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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

REPORT OF THE TRADE AND DEVELOPMENT BOARD

Report of the Second Committee

Rapporteur: Mr. Salih Mohammed OSMAN (Sudan)

1. The General Assembly, at its 1939th plenary meeting, on 25 September 1971, allocated to the Second Committee agenda item 41 (a) entitled "United Nations Conference on Trade and Development: report of the Trade and Development Board".
2. The Second Committee considered this item at its 1414th and 1415th meetings on 22 November, at its 1416th to 1421st meetings, from 23 to 26 November, at its 1424th meeting, on 30 November, and at its 1429th to 1432nd meetings from 3 to 7 December. An account of the discussions of the Second Committee is contained in the relevant summary records.
3. When considering this item, the Committee had before it the report of the Trade and Development Board (A/8415), the report of the Economic and Social Council on the work of its resumed fifty-first session (A/8403/Add.1 (part II)) and a letter from the Permanent Representative of Peru to the Secretary-General (A/C.2/270 and Corr.1).
4. At its 1414th meeting, the Second Committee heard statements by the Secretary-General of the United Nations Conference on Trade and Development and the President of the Trade and Development Board. The representative of Pakistan made a statement in his capacity as Rapporteur General of the Second Ministerial Meeting of the Group of 77 developing countries.

I. THIRD SESSION OF THE UNITED NATIONS
CONFERENCE ON TRADE AND DEVELOPMENT

5. At the 1424th meeting of the Committee the representative of the Philippines, on behalf of Afghanistan, Brazil, Ceylon, Chile, the Congo, Ecuador, Egypt, Ethiopia, Ghana, Indonesia, Malaysia, Nigeria, Pakistan, Peru, the Philippines, Romania, the Sudan, Thailand, Trinidad and Tobago, Uganda, Upper Volta, Venezuela and Yugoslavia, introduced a revised draft resolution (A/C.2/L.1197/Rev.1) entitled "Third session of the United Nations Conference on Trade and Development", which read as follows:

"The General Assembly,

"Recalling its resolutions:

(a) 2570 (XXIV) of 13 December 1969 in which it suggested that the United Nations Conference on Trade and Development at its third session should consider ways and means of implementing the measures agreed upon within the continuing machinery and seek new areas of agreement in the dynamic context of the Second United Nations Development Decade;

(b) 2626 (XXV) of 24 October 1970 by which it proclaimed the Second United Nations Development Decade and adopted the International Development Strategy for the Decade in which Governments subscribed to the goals and objectives of the Decade and resolved to take the policy measures to translate them into reality;

(c) 2725 (XXV) of 15 December 1970 in which the attention of the United Nations Conference on Trade and Development at its third session, in pursuing the functions falling within its competence and its role in the implementation of the International Development Strategy is drawn to the importance of:

- (i) Reviewing the progress made in implementation of the policy measures as agreed upon;
- (ii) Reaching agreement in more specific terms on issues which have not been fully resolved;
- (iii) Seeking new areas of agreement and widening the existing ones;
- (iv) Evolving new concepts and seeking agreement on additional measures,

"Recalling also its resolutions:

(a) 1995 (XIX) of 30 December 1964 in which it expressed its intention to seek advice from the United Nations Conference on Trade and Development before making changes in the fundamental provisions thereof;

(b) 2570 (XXIV) of 13 December 1969 in which it expressed the view that the Trade and Development Board, while making a fuller and more effective utilization of the improved machinery and methods of work of the Conference, in accordance with decision 45 (VII) of the Trade and Development Board and General Assembly resolution 2402 (XXIII) of 13 December 1968, should, at the same time, keep the question of further improvement in the institutional machinery of the Conference constantly under review and from time to time to make such suggestions as may enable the continuing machinery to discharge the responsibility entrusted to it;

(c) 2725 (XXV) of 15 December 1970 in which it requested the Trade and Development Board to give consideration in accordance with General Assembly resolution 1995 (XIX) and Trade and Development Board decision 45 (VII), to such reforms of the fundamental provisions of that resolution as to promote further evolution in the institutional arrangements of the United Nations Conference on Trade and Development, in its continuing machinery and in its method of work, designed to increase its effectiveness and to put forward concrete suggestions for its improvement, with a view to enabling the Conference to make specific recommendations for consideration by the General Assembly,

"Recalling further its resolution 2626 (XXV) of 24 October 1970 in particular its paragraph 88 as well as its resolution 2641 (XXV) of 19 November 1970 in which it requested the United Nations Conference on Trade and Development to continue to review progress towards achieving the goals and objectives of the Decade in its fields of competence, according to the procedures already established and to be adopted as necessary,

"Taking note of resolution 81 (XI) of the Trade and Development Board in which it reaffirmed UNCTAD's responsibility in the context of the review and appraisal process of the International Development Strategy and requested the Conference at its third session to consider adequate procedures and mechanisms for the review and appraisal of the objectives and policy measures of the International Development Strategy falling within its competence,

"Having considered the annual report of the Trade and Development Board for the period from 14 October 1970 to 21 September 1971 (A/8415),

"Noting with deep concern that the present international monetary crisis and the adoption of restrictive trade practices leading to the intensification of protectionism jeopardize the vital trade and development interests of developing countries and threaten the very basis of international co-operation at the very outset of the Second United Nations Development Decade,

"Expressing the view that the forthcoming third session of the United Nations Conference on Trade and Development provides a fresh opportunity to make a collective and determined endeavour to correct effectively the adverse situation confronting the developing countries,

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"Noting with great interest the Declaration and Principles of the Action Programme of Lima, adopted by the Second Ministerial Meeting of the Group of 77 Developing Countries and submitted to the General Assembly at its twenty-sixth session, containing their concrete proposals on the various issues to be considered by the third session of the Conference,

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"1. Takes note with satisfaction of the report of the Trade and Development Board on its activities between 14 October 1970 and 21 September 1971, and, in particular, of the decisions reached at the eleventh session of the Board on various aspects of the preparatory work for the third session of the Conference and endorses the work programme of the United Nations Conference on Trade and Development up to 1973;

"2. Decides to accept with appreciation the invitation of the Government of Chile to hold the third session of the United Nations Conference on Trade and Development at Santiago, Chile, from 11 April to 19 May 1972;

"3. Urges Member States to make maximum efforts in their further preparations for the third session as well as during the deliberations of the Conference, to ensure its success and to this end to give serious consideration to the Declaration and Principles of the Action Programme of Lima which contain concrete and specific proposals aimed at solving through international co-operation the urgent problems of trade and development of developing countries;

"4. Also urges the third session of the United Nations Conference on Trade and Development to adopt comprehensive action-oriented programmes incorporating special measures in favour of both the least developed among developing countries and land-locked developing countries;

"5. Endorses the view expressed in resolution 85 (XI) of the Trade and Development Board that the conclusion of an international cocoa agreement as soon as possible is of great importance to the third session of the Conference;

"6. Requests the Secretary-General of UNCTAD to undertake further consultations with the Governments of States members of UNCTAD and with appropriate international organizations with a view to contributing to the success of the Conference;

B

"1. Agrees that the United Nations Conference on Trade and Development should undertake at its third session a comprehensive review of its institutional arrangements with a view to strengthening its negotiating role and to give more operational character to its recommendations thus enabling it to fulfil the basic objectives of the Conference as set forth in resolution 1995 (XIX) of 30 December 1964;

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"2. Reaffirms the fundamental role of the United Nations Conference on Trade and Development to review and appraise the progress achieved in the implementation of the International Development Strategy within its field of competence and to seek new areas of agreement and the widening of existing ones as well as to evolve new concepts and seek agreement on additional measures as envisaged in the International Development Strategy;

"3. Invites the United Nations Conference on Trade and Development at its third session:

(a) To provide guidelines for the establishment by the Trade and Development Board of adequate procedures and mechanisms and for defining and keeping under constant review the indicators and other data necessary for assessing the progress in the implementation of the policy measures within the field of competence of UNCTAD;

(b) To make the institutional machinery of UNCTAD fully oriented towards the implementation of the relevant provisions of the International Development Strategy and particularly towards the promotion of negotiations aimed at enabling some countries to overcome their difficulties in accepting certain specific provisions in the policy measures of the Strategy;

(c) To give consideration to such reforms of the fundamental provisions of General Assembly resolution 1995 (XIX) as to promote further evolution in the continuing machinery and in its method of work designed to increase the effectiveness of UNCTAD;

C

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

6. At the 1429th meeting, the representative of the Philippines, on behalf of Afghanistan, Algeria, Brazil, Ceylon, Chile, the Congo, Ecuador, Egypt, Ethiopia, Ghana, Indonesia, Laos, Malaysia, Niger, Pakistan, Peru, the Philippines, Romania, the Sudan, Thailand, Trinidad and Tobago, Uganda, Upper Volta, Venezuela and Yugoslavia, introduced a revised draft resolution (A/C.2/L.1197/Rev.2). During the same meeting, the Dominican Republic, Honduras, Mali, Rwanda and Nepal were added as sponsors of the revised draft resolution and later at the 1430th meeting, Chad, Colombia, Syria and the United Republic of Tanzania joined as sponsors. The text of the revised draft resolution read as follows:

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"The General Assembly,

"Recalling its resolutions:

(a) 2570 (XXIV) of 13 December 1969 in which it suggested that the United Nations Conference on Trade and Development at its third session should consider ways and means of implementing the measures agreed upon within the continuing machinery and seek new areas of agreement in the dynamic context of the Second United Nations Development Decade;

(b) 2626 (XXV) of 24 October 1970 by which it proclaimed the Second United Nations Development Decade and adopted the International Development Strategy for the Decade in which Governments subscribed to the goals and objectives of the Decade and resolved to take the policy measures to translate them into reality;

(c) 2725 (XXV) of 15 December 1970 in which the attention of the United Nations Conference on Trade and Development at its third session, in pursuing the functions falling within its competence and its role in the implementation of the International Development Strategy is drawn to the importance of:

- (i) Reviewing the progress made in implementation of the policy measures as agreed upon;
- (ii) Reaching agreement in more specific terms on issues which have not been fully resolved;
- (iii) Seeking new areas of agreement and widening the existing ones;
- (iv) Evolving new concepts and seeking agreement on additional measures,

"Recalling also its resolutions:

(a) 1995 (XIX) of 30 December 1964 in which it expressed its intention to seek advice from the United Nations Conference on Trade and Development before making changes in the fundamental provisions thereof;

(b) 2570 (XXIV) of 13 December 1969 in which it expressed the view that the Trade and Development Board, while making a fuller and more effective utilization of the improved machinery and methods of work of the Conference, in accordance with decision 45 (VII) of the Trade and Development Board and General Assembly resolution 2402 (XXIII) of 13 December 1968, should, at the same time, keep the question of further improvement in the institutional machinery of the Conference constantly under review and from time to time to make such suggestions as may enable the continuing machinery to discharge the responsibility entrusted to it;

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(c) 2725 (XXV) of 15 December 1970 in which it requested the Trade and Development Board to give consideration in accordance with General Assembly resolution 1995 (XIX) and Trade and Development Board decision 45 (VII), to such reforms of the fundamental provisions of that resolution as to promote further evolution in the institutional arrangements of the United Nations Conference on Trade and Development, in its continuing machinery and in its method of work, designed to increase its effectiveness and to put forward concrete suggestions for its improvement, with a view to enabling the Conference to make specific recommendations for consideration by the General Assembly,

"Recalling further its resolution 2626 (XXV) of 24 October 1970 in particular its paragraph 88 as well as its resolution 2641 (XXV) of 19 November 1970 in which it requested the United Nations Conference on Trade and Development to continue to review progress towards achieving the goals and objectives of the Decade in its fields of competence, according to the procedures already established and to be adopted as necessary,

"Taking note of resolution 81 (XI) of the Trade and Development Board in which it reaffirmed UNCTAD's responsibility in the context of the review and appraisal process of the International Development Strategy and requested the Conference at its third session to consider adequate procedures and mechanisms for the review and appraisal of the objectives and policy measures of the International Development Strategy falling within its competence,

"Having considered the annual report of the Trade and Development Board for the period from 14 October 1970 to 21 September 1971 (A/8415),

"Noting with deep concern that the present international monetary crisis and trends towards intensification of protectionism may threaten the very basis of international economic co-operation at the outset of the Second United Nations Development Decade and have a negative impact on the vital trade and development interests of developing countries,

"Expressing the view that the forthcoming third session of the United Nations Conference on Trade and Development provides a fresh opportunity to make a collective and determined endeavour to correct effectively the adverse situation confronting the developing countries,

"Noting with interest the Declaration and Principles of the Action Programme of Lima, adopted by the Second Ministerial Meeting of the Group of 77 Developing Countries and submitted to the General Assembly at its twenty-sixth session, containing their concrete proposals on the various issues to be considered by the third session of the Conference.

A

"1. Takes note with satisfaction of the report of the Trade and Development Board on its activities between 14 October 1970 and 21 September 1971, and in particular, of the decisions reached at the eleventh session of the Board on various aspects of the preparatory work for the third session of the Conference and endorses the work programme established at the eleventh session of the Trade and Development Board;

"2. Decides to accept with appreciation the invitation of the Government of Chile to hold the third session of the United Nations Conference on Trade and Development at Santiago, Chile, from 11 April to 19 May 1972;

"3. Urges Member States to make maximum efforts in their further preparations for the third session as well as during the deliberations of the Conference, to ensure its success and to this end to give serious consideration to the Declaration and Principles of the Action Programme of Lima which contain concrete and specific proposals aimed at solving through international co-operation the urgent problems of trade and development of developing countries as well as other proposals which may be put forward by other countries or group of countries;

"4. Also urges the third session of the United Nations Conference on Trade and Development to adopt comprehensive action-oriented programmes incorporating special measures in favour of both the least developed among developing countries and land-locked developing countries;

"5. Expresses the view that the conclusion of an international cocoa Agreement as soon as possible would be of great importance and would contribute to the success of the third session of the Conference as stated in resolution 85 (XI) of the Trade and Development Board;

"6. Urges the third session of the Conference to review the progress since UNCTAD II in promoting trade relations among countries having different economic and social systems bearing in mind resolution 15 (II) of UNCTAD;

"7. Also urges the third session of the Conference to appeal to preference-giving countries which have not yet done so, to implement their offers under the Generalized System of Preferences in favour of developing countries and to adopt effective measures referred to in the Agreed Conclusions, in order that developing countries sharing their existing tariff advantages with the rest of the developing countries as a result of the implementation of the Generalized System of Preferences will not be adversely affected;

"8. Requests the Secretary-General of UNCTAD to undertake further consultations with the Governments of States members of UNCTAD and with appropriate international organizations with a view to contributing to the success of the Conference;

B

"1. Agrees that the United Nations Conference on Trade and Development at its third session should undertake a comprehensive review of its institutional arrangements with a view to improving efficiency of its operations, strengthening its role as a centre for the initiation of action for the negotiation and adoption of multilateral instruments in the field of trade, bearing in mind that the task of negotiation, including exploration, consultation, and agreement on solutions as a single process, thus enabling it to fulfil the basic objectives of the Conference as set forth in resolution 1995 (XIX);

"2. Reaffirms the essential role of the United Nations Conference on Trade and Development to review and appraise the progress achieved in the implementation of the International Development Strategy within its field of competence and to seek new areas of agreement and the widening of existing ones as well as to evolve new concepts and seek agreement on additional measures as envisaged in the International Development Strategy;

"3. Invites the United Nations Conference on Trade and Development at its third session:

(a) To provide general guidelines for the establishment by the Trade and Development Board of adequate procedures and mechanisms for defining and keeping under constant review the indicators and other data necessary for assessing the progress in the implementation of the policy measures within the field of competence of UNCTAD;

(b) To make the institutional machinery of UNCTAD fully oriented towards the implementation of the relevant provisions of the International Development Strategy and particularly to this end to promote consultations aimed at enabling member countries to make fuller and more effective contribution to the achievement of the goals and objectives thereof;

(c) To give consideration to such reforms of the fundamental provisions of General Assembly resolution 1995 (XIX) as to promote further evolution in the continuing machinery and in its method of work designed to increase the effectiveness of UNCTAD;

C

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

7. The representative of Romania made a declaration at the 1429th meeting, on 3 December.

8. Madagascar, Rwanda and Senegal submitted an amendment (A/C.2/L.1205) to the revised draft resolution (A/C.2/L.1197/Rev.1), providing for the replacement of paragraph 4 by the following text:

"4. Also urges the third session of the United Nations Conference on Trade and Development to adopt comprehensive action-oriented programmes incorporating special measures in favour of both the least developed among developing countries and land-locked developing countries and compensatory measures for those developing countries enjoying special preference which they would have to forfeit when the generalized system of preferences was implemented;"

At the same meeting, on behalf of the sponsors, the amendment was withdrawn since it had been incorporated by the sponsors of the draft resolution in a second revision (A/C.2/L.1197/Rev.2).

9. Also at the same meeting, the representative of the Netherlands introduced an oral amendment to paragraph 7 of part A of the revised draft resolution (A/C.2/L.1197/Rev.1), which called for: (a) the deletion of the phrase "and to adopt effective measures referred to in the Agreed Conclusions"; and (b) the insertion, after the words "in order that" of the phrase "as stated in the Agreed Conclusions annexed to resolution 75 (S-IV) of the Trade and Development Board". He later withdrew the amendment following the revision of that paragraph by the sponsors.

10. At the same meeting the representative of Colombia proposed that paragraph 1 of part B of the revised draft resolution (A/C.2/L.1197/Rev.2) should be amended by the addition, at the end of that paragraph, of the following text: "with due regard to the adequacy of the existing organs of negotiation and without duplication of their activities".

11. Also at the same meeting, the representative of the Philippines, on behalf of the sponsors, revised paragraph 1 of part B, taking into account the amendment of the representative of Colombia.

12. The representative of Kenya introduced, also at the 1430th meeting, an oral amendment to paragraph 4 of part A of the revised draft resolution (A/C.2/L.1197/Rev.2) to redraft the second part of the paragraph to read "special measures in favour of developing countries, especially the least developed among them and the land-locked developing countries". He later withdrew the amendment.

13. The Committee then voted on the revised draft resolution (A/C.2/L.1197/Rev.2). In a separate vote requested by the representative of Australia, it adopted paragraph 1 of part B by 90 votes to none, with 5 abstentions; in a separate vote requested by the representative of Japan, it adopted paragraph 3 (c) of part B by 82 votes to none, with 17 abstentions; it adopted unanimously the revised draft resolution as a whole, as revised (see paragraph 18, draft resolution I).

II. TRANSFER OF TECHNOLOGY INCLUDING KNOW-HOW AND PATENTS

14. At the 1431st meeting, the representative of Chile introduced a draft resolution entitled "Transfer of technology including know-how and patents" (A/C.2/L.1198), on behalf of Brazil, Chile, Peru, the Philippines, Romania, the Sudan, Uganda, Uruguay, Venezuela and Yugoslavia. The text of the draft resolution read as follows:

"The General Assembly,

"Recalling its resolution 2726 (XXV) of 15 December 1970,

"Having considered the report of the Trade and Development Board at its eleventh session (A/8415 (Part III)),

"Conscious of the fact that, unless decisive action is taken at the international level for a more rapid transfer of adequate technology to the developing countries, the exponential rate of technological development in the world will contribute to widening further the technological gap between developed and developing countries, particularly the least developed among the latter,

"1. Welcomes the unanimous adoption by the Intergovernmental Group on Transfer of Technology of the United Nations Conference on Trade and Development, at its organizational (first) session, of a comprehensive programme of work in the field of the transfer of operative technology to the developing countries, to be pursued on a continuing basis;

"2. Reiterates the request made in its resolution 2726 (XXV) that the States members of the United Nations Conference on Trade and Development give their fullest support to the Intergovernmental Group on Transfer of Technology, and expresses its confidence that the three remaining vacancies in the Group will be filled before it holds its first substantive session;

"3. Recommends that the United Nations Conference on Trade and Development at its third session take action, to be carried out jointly with and as part of the International Development Strategy for the Second United

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Nations Development Decade to facilitate the adequate transfer of technology to developing countries on reasonable terms and conditions and to create the necessary infrastructure for the technological development of developing countries;

"4. Urges international financing organizations and programmes, in particular the United Nations Development Programme and the International Bank for Reconstruction and Development, to give the highest priority to economic assistance to meet the needs as defined by developing countries in the field of technology, particularly in connexion with the development of a basic infrastructure including the training of personnel and the establishment or strengthening of extension services for the application of technology to production units;

"5. Recommends that in all action related to transfer of operative technology referred to in operative paragraphs 3 and 4 above due attention should be given to the stage of development and special position of the least developed countries."

15. At the 1432nd meeting, the representative of Chile, on behalf of the sponsors, introduced a revised text of the draft resolution (A/C.2/L.1198/Rev.1) which took account of certain suggestions made at the 1431st meeting. The revised text read, as follows:

"The General Assembly,

"Recalling its resolutions 2658 (XXV) of 7 December 1970 on the role of modern science and technology in the development of nations and the need to strengthen economic and technico-scientific co-operation among States and 2726 (XXV) of 15 December 1970 on the transfer of technology, including know-how and patents,

"Having considered the report of the Trade and Development Board at its eleventh session (A/8415 (part III)),

"Conscious of the fact that, unless decisive action is taken at all levels, specially at the international level, for a more rapid transfer of adequate technology to the developing countries, the exponential rate of technological development in the world will contribute to widening further the technological gap between developed and developing countries, particularly the least developed among the latter,

"1. Welcomes the unanimous adoption by the Intergovernmental Group on Transfer of Technology of the United Nations Conference on Trade and Development, at its organizational (first) session, of a comprehensive programme of work in the field of the transfer of operative technology to the developing countries, to be pursued on a continuing basis;

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"2. Reiterates the request made in its resolution 2726 (XXV) that the States members of the United Nations Conference on Trade and Development give their fullest support to the Intergovernmental Group on Transfer of Technology, and expresses its hope that the three remaining vacancies in the Group will be filled from among States listed in part B of the annex to resolution 1995 (XIX), before it holds its first substantive session;

"3. Recommends that the United Nations Conference on Trade and Development at its third session seek agreement on action, to be carried out jointly with and as part of the International Development Strategy for the Second United Nations Development Decade within its field of competence, to facilitate the adequate transfer of technology to developing countries on reasonable terms and conditions and to create the necessary infrastructure for the technological development of developing countries, including the transfer of specifications of the raw materials and technological processes utilized in production;

"4. Urges international financing organizations and programmes, in particular the United Nations Development Programme, the International Bank for Reconstruction and Development and regional development banks to give increasing economic assistance according to the priorities established by developing countries to meet their needs in the field of technology, particularly in connexion with the development of a basic infrastructure including the training of personnel and the establishment or strengthening of extension services for the application of technology to production units and taking into consideration the need to reduce the effective cost involved in the transfer of operative technology to developing countries;

"5. Recommends that in all action related to transfer of operative technology referred to in operative paragraphs 3 and 4 above special consideration shall be given to the stage of development and special position of the least developed countries."

16. During the discussion of the revised draft resolution (A/C.2/L.1198/Rev.1), the sponsors accepted certain oral suggestions concerning the third preambular paragraph and paragraphs 3 and 4.

17. At its 1432nd meeting, the Committee adopted without objection the revised draft resolution (A/C.2/L.1198/Rev.1), as orally revised by the sponsors (see paragraph 18, draft resolution II).

RECOMMENDATIONS OF THE SECOND COMMITTEE

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

DRAFT RESOLUTION I

Third session of the United Nations Conference on
Trade and Development

The General Assembly,

Recalling its resolutions:

(a) 2570 (XXIV) of 13 December 1969 in which it suggested that the United Nations Conference on Trade and Development at its third session should consider ways and means of implementing the measures agreed upon within the continuing machinery and seek new areas of agreement in the dynamic context of the Second United Nations Development Decade,

(b) 2626 (XXV) of 24 October 1970 by which it proclaimed the Second United Nations Development Decade and adopted the International Development Strategy for the Decade in which Governments subscribed to the goals and objectives of the Decade and resolved to take the policy measures to translate them into reality,

(c) 2725 (XXV) of 15 December 1970 in which the attention of the United Nations Conference on Trade and Development at its third session, in pursuing the functions falling within its competence and its role in the implementation of the International Development Strategy, is drawn to the importance of:

- (i) Reviewing the progress made in implementation of the policy measures as agreed upon,
- (ii) Reaching agreement in more specific terms on issues which have not been fully resolved,
- (iii) Seeking new areas of agreement and widening existing ones,
- (iv) Evolving new concepts and seeking agreement on additional measures,

Recalling also its resolutions:

(a) 1995 (XIX) of 30 December 1964 in which it expressed its intention to seek advice from the United Nations Conference on Trade and Development before making changes in the fundamental provisions thereof,

(b) 2570 (XXIV) in which it expressed the view that the Trade and Development Board, while making a fuller and more effective utilization of the improved machinery and methods of work of the Conference, in accordance with decision 45 (VII) adopted by the Trade and Development Board on 21 September 1968

and General Assembly resolution 2402 (XXIII) of 13 December 1968, should, at the same time, keep the question of further improvement in the institutional machinery of the Conference constantly under review and from time to time make such suggestions as may enable the continuing machinery to discharge the responsibility entrusted to it,

(c) 2725 (XXV) in which it requested the Trade and Development Board to give consideration, in accordance with General Assembly resolution 1995 (XIX) and Trade and Development Board decision 45 (VII), to such reforms of the fundamental provisions of that resolution as to promote further evolution in the institutional arrangements of the United Nations Conference on Trade and Development, in its continuing machinery and in its method of work, designed to increase its effectiveness and to put forward concrete suggestions for its improvement, with a view to enabling the Conference to make specific recommendations for consideration by the General Assembly,

Recalling further its resolution 2626 (XXV) of 24 October 1970, in particular its paragraph 88, as well as its resolution 2641 (XXV) of 19 November 1970 in which it requested the United Nations Conference on Trade and Development to continue to review progress towards achieving the goals and objectives of the Second United Nations Development Decade in its fields of competence, according to the procedures already established and to be adopted as necessary,

Taking note of Trade and Development Board resolution 81 (XI) of 17 September 1971, in which it reaffirmed the responsibility of the United Nations Conference on Trade and Development in the context of the review and appraisal process of the International Development Strategy and requested the Conference at its third session to consider adequate procedures and mechanisms for the review and appraisal of the objectives and policy measures of the Strategy falling within its competence,

Having considered the annual report of the Trade and Development Board for the period from 14 October 1970 to 21 September 1971,^{1/}

Noting with deep concern that the present international monetary crisis and trends towards intensification of protectionism may threaten the very basis of

^{1/} A/8415.

international economic co-operation at the outset of the Second United Nations Development Decade and have a negative impact on the vital trade and development interests of developing countries,

Expressing the view that the forthcoming third session of the United Nations Conference on Trade and Development provides a fresh opportunity to make a collective and determined endeavour to correct effectively the adverse situation confronting the developing countries,

Noting with interest the Declaration and Principles of the Action Programme of Lima,^{2/} adopted by the Second Ministerial Meeting of the Group of 77 developing countries and submitted to the General Assembly at its twenty-sixth session, containing concrete proposals on the various issues to be considered by the third session of the Conference,

I

1. Takes note with satisfaction of the report of the Trade and Development Board on its activities between 14 October 1970 and 21 September 1971, and in particular of the decisions taken by the Board at its eleventh session on various aspects of the preparatory work for the third session of the United Nations Conference on Trade and Development and endorses the work programme established by the Board at its eleventh session;

2. Decides to accept with appreciation the invitation of the Government of Chile to hold the third session of the United Nations Conference on Trade and Development at Santiago, from 11 April to 19 May 1972;

3. Urges Member States to make maximum efforts, in their further preparations for the third session as well as during the deliberations of the Conference, to ensure its success and to this end to give serious consideration to the Declaration and Principles of the Action Programme of Lima, which contain concrete and specific proposals aimed at solving through international co-operation the urgent problems of trade and development of developing countries as well as other proposals which may be put forward by other countries or groups of countries;

4. Also urges the United Nations Conference on Trade and Development at its third session to adopt comprehensive action-oriented programmes incorporating

^{2/} A/C.2/270 and Corr.1.

special measures in favour of both the least developed among developing countries and the land-locked developing countries;

5. Expresses the view that the conclusion of an international cocoa agreement as soon as possible would be of great importance and would contribute to the success of the third session of the Conference, as stated in Trade and Development Board resolution 85 (XI) of 20 September 1971;

6. Urges the third session of the United Nations Conference on Trade and Development to review the progress since its second session in promoting trade relations among countries having different economic and social systems, bearing in mind Conference resolution 15 (II);

7. Also urges the Conference at its third session:

(i) To appeal to preference-giving countries which have not yet done so to implement their offers under the generalized system of preferences in favour of developing countries;

(ii) To pursue efforts in a dynamic context for further improvements of these preferential arrangements, bearing in mind the agreed conclusions contained in the annex to decision 75 (S-IV) adopted by the Trade and Development Board on 13 October 1970, inter alia, that developing countries sharing their existing tariff advantages with the rest of the developing countries as a result of the implementation of the generalized system of preferences will not be adversely affected;

8. Requests the Secretary-General of the United Nations Conference on Trade and Development to undertake further consultations with the Governments of States Members of the Conference and with appropriate international organizations, with a view to contributing to the success of the Conference;

II

1. Agrees that the United Nations Conference on Trade and Development at its third session should undertake a comprehensive review of its institutional arrangements with a view to improving the efficiency of its operations, strengthening its role as a centre for the initiation of action - where appropriate in co-operation with the competent organs of the United Nations - for the negotiation and adoption of multilateral legal instruments in the field of trade,

bearing in mind that the task of negotiation - including exploration, consultation and agreement on solutions - is a single process, with due regard to the adequacy of the existing organs of negotiation and without duplication of their activities, thus enabling it to fulfil the basic objectives of the Conference as set forth in resolution 1995 (XIX);

2. Reaffirms the essential role of the United Nations Conference on Trade and Development to review and appraise the progress achieved in the implementation of the International Development Strategy within its field of competence and to seek new areas of agreement and the widening of existing ones as well as to evolve new concepts and seek agreement on additional measures as envisaged in the Strategy;

3. Invites the United Nations Conference on Trade and Development at its third session:

(a) To provide general guidelines for the establishment by the Trade and Development Board of adequate procedures and mechanisms for defining and keeping under constant review the indicators and other data necessary for assessing the progress in the implementation of the policy measures within the field of competence of the Conference;

(b) To make the institutional machinery of the Conference fully oriented towards the implementation of the relevant provisions of the International Development Strategy, and particularly to this end to promote consultations aimed at enabling member countries to make a fuller and more effective contribution to the achievement of the goals and objectives thereof;

(c) To give consideration to such reforms of the fundamental provisions of General Assembly resolution 1995 (XIX) so as to promote further evolution in the continuing machinery and in its method of work designed to increase the effectiveness of the Conference;

III

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

DRAFT RESOLUTION II

Transfer of technology, including know-how and patents

The General Assembly,

Recalling its resolution 2658 (XXV) of 7 December 1970, on the role of modern science and technology in the development of nations and the need to strengthen economic and technico-scientific co-operation among States, and resolution 2726 (XXV) of 15 December 1970 on the transfer of technology, including know-how and patents,

Having considered the report of the Trade and Development Board at its eleventh session,^{3/}

Conscious of the fact that, unless decisive action is taken at all levels, especially at the international level, for a more rapid transfer of adequate technology to the developing countries, the growing rate of technological development in the world will contribute to widening further the technological gap between developed and developing countries, particularly the least developed among the latter,

1. Welcomes the unanimous adoption by the Intergovernmental Group on Transfer of Technology of the United Nations Conference on Trade and Development, at its organizational (first) session, of a comprehensive programme of work, in the field of the transfer of operative technology to the developing countries, to be pursued on a continuing basis;

2. Reiterates the request made in its resolution 2726 (XXV) that the States members of the United Nations Conference on Trade and Development give their fullest support to the Intergovernmental Group on Transfer of Technology, and expresses its hope that the three remaining vacancies in the Group will be filled from among States given in list B of the annex to resolution 1995 (XIX) of 30 December 1964, before it holds its first substantive session;

3. Recommends that the United Nations Conference on Trade and Development at its third session should seek agreement on action, to be carried out as an

^{3/} A/8415 (part III).

integral part of the International Development Strategy for the Second United Nations Development Decade within its field of competence, to facilitate the adequate transfer of technology to developing countries on reasonable terms and conditions and to create the necessary infrastructure for the technological development of developing countries, including the transfer of specifications of the raw materials and technological processes utilized in production;

4. Urges international financing organizations and programmes, in particular the United Nations Development Programme, the International Bank for Reconstruction and Development and regional development banks to give high priority to economic assistance, according to the priorities established by developing countries, to meet their needs in the field of technology, particularly in connexion with the development of a basic infrastructure including the training of personnel and the establishment or strengthening of extension services for the application of technology to production units, and taking into consideration the need to reduce the effective cost involved in the transfer of operative technology to developing countries;

5. Recommends that in all action related to the transfer of operative technology referred to in paragraphs 3 and 4 above special consideration shall be given to the stage of development and special position of the least developed countries.
