Mr. ATTIGA (Libya), Mr. WILMOT (Ghana), Mr. TINOCO (Costa Rica) and Mr. FIGUEREDO PLANCHART (Venezuela) took part, Mr. BRADLEY (Argentina), speaking on a point of order, suggested that, of the three new preambular paragraphs replacing the first preambular paragraph, the paragraph mentioning resolution 2087 (XX) should come second and that mentioning resolution 2158 (XXI), third. He asked for a separate vote on the new second and third preambular paragraphs.

8. The CHAIRMAN invited the Committee to vote on the new second and third preambular paragraphs proposed by the representative of France, in the order which was suggested by the representative of Argentina.

The second preambular paragraph was adopted by 39 votes to 16, with 31 abstentions.

The third preambular paragraph was adopted by 78 votes to none, with 11 abstentions.

9. Mr. AGIUS CESAREO (Malta) asked for a separate vote on what was now the eighth preambular paragraph.

10. The CHAIRMAN invited the Committee to vote on the eighth preambular paragraph and on the revised draft resolution (A/C.2/L.984/Rev.1), as a whole, as amended.

The eighth preambular paragraph was adopted by 81 votes to 1, with 6 abstentions.

The revised draft resolution as a whole, as amended, was adopted by 92 votes to none, with 1 abstention.

11. Mr. POZHARSKY (Union of Soviet Socialist Republics) said that his delegation had voted for the

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revised draft resolution as a whole, it being understood that the necessary changes would be made in the Russian text. Although in 1965 the Soviet delegation had abstained from the vote on General Assembly resolution 2087 (XX), it had voted against the new second preambular paragraph. In its view, it was not very logical to mention that resolution, which dealt mainly with private investments in developing countries.

12. Mr. AGIUS CESAREO (Malta) explained that his delegation had abstained from the vote on the revised draft resolution as a whole but would like to change its decision in the interests of unanimity.

13. The CHAIRMAN said that the statement of the representative of Malta would be mentioned in the summary record of the meeting but that the delegation of Malta would have an opportunity to change its vote when the draft resolution was voted on in the plenary meeting of the General Assembly.

14. Sir Edward WARNER (United Kingdom) said that his delegation had abstained from the vote on the third preambular paragraph of the revised draft resolution because it had opposed some parts of General Assembly resolution 2158 (XXI) and had abstained on the whole. In voting for the draft resolution, his delegation did not regard itself as in any way committed by the sixth preambular paragraph which referred to a charter of development. He had serious doubts about the practicability of a quasi-legal instrument of that kind embodying, inter alia, rights and obligations which would take a long time to initiate and which might prove unduly constricting for a growing subject like development. Also, it would have been preferable for the eighth preambular paragraph to refer to "major objectives" rather than to "specific goals and targets". The setting of too exact targets could merely lead to disappointment. His delegation would vote for the draft resolution in the plenary meeting of the Assembly on the understanding that the targets would be kept simple and realistic.

15. Mr. ABE (Japan) recalled that his delegation had abstained from the vote on General Assembly resolution 2158 (XXI) because it had considered some of its paragraphs inconsistent with its main objective. Since it still had those reservations, it had abstained from the vote on the third preambular paragraph, while voting for the draft resolution as a whole.

16. Mr. O'CONNOR (United States of America) reviewed the reasons which had caused his delegation to abstain, both in the Second Committee and in the plenary meeting of the twenty-first session of the General Assembly (1478th meeting), from the vote on Assembly resolution 2158 (XXI) on permanent sovereignty over natural resources. For those reasons his delegation had now abstained from the vote on the third preambular paragraph of the revised draft resolution (A/C.2/L.984/Rev.1) while voting for the resolution as a whole. With regard to operative paragraph 2, he pointed out that the Secretary-General could not make suggestions "on the basis" of the results of the second session of UNCTAD. Those results would first have to be evaluated by the Secretary-General in the light of proposals from the other international organizations concerned.

17. Mr. MURGESCU (Romania) said that his delegation had voted against the second preambular paragraph for the reasons already indicated by the representative of the Soviet Union.

18. Mr. MacLAREN (Canada) said that his delegation agreed with the observations made during the discussion on the draft resolution by the representatives of Australia, Italy, Malta and, especially, Japan. His Government had serious reservations concerning the idea of a charter of development and an international strategy for development. Nevertheless, and almost as an act of faith, his delegation had voted for the revised draft resolution as a whole. He hoped that the proposals for the second development decade would be reasonable and realistic.

19. Mr. BRADLEY (Argentina) recalled that he had asked that his delegation's name should be removed from the list of sponsors of the revised draft resolution. It had abstained, both in the Second Committee and the plenary meeting of the twenty-first session of the General Assembly, from the vote on Assembly resolution 2158 (XXI), because it interfered with the sovereignty of States, while appearing to protect it. The amendment proposed by the representative of the United Kingdom, however, had made it possible for it to vote in favour of the revised draft resolution as a whole.

20. Mr. DECASTIAUX (Belgium) said that his delegation's abstention from the vote on the third preambular paragraph of the revised draft resolution was due to its conception of national sovereignty and of observance of obligations freely entered into. It had been happy, however, to be able to vote for the draft resolution as a whole, which showed evidence of a spirit of moderation.

21. Mr. AHMED (Pakistan) said that his delegation had abstained from the vote on the second preambular paragraph because it did not consider satisfactory the order in which the General Assembly resolutions were mentioned.

22. Mr. POZHARSKY (Union of Soviet Socialist Republics) recalled that part A of General Assembly resolution 2218 (XXI), which was mentioned in the first preambular paragraph of the important draft resolution just adopted by the Committee, requested the Secretary-General to prepare a survey of the various principles, directives, and guide-lines for action in the field of development, as contained in United Nations documents. In that connexion, his delegation thought it should inform the Committee that his Government would shortly send the Secretary-General a memorandum concerning certain principles which would contribute to the success of that task.

AGENDA ITEM 38

United Nations Conference on Trade and Development: report of the Trade and Development Board (<u>con-tinued</u>)* (A/6703/Add.1, chap. 1; A/6714, A/6879, A/6904, A/C.2/237, A/C.2/239, A/C.2/L.989-991)

23. The CHAIRMAN said that the draft resolution on the second session of the United Nations Conference on Trade and Development (UNCTAD) reproduced in

^{*}Resumed from the 1161st meeting.

document A/C.2/L.989 reflected the agreement of all delegations. In the absence of any objection, he would therefore assume that it was approved.

It was so decided.

24. Sir Edward WARNER (United Kingdom) said that his delegation had 'approved the draft resolution despite the fact that it had abstained from voting on Economic and Social Council resolution 1266 (XLIII) to which the draft resolution contained a reference.

25. Mr. ZAKHAROV (Union of Soviet Socialist Republics) said that his delegation had approved the draft resolution in keeping with its position on UNCTAD activities, which it had already had occasion to define. He also wished to emphasize that it was now the duty of all States to help set up an international economic system based on a trade policy conducive to development, in accordance with the principles established at the first session of UNCTAD and confirmed at the ministerial meeting of the group of seventy-seven developing countries, held at Algiers in October 1967 (A/C.2/237). The difficulties of the developing countries were mainly due to the survival of institutions inherited from the past and to the neo-colonialist policy of certain States. That was the basic problem to be tackled at the second session of UNCTAD.

26. Mr. CAMEJO ARGUDIN (Cuba) said that his delegation's approval of the draft resolution in no way affected the reservations made in its general statement.

27. Mr. BRADLEY (Argentina), introducing draft resolution A/C.2/L.990, on behalf of the co-sponsors, said that, as the Secretary-General of UNCTAD had informed the Committee in his statement (1146th meeting), he had concluded an agreement with the Director-General of GATT on combining the efforts of the two bodies in the field of export promotion. On that occasion, the Secretary-General of UNCTAD had introduced the proposal for the establishment of an UNCTAD/GATT International Trade Centre, and had requested the Committee's approval. Recommendations A.II.4, A.II.5, A.III.3 and A.III.8^{1/} provided the basis for UNCTAD's activities relating to export promotion.

28. The main purpose of the proposed collaboration between the two bodies was to prevent overlapping that might detract from the effectiveness of their activities. The Centre would: (a) help to disseminate trade information; (b) provide trade promotion advisory services; (c) arrange training in export promotion; (d) undertake studies on specific aspects of trade promotion and marketing; and (e) provide substantive support for export promotion projects financed under the United Nations technical cooperation programmes.

29. It was proposed that agreement on the necessary administrative arrangements would be made between the Secretary-General of UNCTAD and the Director-General of GATT, so that the Centre could begin operations on 1 January 1968. The Trade and Development Board would report to the General Assembly at its twenty-third session on the Centre's future activities.

30. He hoped that the draft resolution would be approved unanimously.

31. The CHAIRMAN drew the attention of members of the Committee to document A/C.2/L.991, containing a note by the Secretary-General on the financial implications of draft resolution A/C.2/L.990.

32. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs) said that the Secretary-General of UNCTAD had requested him to convey a message to the Committee, In his message, the Secretary-General thanked the sponsors of draft resolution A/C.2/L.990 for their initiative, which would enable him and the Director-General of GATT to implement the proposal for the establishment of the UNCTAD/GATT International Trade Centre as from 1 January 1968. That proposal, which was an effort to secure the maximum efficiency for work on behalf of the developing countries in a field of the utmost importance, would raise certain problems of an administrative and financial nature. That was reflected in the report of the Working Party set up by the Contracting Parties of GATT (A/C.2/239). After further study of that report, the Secretary-General of UNCTAD believed that there were grounds for the recommendation that there should be some flexibility in administrative and financial procedures during the initial period of the joint Centre's operations. The recommendation in operative paragraph 1 of draft resolution A/C.2/L.990 seemed to ensure adherence to the basic features and principles of the joint proposal for setting up the Centre, The Secretary-General of UNCTAD wished to assure the members of the Second Committee that he would spare no effort to make that venture a successful instrument of international assistance and to present a satisfactory report to the General Assembly at its twenty-third session.

33. Mr. PATRIOTA (Brazil) recalled that his delegation had welcomed the proposal to set up the Centre, although, generally speaking, it had opposed certain other similar projects which might have duplicated the work done by the existing regional centres. His delegation would be fully prepared to become a sponsor of the draft resolution, but would like the present sponsors to replace the words "agree... on the detailed administrative arrangements" in operative paragraph 2 by the words "take... the necessary steps with respect to the detailed administrative arrangements".

34. Mr. BRADLEY (Argentina) explained that the sponsors had already examined the proposal just made by the representative of Brazil at the time the draft resolution was being prepared, but had been unable to accept it, since they had not accepted it unanimously.

35. Mr. ZAKHAROV (Union of Soviet Socialist Republics) said that his delegation had difficulty in approving operative paragraph 1 as it stood. He therefore proposed that it should be amended to read: "<u>Approves</u> the agreement concluded between UNCTAD and GATT respecting the establishment of a Trade Centre, effective from 1 January 1968,...". With that amendment, the paragraph would be acceptable

<u>1</u>/ See Proceedings of the United Nations Conference on Trade and <u>Development</u>, vol. 1, <u>Final Act and Report</u> (United Nations publication, Sales No.: 64.11.B.11).

to the countries which were members of UNCTAD but not of GATT.

36. Mr. BRADLEY (Argentina) requested that the meeting should be suspended so that consultations could take place on the proposed amendments between the delegations concerned and the sponsors.

The meeting was suspended at 5.25 p.m. and resumed at 5.55 p.m.

37. Mr. BRADLEY (Argentina) announced that, as a result of their consultations with the delegations concerned, the sponsors had agreed to amend their text in the following manner: operative paragraph 1 would now read: "Approves the accord between UNCTAD and GATT on the establishment of the International Trade Centre..."; operative paragraph 2 had been amended to read: "Authorizes the Secretary-General of the United Nations Conference on Trade and Development to come to an agreement with...".

38. As the delegation of Brazil was satisfied with that amendment, it had become a sponsor of the draft resolution.

39. Mr. VIAUD (France), referring to the fifth preambular paragraph, said he did not think that the French word "<u>crédits</u>" correctly translated the English word "funds" and proposed that the words "<u>fonds</u> <u>volontaires</u>" should be substituted. While the amended text was generally acceptable to his delegation, the authorization given to the Secretary-General of UNCTAD in operative paragraph 2 could not have any automatic budgetary implications. In other words, if additional expenditure resulted from the implementation of the draft resolution, the Secretary-General of UNCTAD would have to request the General Assembly to make a suitable appropriation.

40. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs), replying to the representative of France, said that, in his opinion, the French word "fonds" was more accurate. The reference was in fact to technical co-operation funds, but he did not think it was necessary to specify that they were voluntary funds.

41. Mr. VIAUD (France) pointed out that the technical co-operation funds referred to in paragraph 22 of the report of the Secretary-General (A/6879) were funds allocated to projects under the Special Fund and the Technical Assistance components of UNDP, and were in fact funds derived from voluntary contributions. If, however, the sponsors could not accept the word "volontaires" but accepted his interpretation, he was quite prepared to vote in favour of the draft resolution.

42. Mr. BRADLEY (Argentina) stated that the sponsors accepted the interpretation given by the representative of France.

43. The CHAIRMAN invited the Committee to vote on the draft resolution (A/C.2/L.990), as amended.

The draft resolution, as amended, was adopted unanimously.

The meeting rose at 6.15 p.m.