



Chairman: Mr. Bruce RANKIN (Canada).

AGENDA ITEM 43

United Nations Conference on Trade and Development (*continued*)* (A/8703/Add.1 (Part III), A/8819, A/8893, A/C.2/L.1248/Rev.1, A/C.2/L.1259, A/C.2/L.1260/Rev.1, A/C.2/L.1267, A/C.2/L.1269, A/C.2/L.1270, A/C.2/L.1273-1275, A/C.2/L.1277, A/C.2/L.1279):

- (a) Report of the Conference on its third session (TD/178 and Add.1, TD(III)/Misc.3 and Corr.1);
- (b) Report of the Trade and Development Board (A/8715)

1. The CHAIRMAN announced that Cameroon, Nepal and Burundi had become sponsors of draft resolution A/C.2/L.1274. Nepal had joined the sponsors of draft resolution A/C.2/L.1248/Rev.1 and Burundi the sponsors of draft resolution A/C.2/L.1260/Rev.1.

2. He invited the Committee to consider draft resolution A/C.2/L.1248/Rev.1 relating to a code of conduct for liner conferences, together with amendments thereto submitted by the United Kingdom (A/C.2/L.1275) and a statement of administrative and financial implications (A/C.2/L.1259).

3. Mr. KANAKARATNE (Sri Lanka) said that the sponsors of draft resolution A/C.2/L.1248/Rev.1 were unfortunately not in a position to accept any of the amendments submitted by the United Kingdom. He urged the developed maritime countries to take into account the depth of feeling of the developing countries concerning the need to attain economic development, for which shipping was of vital importance. The point at issue between the Group of 77 and the developed maritime countries was the need for a multilateral legally binding instrument on a code of conduct for liner conferences. The developing countries felt strongly that such an instrument was essential, and in that connexion wished to draw specific attention to Article 13, paragraph 1 (a), of the United Nations Charter, which stated that the General Assembly should take action to encourage the progressive development of international law and its codification. It was time for that principle to be applied to the question of liner conferences.

4. Mr. BOYESEN (Norway) said that his delegation supported the amendments submitted by the United Kingdom. In dealing with its domestic shipping industry,

the Norwegian Government had to work by persuasion to a large extent and neither possessed nor desired the power to issue orders to the shipping industry on many of the topics with which it was proposed to deal in the code of conduct for liner conferences. On the other hand, his delegation believed that much could be achieved through dialogue and persuasion. By making the code the subject of an international treaty, which was presumably to be enforced by public authorities, the sponsors of the draft resolution would place severe limitations on the commitments which the Norwegian Government could undertake. A more informal procedure would enable much more ground to be covered.

5. In response to the remarks made by the representative of Sri Lanka, he did not believe that the question of a code of conduct for liner conferences was in any way governed by the provisions of the Charter.

6. The fact that one or more shipping nations could undertake only limited commitments as to legal instruments and their enforcement did not of course prevent other countries from adopting the kind of instrument they desired; they might even have the power so to circumscribe liner operations as to seriously reduce the volume of liner trade. However, if that were to happen—and he sincerely hoped it would not—it was not the relatively stronger countries which shipped large amounts of cargo on a fairly regular basis but the weaker of the developing countries which would suffer most. One of the features of the liner trade was the regular servicing of an established number of ports even if parts of a particular shipping line operated at a loss. Indeed, regular servicing of that kind was the whole justification for the liner conference system and the practice of fixing rates and was the reason for which, in general, the system as such had not been challenged. Any reduction in the volume of liner shipping, which was a low-profit component of the shipping industry, would have greatest impact upon those countries which had a relatively small amount of cargo to be carried and perhaps, also, unsatisfactory port conditions. That aspect of the problem warranted consideration before any rigid treaty procedure was adopted.

7. Moreover, a treaty would not merely have to be agreed to by Governments but would have to be ratified by Parliaments. The United Kingdom amendments did not preclude the adoption of a multilateral legally binding instrument on a code of conduct for liner conferences but at the same time left open the possibility of adopting more flexible procedures which might produce a code that was more widely and perhaps more effectively applied.

* Resumed from the 1502nd meeting.

8. Regarding the proposed amendment to paragraph 1 (see A/C.2/L.1275, para. 3), his delegation was of course in favour of taking into account the special needs and problems of the developing countries. However, those needs and problems differed—the least developed countries had particular problems which needed to be dealt with in a special way. Furthermore, liner conferences, being essentially business enterprises, could not be expected to make the kind of evaluations and decisions required to differentiate between various countries, as called for in the draft resolution. One of the main criticisms levelled against liner conferences in the past was that they did not accord sufficient equality of treatment; to call for less uniformity of treatment was a retrograde step.

9. Mr. YANAI (Japan) said that while UNCTAD resolution 66 (III) (see TD(III)/Misc.3 and Corr.1) had encountered the opposition of a significant minority in Santiago, the elements of disagreement had been far outweighed by the elements of agreement. In particular, there had been a unanimous recognition of the urgent need to adopt and implement a universally acceptable code of conduct for liner conferences and a general consensus that appropriate machinery should be devised to prepare, elaborate and adopt such a code. The only point of disagreement was the form of instrument in which the code should be embodied. In that connexion, his delegation believed that the rigid form of a convention or some other multilateral legally binding instrument was not the best Forum for a code of conduct for commercial activities as complex and dynamic as those of liner conferences. A more flexible form of agreement than a legally binding instrument was necessary to ensure the universal acceptance and early and effective implementation of a code of conduct.

10. He recalled that, during the recent informal negotiations on draft resolution A/C.2/L.1248/Rev.1, the major shipping countries had proposed that the question of form should be left open for the time being and that a start should be made on elaborating the substantive provisions of the code, leaving the possibility of adopting a convention or some other multilateral legally binding instrument when the substance of the code was known. Unfortunately, that compromise solution had not been accepted by the developing countries. In view of the fact that there was unanimous agreement on the need for a universally acceptable code and the establishment of machinery to elaborate and adopt such a code, his delegation felt that the Committee should adopt a purely procedural resolution on those points by consensus, leaving the question of form open for the time being. Such a resolution would ensure the whole-hearted participation of all countries concerned in the work of elaborating the code. Even at the current stage, his delegation was still prepared to negotiate on the basis of the proposed United Kingdom amendments or the proposals put forward by the maritime countries during the informal negotiations. His delegation would vote for the United Kingdom amendments but could not support the draft resolution in its existing form.

11. Mr. GATES (New Zealand) observed that, on shipping questions, New Zealand's interests coincided with those of the developing countries. Like the developing countries, New Zealand relied totally on its trade in distant overseas markets and was heavily dependent on international shipping services. As in the case of the developing countries, rising freight costs had been an inhibiting factor in New Zealand's economic development. New Zealand too had experienced frustrations in dealing with liner conferences in freight rate negotiations and other discussions relating to the efficient transport of goods by sea. In that connexion, he recalled the position taken by his delegation in the Economic and Social Council (see A/8703, para. 344) on the question of a container conference.

12. The apparent willingness of the ship-owning countries to consider a code of conduct for liner conferences encouraged the belief that the shipping countries acknowledged the desirability of establishing some form of control over liner conference practices. However, the shipping countries could not be forced to accept a code of conduct against their will simply through the exercise of the developing countries' majority voting power. It was necessary to convince the Governments of the major shipping countries that a code of conduct was both necessary and desirable and that it was in their interests to persuade, encourage, coerce and, if necessary, order their shipping companies through legislation to comply with such a code. However, events in the Second Committee, far from encouraging co-operation on the part of the major shipping countries, had if anything poisoned the attitude of some countries whose co-operation was crucial to the successful application of a code of conduct. New Zealand's interest in obtaining such a code was so similar to that of the developing countries that in normal circumstances his delegation would have supported, if not sponsored the draft resolution. However, the failure to secure the agreement of the major shipping countries made support for that draft resolution pointless. To adopt the draft in the existing circumstances would mean giving the major shipping nations, whose support was vital if the code of conduct was to be implemented, a good excuse for withdrawing their co-operation from the preparatory committee and possibly from the plenipotentiary conference itself. Whatever form the code took, it would involve the Governments of those countries in difficult discussions with some very powerful commercial interests; he was sure those Governments would not flinch from that duty provided that their views had been taken into account. In the circumstances, his delegation urged the Committee to adopt the United Kingdom amendments, especially those contained in paragraphs 3 and 4 (see A/C.2/L.1275). The main cause of the anxiety felt by the major shipping countries was clearly whether or not a decision should be taken at the current stage to embody a code of conduct for liner conferences in a convention or some other multilateral legally binding instrument. While his Government believed that it would eventually be necessary to have such a code in a form more binding than the self-regulatory "Code of Practice for Liner Conferences", elaborated by the Committee of European National Shipowners'

Associations (CENSA),¹ the important consideration was to ensure the preparation of a code in a spirit of mutual co-operation. Since the question of form was so important to the major shipping countries, they should be allowed to have their way at the current stage; efforts could be made subsequently to convince them of the need for some legally binding instrument to ensure that the code was enforced.

13. Mr. LITTLE (Australia) said that his delegation would support draft resolution A/C.2/L.1248/Rev.1. However, it felt some misgivings concerning the timetable proposed in the draft; complex and painstaking negotiations would be required to resolve the differences between the various interested countries and arrive at a universally acceptable convention. In particular, care would have to be taken to provide flexible machinery to deal with the rapidly changing circumstances in the field of international shipping. Furthermore, it would be necessary to meet the interests of developing countries in matters concerning the expansion of their merchant marines. His delegation was uncertain that matters relating to the promotion of the merchant marines of developing countries, the details of freight rates or finance for the purchase of ships had any place in a regulatory code or could easily be embodied in a convention likely to command general acceptance.

14. His delegation was not entirely satisfied with paragraphs 1 and 3 of the draft resolution and therefore wished to request a separate vote on those paragraphs. It also wished to propose an amendment to operative paragraph 2, which in practice would probably mean that the proposed preparatory committee would be composed solely of countries represented in the UNCTAD Working Group on International Shipping Legislation. Australia was not a member of the Working Group, yet, as a major consumer of maritime services, would be one of the countries most affected by the introduction of a code of conduct for liner conferences. His delegation therefore proposed that, in order to provide adequately for member countries like Australia which, while not a developing country, could hardly be classified as a shipping nation, the expression "38-member" should be replaced by the words "48-member" and that the words "with the addition of two members from each regional area" should be inserted at the end of the paragraph.

15. Mr. HARDY (Canada) said that his delegation fully supported the United Kingdom amendments, which would provide the flexibility necessary to achieve a universally accepted code of conduct. The text of the draft resolution as it stood was unsatisfactory, particularly in view of the objections—in his view, well-founded—voiced by many delegations. Those objections should be taken into account by the sponsors of that draft, which his delegation would be unable to support in its existing form.

16. Mr. ABHYANKAR (India) said that the New Zealand delegation had underestimated the value of its vote. He would have liked to see it adopt a position

similar to that of the delegation of Australia. Although he had not consulted the other sponsors on the matter, he found the proposed Australian amendments to draft resolution A/C.2/L.1248/Rev.1 acceptable.

17. On the question of universality, he fully agreed with the Group B countries on the need for a universally acceptable code; it was for that reason that he was concerned to end a situation which was grossly inequitable for over 100 members of the international community. With regard to the United Kingdom delegation's advocacy of a system of self-regulation, he did not expect that a code of conduct based on that principle could persuade shipowners or liner conferences to give greater attention to universal interests than they had to date. As to the question of enforceability, he was convinced that a convention containing a code of conduct for liner conferences would not involve Governments in issuing orders to business enterprises, as suggested by the representative of Norway, but would rather establish a legal régime laying down ground rules of good conduct; any infringement of those rules would, in his understanding, be dealt with not by Government action but through recourse to arbitration procedures. The distinction between public and private interests was clearly recognized and formed the basis of anti-trust legislation in the domestic sphere; the sponsors of the draft resolution wished to see that distinction extended to the international arena, in particular to matters concerning international shipping. With regard to the Norwegian representative's statement to the effect that the provisions of the first preambular paragraph represented a move away from equality of treatment, there was a need to correct a situation in which a large number of countries suffered from an unequal position; GATT was designed to achieve a similar goal.

18. The sponsors of the draft resolution did not wish to destroy the liner conference system but rather to strengthen it and reformulate it in a way which ensured the developing countries an equal voice and adequate influence in evolving a commonly acceptable system. There was an urgent need for a sizable increase in the foreign trade of the developing countries, and that involved an increase in their shipping. He appealed to delegations which professed to recognize the developing countries' needs to assist those countries to arrest the present transfer of resources from poor to rich nations.

19. Mr. CARANICAS (Greece) regretted the failure of the recent informal negotiations to work out a generally acceptable draft resolution. He agreed with the representative of Japan that the points of agreement outweighed the points of disagreement and that form rather than substance was at issue. It was pointless for the developing countries, of which Greece was one, to try to impose their views on an important minority having great influence in the field of international shipping. His delegation did not believe that private interests in the major shipping nations could be persuaded by their Governments to accept a code of conduct in the form of a convention unless the substance of that convention was known. In the past, the system of liner

¹ See TD/128 and Corr.1.

conferences had proved somewhat inequitable, and concealed discrimination had undoubtedly been practised. However, in revising that system, it was necessary to devise a procedure which was acceptable to the major maritime Powers. Failure to do so might mean that those countries would not participate in the proposed preparatory committee and would not subscribe to a convention—a result which, from the point of view of the developing countries, would be self-defeating. The Greek Government favoured the convening of a conference of plenipotentiaries not in 1973 but in early 1974, and he therefore wondered whether the sponsors of the draft resolution could replace the expression “as early as possible in 1973”, in operative paragraph 1, by the words “early in 1974” or alternatively, as proposed by the United Kingdom delegation, by the words “as early as practicable”. He appealed to the sponsors of that draft not to force a confrontation but to be satisfied with their views being recorded in the summary record and to accept a simple resolution requesting the Secretary-General to convene a preparatory committee with a view to adopting a code of conduct for liner conferences, either in a legally binding form or in any other form decided upon by that committee.

20. Mr. ROUGÉ (France) said that the most important part of the United Kingdom amendments was that relating to a new text of operative paragraph 1 (see A/C.2/L.1275, para. 3). His delegation would support that amendment, since it reflected the view it had expressed on that point at Santiago, speaking on that occasion on behalf of the Group B countries.² To dispel any impression that those supporting the United Kingdom amendments might in fact be opposed to the adoption of a code and were merely seeking, through procedural manoeuvres, to avoid the application of pressure to their shipping companies, he would point out that the amendment to operative paragraph 1 specified that the form of instrument of adoption should be designed to lead to the earliest, widest and most effective implementation of the code. His delegation was strongly in favour of such implementation, and believed that rejection of the amendment would in fact make it harder to reach agreement on a code.

21. Mr. OLANDER (Sweden) said that, at the third session of UNCTAD, there had been substantial discussion of the scope and structure of a code, and a preliminary exchange of views on its content. However, there had been no agreement on the procedure which should be followed. In the Committee, the representatives of developed maritime Powers had made a number of procedural proposals aimed at ensuring the earliest possible implementation of an effective code. They were ready to participate in the elaboration of such a code and agreed that there was an urgent need for it. In his delegation's view the process of drafting a convention would be time-consuming and cumbersome, and a convention would not possess sufficient flexibility in practice. It would not be advisable to decide on the type of instrument in which the code should be embodied before the content of the code itself was known.

² See TD/173.

22. The first preambular paragraph of the draft resolution did not in fact reflect accurately what had been unanimously agreed at Santiago. His delegation was not opposed to the idea of giving particular attention to the special needs and problems of developing countries, but any code which was adopted must take into account the interests of suppliers and users of shipping in general. Accordingly, his delegation supported the United Kingdom amendments, and would not be able to support the draft resolution as it stood.

23. Mr. ZAGORIN (United States of America) said his delegation wished to draw attention to the statements by the representatives of Norway, Japan—whose appeal for a consensus solution merited serious consideration—and, especially, New Zealand, who had made a number of valuable comments. His Government was in favour of the elaboration and adoption of an internationally acceptable code and of the establishment of machinery to work on the preparation of such a code. It recognized that there were differences of opinion as to what form of instrument was appropriate, but did not believe that those differences should be allowed to undermine the broader agreement that a code would be very useful and should be elaborated. The lack of willingness on the part of some delegations to build a compromise on that point was extremely disappointing. His delegation would prefer a flexible approach, which would not exclude a convention or other legally binding instrument; however, there was no need to take an immediate decision in that respect. In his delegation's view it would be the wisest and most practical course and in the best interests of the international community, particularly of the developing countries, to prepare a code, at least for the time being, in the form of a resolution. The character of liner conferences was currently undergoing rapid changes which were perhaps more evident to developed than developing countries. The innovations involved were largely technological in origin, and included the introduction of such forms of cargo unitization as container-carrying and barge-carrying vessels. Those in turn had led to new concepts of transport such as intermodalism and through rates, and to new forms of industrial organization such as container consortia. It was not yet clear what impact those changes would have on the traditional liner conference system and, under the circumstances, it would be a grave mistake to devise a code for liner conferences in a form as binding and permanent as an international convention. A code adopted as a resolution could be much more easily amended to adapt it to new circumstances.

24. Furthermore, there had been no international experience in regulating liner conferences. That was significant, since the code would govern not only inter-governmental relationships, but also relationships between thousands of individual business enterprises. A badly prepared code could destroy individual enterprises in both developed and developing countries. Since it was unlikely that a perfect code could be achieved at the first attempt, a prompt and flexible process of amendment was essential. That could be accomplished within the context of a code in the form of a resolution, but would be difficult with a convention.

25. At Santiago, his delegation had agreed with the Group of 77 that there was an urgent need for a code, and had believed—which it now doubted—that the countries in the Group recognized that the processes involved in adopting a convention, such as ratification and parliamentary approval, made it much slower and lengthier than the adoption of a resolution. For his own Government, there were additional practical complications arising from its already extensive regulatory legislation and from the fact that its legal and administrative procedures on private law matters would lengthen not only the ratification but also the negotiation of a convention.

26. His delegation could therefore not support paragraphs 1 and 3 of the draft resolution. Moreover, it believed that the first preambular paragraph went beyond the agreement reached at Santiago, which had related only to the need for a universally acceptable code. In regard to operative paragraph 5, his delegation believed that the preparatory committee should take into consideration as a basis for its work all views and proposals on the subject, and not merely selected ones. Accordingly, his delegation could not support the draft resolution as it stood; it supported the United Kingdom amendments, and its vote on the draft resolution as a whole and on its paragraphs would be in line with the observations just expressed.

27. Mr. DE AZEVEDO BRITO (Brazil) endorsed the comments of the representatives of Sri Lanka and India. At that stage there could be no doubt either that a code was needed or that it must be universally acceptable if it was to be effective. The only differences of opinion were formal, and related to whether or not the instrument to be adopted should be a legally binding one, such as a convention. In his delegation's view, it was quite clear that such an instrument was necessary. The representative of Greece had referred to hidden flag discrimination; in view of the prevalence of discrimination of that and other types in the past practices of liner conferences, which had limited the participation of developing countries in maritime transport and thus impeded their development, it was important that any code which was adopted should be enforceable.

28. The view had been advanced that no decision as to the form the code should take was necessary at that stage. His delegation pointed out that substantive work had already taken place and what was now needed was a clear decision by the General Assembly as to the juridical form of the code. The fact that the majority of Member States clearly preferred a convention would not exclude the possibility of flexibility, which could be incorporated in a convention through clauses related to its timing and administrative implementation. The sponsors of the draft resolution had repeatedly stated that they advocated a universally acceptable code, and it should therefore be possible to agree, in the process of negotiating the content of the code, on a text which would be acceptable to all.

29. Mr. CAVAGLIERI (Italy) said that during the debate on the item, his delegation had noted the general

agreement that there should be a universally acceptable code, but that in view of the differences of opinion the best course at the current stage was to adopt a resolution which would leave all the options open. He accordingly welcomed the United Kingdom amendments, particularly that relating to operative paragraph 1. If an excessively rigid framework was established in advance, the scope of the negotiations in the preparatory committee would be restricted. To decide now that the code should be in the form of a legally binding instrument would create constitutional difficulties for a number of States, and it would not be possible to achieve a code of the scope which was desirable in the interests of universality.

30. Mr. ISAKSEN (Denmark) associated his delegation with the comments of the representatives of Norway and Sweden. Like other traditional maritime Powers, Denmark agreed that there was an urgent need for a code and was prepared to take part in its elaboration. However, the drafting of a convention would be a time-consuming and cumbersome procedure which would not allow sufficient flexibility. Moreover, the first preambular paragraph of the draft resolution before the Committee did not accurately reflect the unanimous agreement which had been reached by UNCTAD at Santiago. His delegation would accordingly vote for the United Kingdom amendments, and was unable to support the draft resolution in its present form.

31. Mr. ARUEDE (Nigeria) said that the statements by the representatives of some developed countries made him wonder whether it was the State or private companies which bore international responsibilities in them. The recognition at Santiago that there was a need for a code had been a political act, as would be the decision that the code should take the form of a convention. The actual drafting of the code, on the other hand, was a technical matter. The initial decision had been taken, and the maritime Powers should accept all its implications and agree that a convention should be concluded. All the substantive issues relating to the content of the code remained open to negotiation; the only unacceptable proposition was that liner conferences should continue on a self-regulating basis.

32. His delegation did not believe that acceptance of the need for a convention meant that flexibility would not be possible; all the flexibility required could be built into the code itself through negotiations. The mention of the special needs and problems of developing countries in the first preambular paragraph did not exclude the interests of other countries. The point was that any code which was agreed to was bound to take into account the views of the developed maritime Powers; it was only the views of the developing countries which were in danger of being neglected.

33. Mr. DEBRAH (Ghana) said it was clear that the Committee was faced with an honest and fundamental difference of opinion; those favouring a convention felt it was the most appropriate solution in the circumstances, while the opposition to it was based either on constitutional problems or on recognition of the

influence of powerful maritime interests. At that stage, no agreement was possible; his delegation hoped that a consensus could be achieved subsequently, when the preparatory committee for the convention was convened. As one of the sponsors of the draft resolution, it was unable to support the amendments submitted by the United Kingdom.

34. Mr. MASSONET (Belgium) said his delegation supported the United Kingdom amendments, particularly that relating to operative paragraph 1.

35. Mrs. COLMANT (Honduras) stressed the need for agreement on a solution which would take into account the interests of both developed and developing countries, and expressed the hope that the preparatory committee would find it possible to eliminate the differences of opinion apparent at the current stage.

36. Mr. HEMANS (United Kingdom) said that the position of the representative of India appeared somewhat confusing; on the one hand, he had referred to the desire of the developing countries to establish a legal régime for liner conferences, while on the other hand he had implied, in commenting on the remarks of the representative of Norway, that Governments would not be required to regulate the activities of ship-owners.

37. His delegation was fully sensitive to the special interest of the developing countries in the adoption of a universally acceptable code. Its amendment to the first preambular paragraph was designed solely to bring its wording into line with the agreement which had been reached at Santiago.

38. The view of the representative of Brazil that flexibility could be incorporated in a convention failed to take into account the fact that to do so would afford still greater scope for conflicting interpretation of the convention, which would lead to conflicting national legislation. That was surely not the goal which the sponsors of the draft resolution had in mind. Many speakers had urged an immediate decision that the code should take the form of a legally binding instrument. Were they in fact completely certain that their insistence on such a decision at the present stage would lead to a universally acceptable code and to its earliest, widest and most effective implementation? The most important point was surely that the code should be implemented. If an immediate decision was taken on a convention, the degree of agreement which could be reached would be of a much lower order than the agreement possible on a resolution. The adoption of his delegation's amendments would not prejudice any position, whereas the adoption of the draft resolution as it stood would, in his delegation's view, very seriously prejudice the successful achievement of a code which all delegations agreed was urgently needed.

39. His delegation would welcome a brief suspension of the meeting before a vote took place, to allow it to consult those delegations which supported its amendments.

40. Mr. KANAKARATNE (Sri Lanka) said he believed that there was a general consensus among the sponsors to accept the constructive amendment submitted by the representative of Australia (see para. 14 above). Unfortunately, while appreciating the spirit of compromise in which it was made, the sponsors could not accept the amendment proposed by the representative of Greece. They felt it necessary to have a specific time framework for the preparatory work, and could therefore not accept the words "as early as practicable"; nor could they accept the convening of the plenipotentiary conference in 1974.

41. The main difficulties of the developed maritime Powers in regard to the draft resolution appeared to relate to the question of enforceability, and to difficulties which they would encounter within their own domestic jurisdictions. Had the representative of New Zealand attended the formal consultations which had taken place, he would perhaps not have felt it necessary to make some of the comments contained in his statement.

42. His delegation was surprised at the confession of the representative of Norway that his Government could not give orders to its shipowners. If the Governments of certain developed countries could by executive decree impose measures so deeply affecting national life as wage and price freezes, it would be surprising if they were unable to convince certain groups within their population to support specific decisions affecting the activities of those groups. Certainly, in democratic societies difficulties might arise, but those difficulties must be faced; Governments must explain to their parliaments the need for a convention, and see to it that their positions were supported.

43. A further surprising aspect of the debate was that at a time when many other conventions initially faced with similar difficulties had been adopted and ratified, and now formed part of international law, delegations still found it appropriate to advance all the outmoded arguments against conventions *per se*, such as problems of interpretation, enforcement and amendment where necessary. The issue at stake was not a matter of technicalities, but simply one of whether the maritime Powers were prepared to exercise the necessary political will to ensure that actions beneficial to the international community as a whole were taken.

44. In conclusion, his delegation would draw attention to the passage in the Preamble to the Charter of the United Nations relating to the employment of international machinery for the promotion of the economic and social advantage of all peoples. It was in that context that the sponsors of the draft resolution urged its unanimous endorsement in order that an international convention embodying a code of conduct for liner conferences could be adopted.

45. Mr. CARANICAS (Greece), speaking on a point of order, requested that a separate vote should be taken on the first preambular paragraph of draft resolution A/C.2/L.1248/Rev.1, which contained an element that had not existed at the time when UNCTAD resolution 66 (III) had been adopted.

46. The CHAIRMAN asked whether the Committee would agree to the request of the United Kingdom representative for a five-minute suspension of the meeting.

47. Mr. DIALLO (Upper Volta) opposed the suspension. The supporters of the amendments in document A/C.2/L.1275 had had ample time for consultations.

48. The CHAIRMAN put to the vote the motion to suspend the meeting.

The motion was rejected by 38 votes to 37, with 34 abstentions.

49. The CHAIRMAN called for a vote on draft resolution A/C.2/L.1248/Rev.1. He reminded the Committee that the representative of Sri Lanka had stated at the 1499th meeting that the word "document" in operative paragraph 1 should be replaced by the word "instrument".

50. Moreover, the representative of Australia wished to amend operative paragraph 2 by changing the words "a 38-member preparatory committee" to "a 48-member preparatory committee", and by adding at the end of the paragraph the words "with the addition of two members from each regional area".

51. The vote would begin with the five amendments (A/C.2/L.1275), submitted by the United Kingdom delegation, to the draft resolution. A separate vote would then be taken on the first preambular paragraph of the draft resolution, at the request of the representative of Greece, and separate votes would be taken on operative paragraphs 1 and 3, at the request of the representative of Australia.

52. Mr. DIALLO (Upper Volta) and Mr. TODOROV (Bulgaria) pointed out that the English, French and Spanish versions of the United Kingdom amendments (A/C.2/L.1275, paras. 1 and 2) to the first preambular paragraph of the draft resolution did not tally. Moreover, the words "to regulate the activities of" had been omitted from the Spanish text of the first preambular paragraph of the draft resolution.³

53. After a discussion in which Mr. CABEZAS (Ecuador), Mr. GERLEIN (Colombia), Mr. HEMANS (United Kingdom), Mr. MANDERSON-JONES (Jamaica) and the CHAIRMAN took part, the CHAIRMAN stated that the Committee would vote on the amendments as set forth in the original English text submitted by the United Kingdom delegation (A/C.2/L.1275) and announced that the representative of Brazil had requested that a recorded vote be taken on the five amendments.

A recorded vote was taken on the first United Kingdom amendment to replace the words "to regulate the activities of" by the word "for" in the first preambular paragraph.

In favour: Belgium, Bulgaria, Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia, Denmark, Finland, Greece, Hungary, Ireland, Israel, Italy,

Japan, Mongolia, Netherlands, New Zealand, Norway, Poland, Portugal, South Africa, Spain, Sweden, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Afghanistan, Algeria, Argentina, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Burma, Burundi, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Fiji, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malaysia, Mali, Malta, Mauritania, Mexico, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Philippines, Qatar, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Abstaining: Australia, Austria, Khmer Republic, Malawi.

The amendment was rejected by 86 votes to 27, with 4 abstentions.

54. Mr. ROUGÉ (France) observed that he had not taken part in the vote on the first United Kingdom amendment because he had not understood its exact meaning. That did not mean that his delegation was not in sympathy with the general spirit of the amendment. He asked the Chairman to make sure that all the language versions were brought into line with each other.

55. The CHAIRMAN said that that would be done.³

A recorded vote was taken on the second United Kingdom amendment to delete the words "which fully takes into account the special needs and problems of the developing countries" in the first preambular paragraph.

In favour: Belgium, Canada, Denmark, France, Greece, Italy, Japan, Netherlands, Norway, Portugal, South Africa, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Afghanistan, Algeria, Argentina, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Bulgaria, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Czechoslovakia, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Sal-

³ A document, A/C.2/L.1275/Corr.1, in French and Spanish, and a document, A/C.2/L.1248/Rev.1/Corr.1, in Spanish, were circulated on 1 December 1972.

vador, Ethiopia, Fiji, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, Hungary, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malawi, Malaysia, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Qatar, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Abstaining: Australia, Austria, Finland, Iceland, Ireland, Israel, Khmer Republic, New Zealand.

The amendment was rejected by 99 votes to 15, with 8 abstentions.

A recorded vote was taken on the third United Kingdom amendment.

In favour: Austria, Belgium, Bulgaria, Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia, Denmark, Finland, France, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Mongolia, Netherlands, New Zealand, Norway, Poland, Portugal, South Africa, Spain, Sweden, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Afghanistan, Algeria, Argentina, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Burma, Burundi, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Fiji, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malaysia, Mali, Malta, Mauritania, Mexico, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Abstaining: Australia, Khmer Republic, Malawi.

The amendment was rejected by 88 votes to 30, with 3 abstentions.

A recorded vote was taken on the fourth United Kingdom amendment.

In favour: Austria, Belgium, Bulgaria, Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia,

Denmark, Finland, France, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Malawi, Mongolia, Netherlands, New Zealand, Norway, Poland, Portugal, South Africa, Spain, Sweden, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Afghanistan, Algeria, Argentina, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Burma, Burundi, Cameroon, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Fiji, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malaysia, Mali, Malta, Mauritania, Mexico, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Abstaining: Australia, Central African Republic, Khmer Republic.

The amendment was rejected by 89 votes to 30, with 3 abstentions.

A recorded vote was taken on the fifth United Kingdom amendment.

In favour: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Greece, Ireland, Israel, Italy, Japan, Netherlands, Norway, Portugal, South Africa, Spain, Sweden, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America.

Against: Afghanistan, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Burma, Burundi, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Fiji, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Kenya, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malaysia, Mali, Malta, Mauritania, Mexico, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Uganda, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Abstaining: Algeria, Argentina, Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, Hungary, Jordan, Khmer Republic, Malawi, Mongolia,

New Zealand, Poland, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics.

The amendment was rejected by 85 votes to 21, with 15 abstentions.

At the request of the representative of Greece, a recorded vote was taken on the first preambular paragraph of draft resolution A/C.2/L.1248/Rev.1.

In favour: Afghanistan, Algeria, Argentina, Australia, Austria, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Bulgaria, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Czechoslovakia, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Fiji, Finland, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, Hungary, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Khmer Republic, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malawi, Malaysia, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Nepal, New Zealand, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Against: Belgium, Canada, Denmark, France, Greece, Ireland, Israel, Italy, Japan, Netherlands, Norway, South Africa, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: None.

The first preambular paragraph was adopted by 105 votes to 16.

At the request of the representative of Australia, a recorded vote was taken on operative paragraph 1 of the draft resolution.

In favour: Afghanistan, Algeria, Argentina, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Burma, Burundi, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Fiji, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Khmer Republic, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malawi, Malaysia, Mali, Malta, Mauritania, Mexico, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, Romania, Rwanda, Senegal, Sierra

Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Against: Belgium, Canada, Denmark, France, Greece, Ireland, Italy, Japan, Netherlands, Norway, Portugal, South Africa, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Australia, Austria, Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, Finland, Hungary, Israel, Mongolia, New Zealand, Poland, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics.

Paragraph 1 was adopted by 91 votes to 16, with 14 abstentions.

At the request of the representative of Australia, a recorded vote was taken on operative paragraph 3 of the draft resolution.

In favour: Afghanistan, Algeria, Argentina, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Burma, Burundi, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Fiji, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Khmer Republic, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malaysia, Mali, Malta, Mauritania, Mexico, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Against: Belgium, Canada, Denmark, France, Greece, Ireland, Italy, Japan, Netherlands, Norway, South Africa, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Australia, Austria, Bulgaria, Byelorussian Soviet Socialist Republic, Czechoslovakia, Finland, Hungary, Iceland, Israel, Malawi, Mongolia, New Zealand, Poland, Portugal, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics.

Paragraph 3 was adopted by 91 votes to 15, with 16 abstentions.

At the request of the representative of Brazil, a recorded vote was taken on the draft resolution as a whole.

In favour: Afghanistan, Algeria, Argentina, Australia, Bahrain, Barbados, Bhutan, Bolivia, Botswana, Brazil, Burma, Burundi, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Dahomey, Democratic Yemen, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Fiji, Gabon, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Khmer Republic, Kuwait, Laos, Lebanon, Lesotho, Liberia, Libyan Arab Republic, Madagascar, Malawi, Malaysia, Mali, Malta, Mauritania, Mexico, Morocco, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Sri Lanka, Sudan, Swaziland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, United Arab Emirates, United Republic of Tanzania, Upper Volta, Uruguay, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Against: Denmark, France, United Kingdom of Great Britain and Northern Ireland.

Abstaining: Austria, Belgium, Bulgaria, Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia, Finland, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Mongolia, Netherlands, New Zealand, Norway, Poland, Portugal, South Africa, Spain, Sweden, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United States of America.

Draft resolution A/C.2/L.1248/Rev.1, as a whole, was adopted by 93 votes to 3, with 26 abstentions.

56. Mr. VAN GORKOM (Netherlands), speaking in explanation of vote, said that his Government was in favour of setting up the machinery for drafting a code of conduct for liner conferences as proposed in the draft resolution and agreed as to the urgent need for an effective and universally acceptable code of conduct.

57. With regard to the proposed terms of reference of the negotiating bodies, his Government did not exclude the possibility that, during the work in the preparatory committee or in the conference of plenipotentiaries, a convention or legally binding instrument might be considered the appropriate vehicle for incorporating parts of a code of conduct. It felt, however, that it would be premature at the current stage to limit the choice of instruments since it might restrict the areas of agreement and lead to considerable delay in the implementation of an effective code.

58. For those reasons, his delegation had not been able to support paragraphs 1 and 3 of the draft resolution and had voted in favour of the amendments submitted by the United Kingdom delegation. It had not been able to support the draft resolution as a whole and regretted that the sponsors had pressed the draft to a vote. The Netherlands Government now had to reserve its position as to the acceptability in the future of any convention or legally binding instrument that might emerge from a conference of plenipotentiaries.

59. Mr. BOYESEN (Norway) informed the representative of Sri Lanka, who had expressed surprise at Norway's inability to interfere in the shipping industry, that the Norwegian Government did not hesitate to interfere in economic questions. What he had said was that it was not in a position to give directives to the shipping industry on many of the questions with which it was proposed to deal in the code.

60. Mr. ZAGORIN (United States of America), speaking in explanation of vote, said that his delegation had abstained on the draft resolution since, although it agreed with the idea of the code, it could not accept the approach taken in the draft. It considered that the draft resolution would complicate, delay and even possibly frustrate achievement of the sponsors' objectives. Greater care should have been taken in determining the most effective way of achieving those objectives.

61. The concept of a conference of plenipotentiaries had a different meaning in different countries. As used in the United States, the term "plenipotentiary" implied full powers to negotiate and sign agreements. Others had indicated that to them the word meant only the authority to negotiate. The United States would not expect representatives to the proposed conference to be required to sign any agreement. It was common practice that the texts of agreements negotiated at certain conferences were left open for signature for a period of time thereafter. It was not United States Government policy to grant plenipotentiary or "full powers", which was the term it used, to its representatives at such conferences. Full powers were required only at a later date for the high-ranking official who was to sign the agreement. The United States representative to such a conference would be empowered to speak for the United States and to negotiate the text of an agreement; the decision on signing and seeking ratification of an agreement would be made following a review of the text.

62. Finally, Governments would require time to prepare for the elaboration of the code of conduct. April 1973 was the earliest that a preparatory committee could usefully meet. In his view, 8 to 26 January 1973, the date put forward for the first session in the statement of administrative and financial implications (A/C.2/L.1259) of the draft resolution, was too early to allow for adequate preparation for such a complicated matter. His delegation was in favour of the increase in membership in the preparatory committee, but considered that the proposed distribution of the additional seats was unsatisfactory.

Mr. Pataki (Hungary), Vice-Chairman, took the Chair.

63. Mr. McCARTHY (United Kingdom) said that, notwithstanding the appeal made by the representative of Sri Lanka that the draft resolution should be adopted unanimously, despite differences in the approach, the shipping countries which had been unable to support the draft resolution had requested that the meeting should be suspended in order to ascertain whether their objections of method were so strong that they would

be compelled to vote against the draft resolution. Thus it might be considered that those delegations which had voted against the motion for suspension bore some responsibility for the disappointment of the representative of Sri Lanka.

64. Mr. LISOV (Union of Soviet Socialist Republics) said that his delegation had consistently supported the transformation of the existing system of liner conferences into one which would reflect the changes that had taken place and were taking place in the world, with due regard for the interests of the developing countries. It believed that the necessary changes should be effected not at the liner conferences themselves, but on an intergovernmental basis, within UNCTAD, in order that the interests of all States and particularly the developing countries could be reflected. His delegation had therefore supported the Declaration and Principles of the Action Programme of Lima⁴ which indicated the importance of elaborating a code which would duly reflect the interests of shipowners and shipping companies. Its position was defined in the relevant section of the Joint Declaration of the socialist countries to the third session of UNCTAD,⁵ and had been confirmed by its vote for resolution 66 (III), adopted as a result of concerted action by the developing countries and the socialist countries.

65. However, the draft resolution just adopted by the Committee contained substantial departures from the text of resolution 66 (III), in that it referred not merely to a code of conduct for liner conferences but to a draft multilateral legal instrument to be submitted by the conference of plenipotentiaries for approval by the General Assembly. In essence, resolution 66 (III) had called for approval of a universal international document drafted by qualified experts, but had not prejudged the form which such a document should take, whereas the draft resolution adopted by the Committee called for a convention or any other multilateral legally binding document. His delegation believed that the form of the document to be adopted should be considered by specialists in shipping, and felt that to decide on such an important question at the current stage in the Second Committee was premature.

66. His delegation reserved the right to comment in the Fifth Committee on the financial implications (A/C.2/L.1259 of the Committee's decision).

67. Mr. ROUGÉ (France) said that his delegation was in favour of an effective code of conduct but did not consider that the method proposed in the draft resolution was the right one. Because of its disappointment, his country, along with two others, had voted against the draft.

68. Like the United States delegation, his delegation was extremely interested in finding a satisfactory solution to the problem, but wished to point out to the Secretariat and to other delegations that it had serious doubts concerning the convening of the preparatory committee in January 1973.

69. Mr. CARANICAS (Greece) said that his delegation had voted in favour of the United Kingdom amendments and against the first preambular paragraph and operative paragraph 1 of the draft resolution, in line with its votes in Santiago. The preambular part of the draft resolution went beyond the agreements reached in Santiago and the form of the code of conduct should have been left open in order to accommodate the shipping countries.

70. It was the understanding of his delegation that representatives to the conference of plenipotentiaries would be authorized to negotiate any agreement *ad referendum* and that the convention would be left open for signature by Governments. His Government would decide at a later stage whether it wished to approve the convention.

71. The preparatory committee should be convened as soon as possible, in line with the suggestions put forward in the statement of administrative and financial implications. The first session of the committee should be held at Geneva, and the second session should be held in June. The conference itself should take place early in 1974.

72. In conclusion, his delegation had abstained on the draft resolution as a whole in solidarity with the developing countries and in the hope that, with the necessary spirit of accommodation, the preparatory committee could work out a code of conduct which could lead to the elaboration of a convention.

73. Mr. CZARKOWSKI (Poland) said that his delegation could not exceed the scope of UNCTAD resolution 66 (III) and could not decide at the current stage on the form which any future legal instrument should take. It could agree to the preparation of a code of conduct only to the extent that the latter was covered by resolution 66 (III), for which it had voted at Santiago. Accordingly, it had abstained on operative paragraphs 1 and 3, and on the draft resolution as a whole.

Mr. Rankin (Canada) resumed the Chair.

AGENDA ITEM 46

Operational activities for development: reports of the Governing Council of the United Nations Development Programme (continued)* (A/8703, chap. VII, sect. A, B and C; E/5092, E/5185/Rev.1):

- (a) United Nations Development Programme (A/8648, A/C.2/L.1256, A/C.2/L.1262/Rev.1, A/C.2/L.1263, A/C.2/L.1264);
- (b) United Nations Capital Development Fund;
- (c) Technical co-operation activities undertaken by the Secretary-General;
- (d) United Nations Volunteers programme (E/5146)

74. The CHAIRMAN said that the Committee had before it a revised version (A/C.2/L.1262/Rev.1) of the draft resolution concerning the review of criteria for calculating indicative planning figures.

⁴ See A/C.2/270 and Corr.1.

⁵ TD/154.

* Resumed from the 1502nd meeting.

75. Mr. OLANDER (Sweden) said that in view of the importance of the UNDP criteria, his delegation was pleased that the new text of the draft resolution had relieved some of his delegation's concerns about its possible consequences.

76. He still felt, however, that the preamble presented a distorted picture of the debates in the Governing Council and in the Economic and Social Council. For example, by resolution 1710 (LIII), the Economic and Social Council had unanimously urged UNDP to extend a high priority to the revision of the criteria for calculating indicative planning figures. In order better to reflect earlier discussion, he suggested that the third preambular paragraph should be amended to read "... during its fourteenth session which stressed the desirability of reviewing the criteria. . .".

77. The operative part of the draft tended to interfere in a process in the Governing Council which his delegation found satisfactory. In order to make it quite clear that that was not the intention of the sponsors, he appealed to them to agree to the addition, at the end of operative paragraph 2, of the words "without prejudice to the relevant decisions adopted at the fourteenth session of the Governing Council".

78. He realized that the draft resolution had been thoroughly discussed already, but appealed to the sponsors to accept the minor changes he had put forward. Even with such changes, his delegation still had certain difficulties with the draft, and particularly with the last preambular paragraph. The assertion that there would be no decrease in the level of indicative planning figures, for example, did not take into account the possibility that sufficient resources might not be available during the 1972-1976 cycle.

79. Mr. OMAR (Libyan Arab Republic), speaking on a point of order, said that since the Committee was about to proceed to a vote, only statements made in explanation of vote were admissible. Accordingly, the representative of Sweden could not submit subamendments at that stage.

80. The CHAIRMAN said that all comments were acceptable and that he could not rule Sweden out of order.

81. Mr. AKRAM (Pakistan) said that his delegation did not fully understand the need for the draft resolution. If the Committee insisted on the draft being put to the vote, he would endorse the amendments put forward by the representative of Sweden and suggest the addition, after the Swedish amendment to operative paragraph 2, of the words "in particular, those concerning the need to rectify the acknowledged inequities in the distribution of resources in certain recipient countries".

82. With such changes, he could support the draft resolution, albeit reluctantly.

83. Mr. MORENO (Cuba) said that although the revised draft resolution was better than the original,

his delegation still had certain difficulties. He therefore endorsed the amendments put forward by Sweden and Pakistan.

84. Mr. VERCELES (Philippines) said that the draft resolution was the result of intensive negotiations and that the sponsors had done all within their power to accommodate as many amendments as possible. They now hoped that the text met with general support. The Committee had already considered the Swedish amendments, and felt that there was no need for them. The Swedish amendment to the third preambular paragraph was already covered by the fifth preambular paragraph which, in accordance with the consensus, stated that it was not only desirable, but even imperative to devise a new general scheme. The sponsors also felt that the Swedish amendment to operative paragraph 2 was unnecessary and, as it stood, the paragraph did not preclude the Governing Council's considering the calculation of indicative planning figures based on criteria not yet approved, in accordance with paragraph 99 of its report on its fourteenth session (E/5185/Rev.1).

85. Although the representative of Pakistan did not consider the draft resolution necessary, it was in fact necessary for the 84 members of the General Assembly who were not members of the Governing Council. Non-members, both developed and developing, were affected by the criteria for calculating indicative planning figures. Furthermore, the draft resolution in no way affected the decisions taken by the Governing Council at its fourteenth session. He realized that the representative of Pakistan was concerned about the indicative planning figures for Pakistan and Bangladesh, but pointed out that at the fourteenth session his delegation had supported the proposal to increase the figures for Pakistan.

86. Mr. GRANQVIST (Sweden) said that he was sorry that the sponsors had not been able to accommodate his suggestions but considered that the explanations and interpretations given by the representative of the Philippines on behalf of the sponsors were most important. He withdrew his suggestions.

87. Mr. AKRAM (Pakistan) said that the interests of his country were of course foremost in his delegation's mind but wished to point out that his amendment had been designed to ensure that the implementation of the decisions of the Governing Council concerning the redistribution of additional resources to the least developed among the developing countries would not be delayed by the adoption of the draft resolution.

88. Since the Swedish amendments had been withdrawn, he wished to revise his amendment. It would now take the form of a new operative paragraph, which would be paragraph 3, and would read as follows:

"Emphasizes the need to rectify the acknowledged inequities in the distribution of resources to certain recipient countries as soon as possible."

89. Mr. ZAGORIN (United States of America) said that the revised text of the draft resolution represented

a substantial improvement over the original, but he would have supported the Swedish amendment to the third preambular paragraph.

90. He interpreted the phrase "review or criteria" to mean "revision" of criteria, as used at the fourteenth session of the Governing Council.

91. His delegation would have welcomed the Swedish amendment to operative paragraph 2, but pointed out that its non-acceptance would not affect the decisions which had been taken at the fourteenth session of the Governing Council. Accordingly, at its fifteenth session, the Governing Council could consider the report being prepared by the Working Group. Furthermore, as was stated in operative paragraph 1, the decisions and resolutions adopted by the Governing Council would be taken into account. On that understanding, his delegation would support the draft resolution.

92. The CHAIRMAN invited members to vote on the Pakistani amendment concerning the insertion of a new operative paragraph 3.

93. Mr. GERLEIN (Colombia) said that, as one of the sponsors of the draft resolution, he wished to express his views on the oral amendment which had just been submitted by the representative of Pakistan. He objected to certain proposals receiving preferential treatment in that members were not given any opportunity to express their views on them.

94. The CHAIRMAN said that the Committee would now vote on the Pakistani amendment.

The Pakistani amendment was rejected by 27 votes to 24, with 57 abstentions.

Draft resolution A/C.2/L.1262/Rev.1 was adopted by 102 votes to 1, with 10 abstentions.

95. Mr. DE AZEVEDO BRITO (Brazil) said that he had abstained on the draft resolution for two reasons. First, the Governing Council had already requested a study on the distribution of resources and he did not see how the new study would differ from it and secondly, he considered that the draft resolution might prejudice the course of action to be followed, on which the Governing Council alone should decide.

96. Mr. GERLEIN (Colombia) considered that the support which the draft resolution had received was largely due to the extremely clear statements made by the representative of the Philippines.

97. He wished to protest most strongly that on two occasions during the current meeting the Chair had denied him the floor. On the first occasion, the Chairman had said that he had not given him the floor and on the second occasion he had not even deigned to recognize him. The rules of procedure were designed to guarantee the rights conferred on delegations by the Charter. One such right was that of discussing, analysing and studying proposals submitted for the Committee's consideration by any delegation. The

Chairman's unjustifiable decision that the oral proposal made by the representative of Pakistan could not be discussed might set a serious precedent. He hoped that such incidents would not occur again and that the Committee would not be called upon summarily to adopt whatever the Chairman decided.

98. The CHAIRMAN said that when he had suggested that the Committee should proceed to vote on the Pakistani amendment, no other speakers had expressed a desire to speak. Colombia was one of the sponsors of draft resolution A/C.2/L.1262/Rev.1 and the representative of the Philippines had already made it clear that the Pakistani proposal had been considered by the contact group and rejected by the sponsors. It would have been pointless to have continued the discussion and the rules of procedure provided that when voting had begun, statements should be restricted to the actual conduct of the voting. On the earlier occasion, he had already given the floor to another representative.

99. Mr. HJELDE (Norway) said his delegation had voted for the draft resolution on the clear understanding that it would not prejudice the work of the fifteenth session of the Governing Council, which would continue its task of preparing new criteria for indicative planning figures on the basis of the work already performed and the reports of the Working Group and of the Administrator, as decided at the fourteenth session.

100. Mr. ARUEDE (Nigeria) said his delegation had voted for the draft resolution on the understanding that the review it called for would not prejudice the review exercise which had already begun at the fourteenth session of the Governing Council, and which would continue at its fifteenth session. Nevertheless, his delegation had reservations as to the need for a further special technical study, and doubted whether it would lead to anything substantially different from the work already in progress.

101. Mrs. COLMANT (Honduras) said that for political reasons, her delegation had not participated in the voting. The failure to include the Pakistani amendment in the draft resolution had deprived it of elements which her delegation felt to be important.

102. Mr. DELPRÉE CRESPO (Guatemala) said his delegation had voted for the draft resolution because it believed that more detailed study was required of the criteria for calculating indicative planning figures, and had therefore welcomed paragraph 1. It also approved of the view that the indicative planning figures for 1972-1976 should not be decreased.

103. His delegation did not believe that population or *per capita* income should be the main criteria for calculating indicative planning figures, since that would mean channelling most of UNDP's resources to one area of the world, with resulting inequity for other areas. The criteria should include the concept of relatively lesser development within regions. ECLA had recognized the Central American region as relatively less developed within Latin America as a whole. His

delegation believed the indicative planning figures for the Central American countries to be very low, and hoped that when new criteria were established the concept of lesser development on the regional level accepted by the competent regional organs would be borne in mind.

104. Mr. GEBRU (Ethiopia) said his delegation had abstained in the vote because it could see no reason for requesting a further study prior to the appearance of the Administrator's study in response to the request made of him at the fourteenth session of the Governing Council. The request contained in operative paragraph 1 would merely have the effect of duplicating work already in progress.

105. Mr. HOSNY (Egypt) said his delegation had voted for the Pakistani amendment since it believed that Egypt's indicative planning figure for 1972-1976 should be revised upwards. It had voted for the draft resolution as a whole because it reflected a welcome spirit of compromise between the sponsors and the delegations of Upper Volta and Afghanistan.

106. Mr. ABHYANKAR (India) said his delegation had abstained because the draft resolution and the amendments to it had raised a number of issues currently under study by his Government, and because it had received no specific instructions. His delegation was a member of the Governing Council, and would discuss those issues at the forthcoming fifteenth session.

107. Mr. MORDEN (Canada) said his delegation had voted for the draft resolution, and fully associated itself with the comments made by the representative of Norway.

108. Mr. RATSIMBAZAFY (Madagascar) said his delegation had voted for the draft resolution, which reflected its desire for an improvement in the criteria to make the allocation of indicative planning figures as equitable as possible.

109. Mr. ISAKSEN (Denmark) said his delegation had abstained in the vote. Economic and Social Council resolution 1710 (LIII) had urged UNDP to give high priority to the revision of the criteria for calculating indicative planning figures for the second co-operation cycle. His delegation believed it important for that revision to be carried out without unnecessary delay, since new criteria were already needed in order that the assistance to be provided beyond 1976 could be planned. Any delay in designing a system which would enable the developing countries to receive equal benefit from the resources of UNDP might cause an increase in earmarkings in favour of the least developed countries, and could create serious difficulties for the country programming system.

110. His delegation was not convinced that there was any need for the additional study called for in paragraph 1, and believed that in any case any decision on the subject should be taken by the fifteenth session

of the Governing Council. His delegation also regretted that the sponsors had not found it possible to accept the minor amendments submitted by the representative of Sweden.

111. Mr. GALLARDO MORENO (Mexico) said his delegation had voted for the draft resolution, which it believed to be justified in particular by the need for careful study of the criteria on which the distribution of funds for development assistance would be based. His delegation was also in favour of not decreasing the indicative planning figures for 1972-1976, since that would make it possible for the assistance provided by developing countries to the relatively less developed countries at the regional level, as was practised in the Latin American region through a system of preferences, to continue.

112. Mr. ROSALES (El Salvador) endorsed the comments made by the representative of Guatemala with regard to the Central American region. In his delegation's view, the word "decisions" in the fifth preambular paragraph should be taken in its broadest possible sense, as covering the decisions to undertake studies by various organizations in the United Nations system.

113. Mr. AL-KHUDHAIRY (Iraq) said his delegation had voted for the draft resolution on the understanding that the study it requested would not prejudice the study currently being undertaken by the Administrator, at the instructions of the fourteenth session of the Governing Council. It had voted for the Pakistani amendment because it believed that Iraq's own indicative planning figure was inadequate and should be rectified.

114. Mr. MORENO (Cuba) said his delegation had abstained because a study similar to that called for in the draft resolution was already being undertaken at the request of the fourteenth session of the Governing Council and because it believed that any decision on the matter should be taken by the fifteenth session of the Council after consideration of the results of that study.

115. Mr. AKRAM (Pakistan) said that, especially after the rejection of its amendment, his delegation had been compelled to oppose the draft resolution. It did not believe that the study envisaged would add in any way to the studies already being undertaken, and felt that the only effect of paragraph 1 would be to postpone the review of criteria. There was already a danger of postponement because of a trend in the Governing Council to advocate extension of the review over a number of years, and the resolution would only add to that danger. The sole purpose of his delegation's amendment had been to reiterate its fear that any such extension might be used as a pretext for postponing a decision by the Governing Council that the indicative planning figures of certain countries, including the least developed among the developing countries, should be rectified as soon as possible.

The meeting rose at 6.50 p.m.