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*Chairman:* Mr. Costa P. CARANICAS (Greece).

**AGENDA ITEM 37**

**United Nations Conference on Trade and Development:  
report of the Trade and Development Board (*continued*)  
(A/7603/Add.1, A/7616, A/7703, A/C.2/L.1063)**

1. Mr. MONGUNO (Nigeria) said he would confine himself to a few comments on the role UNCTAD should play in the formulation of the international development strategy.

2. Several delegations had said they were disappointed by the unfavourable trends in the volume, form and conditions of aid. It must be admitted that the proportion of their gross national product allocated by the industrialized countries for international assistance had fallen from 0.89 per cent in 1960 to 0.77 per cent in 1968. That decline ran counter to the generally accepted principle that the developed countries should endeavour to reach a target of 1 per cent of their gross national product for the net volume of their aid to the developing countries. The structure of assistance was equally disturbing: the proportion of official aid had decreased, interest rates were rising and grace periods were becoming shorter; as a result, debt-servicing problems were assuming critical dimensions.

3. According to the report of the Pearson Commission,<sup>1</sup> the debt-servicing obligations incurred between 1965 and 1967 amounted to 73 per cent of the gross volume of loans obtained by Africa, 52 per cent for East Asia, 40 per cent for South Asia and the Middle East, and 87 per cent for Latin America. If the gross volume of loans remained at its current level, the developing countries of Africa, East Asia and Latin America would be net exporters of capital by 1977. To be sure, the gross amount of loans did not include grants and direct private investment, but the outlook for the developing countries still remained bleak.

4. For reasons such as those, the developing countries had turned to UNCTAD for assistance in implementing the 1 per cent aid target agreement. Unfortunately, the various

proposals they had submitted to the second part of the ninth session of the Trade and Development Board (see A/7616, part four, annex III) regarding the contribution of UNCTAD to the Second United Nations Development Decade had not been seriously considered. In the course of that session, several questions of great importance to international trade and development had been deferred either to subsequent sessions of the Board or to the 1970 session of the Committee on Invisibles and Financing related to Trade.

5. In view of the foregoing, it was difficult to hope that UNCTAD would be in a position to make any substantial contribution to the Second Development Decade. As it had stated during the general debate in the Second Committee on the Decade (see 1262nd meeting, para. 10), his delegation wished to reiterate that, in its view, UNCTAD served as a barometer of the political will which was indispensable to the success of the Decade. In so far as commodity agreements were concerned, UNCTAD had succeeded only in concluding an International Sugar Agreement, 1968, and even that was still incomplete. For the developing countries, and particularly single-crop countries, such agreements were the only hope of obtaining more stable terms of trade and protection against fluctuations in export earnings. His delegation hoped that other agreements of that type would be concluded, particularly with respect to cocoa.

6. Mr. VERCELES (Philippines) said that his delegation was disappointed at the meagre accomplishments of the Trade and Development Board during the period covered by the Board's report (A/7616). Admittedly, some initial practical steps had been taken, but they related only to marginal questions, with the possible exception of Board resolution 60 (IX) adopted on the recommendation of the Intergovernmental Group on Supplementary Financing to the effect that the International Bank for Reconstruction and Development should continue to study the supplementary financing scheme (see A/7616, p. 207). All those problems of substance remained unresolved. The Board had not been able to make its contribution to the international development strategy, thus endangering the formulation of that strategy, and perhaps even the Decade itself. His delegation hoped the Board would be able to provide evidence of substantial achievements during the third part of its ninth session in February 1970. UNCTAD's contribution actually constituted the core of the strategy. Of the problems to be solved, which were known to all, the most important were the establishment of a system of generalized non-reciprocal and non-discriminatory preferences, commodity agreements, supplementary financing, increasing the volume of aid, fixing a time-limit for the achievement of the 1 per cent target and the establishment of a link between Special Drawing Rights and development finance.

<sup>1</sup> Commission on International Development, *Partners in Development* (New York, Praeger Publishers, Inc., 1969).

7. If the scant progress made by the Board was considered against the background of the problems which remained for it to solve, the inevitable conclusion was that certain Governments lacked the political will necessary to deal with those problems. Those problems were undoubtedly complex, but nothing was impossible at the present time. Without that political will, UNCTAD and the other agencies of the United Nations were merely debating societies.

8. It was commonly said that "where there is a will, there is a way". The super-Powers had had the will to conquer space, and they had done so. Many rich countries spent thousands of millions of dollars to build arsenals, and since they had the will, they always found a way of financing those expenditures.

9. In 1947, one of the great ideas of modern times had been born, namely the Marshall Plan. Thanks to that plan and to the \$13,000 million that American taxpayers had made available to it, Europe had succeeded in reconstructing its war-torn economy. That great and generous idea was still just as valid as it had been after the Second World War.

10. In that connexion, his delegation wished to congratulate the President of the United States on the statement he had made on 31 October 1969 regarding new United States policies on aid and trade. The programme put forward by the President should convince cynics of that country's good intentions. Although the statement had been addressed primarily to the Latin American countries his delegation considered that other developing countries should benefit by such new United States policies as the reduction in customs barriers, the system of generalized customs preferences, and so on. It might be possible, in time, to look forward to the adoption of something like a most-favoured-region clause in regard to relations between the United States and other parts of the world.

11. The time had come for more action and less talk. All the necessary ingredients for positive action were present on the international scene. In addition to the new attitude of the United States, there would be cause for rejoicing in the positive response of the countries of the European Economic Community regarding the system of preferences. The world now had Special Drawing Rights, which could be linked to development financing. The international community had before it the bold but realistic recommendations of the Commission on International Development. Nor should one forget the many studies and recommendations of the United Nations agencies and of private institutions concerned with development. Significantly, all those recommendations were similar. It could therefore be concluded that the international community as a whole agreed on common problems and common goals and that differences existed only in the manner of solving those problems and reaching those goals. That was the task to which all countries should address themselves regardless of their ideology or economic system. Development was a global endeavour, and not just the concern of only a few countries or groups of countries. Some countries wished to dissociate themselves from that effort on the pretext that they had not participated in colonialist exploitation. That argument was one to which his delegation could not subscribe. If it were valid, Canada, Australia, Switzerland

and the Scandinavian countries, for instance, would be justified in not participating in the common effort. If the theory of compensation was to be strictly observed, the Third World would have no claim on the country which contributed the most to development aid, since that country was itself a former colony.

12. Mr. CONSTANTIN (Romania) said that all countries, and particularly the developing countries, had expected great things of UNCTAD, as the organization designed to convert international trade into a powerful instrument for development; unfortunately, those expectations had not been borne out by events. His delegation remained convinced that the organization could and should play an important part in the struggle against under-development. Despite all its limitations, the second session of the Conference had brought about some agreement among countries about a number of important problems, thus improving prospects for continued constructive discussion at the meetings of the Trade and Development Board.

13. It had to be admitted, however, that the progress made by the Board and its Committees since the second session of the Conference in 1968 fell short of expectations; there was as yet no scheme of generalized non-reciprocal and non-discriminatory preferences, and there were no new commodity agreements. Moreover, the Board had been given the task of formulating in detail the programme of specific action to be carried out by UNCTAD during the Second United Nations Development Decade, and in that respect, too, had made little progress.

14. The problems involved were difficult and solutions to them depended largely on the political will of States, which, in turn, was based on economic considerations. Accordingly, the required political will would emerge only to the extent that a programme of co-operation could be developed which would meet the requirements of an expanding world economy. It was essential, in his delegation's opinion, that means should be found to increase the efficiency of the UNCTAD machinery. Agreement would have to be reached on working methods which would enable all countries to participate directly and actively in solving the problems which were of concern to them. Procedures for consultations among countries should be more flexible and should be conducive to a genuine dialogue among States in which their direct interests would be taken into account, irrespective of the geographical region in which they were situated. Existing efforts to improve institutional machinery should be pursued and the questions to be discussed in individual organs of UNCTAD should be carefully chosen; the practice of transferring questions from one organ to another should cease and such dispersion of effort and resources should be eliminated.

15. His delegation had submitted a number of constructive proposals directed towards intensifying international co-operation for development. They included proposals on such subjects as the training of specialists in foreign trade, informing world public opinion on the work of UNCTAD and the problems of development, and the promotion of new forms of economic, industrial and technical co-operation. His delegation was most gratified by the favourable response to the last-mentioned proposal among the delegations participating in the work of the Board and had noted

the interest shown in the proposal by the UNCTAD secretariat; it had prepared and circulated documents which were most helpful to an understanding of the potential role of the new forms of co-operation in promoting and diversifying the developing countries' exports.

16. His delegation favoured the continuation of efforts to stabilize commodity markets and prices, to increase and diversify the developing countries' exports and to establish export-oriented industries. It had welcomed the agreement reached at the second session of UNCTAD in resolution 21 (II)<sup>2</sup> on the institution of a scheme of generalized non-reciprocal and non-discriminatory preferences, which would certainly accelerate the process of integrating the developing countries in the world economy. His delegation hoped that the countries participating in that scheme of preferences would include among the beneficiaries of the scheme all countries which were striving to ensure their economic development, irrespective of their economic and social systems, and their geographical situation.

17. Romania, as a country which was undergoing active economic development, was having to solve problems similar to those confronting the developing countries and therefore expected to benefit by measures of international co-operation for development. On the other hand, it continued to support, to the extent its means allowed, the development efforts of countries having a more limited economic potential than its own. It attached special importance to strengthening its economic ties with developing countries and was maintaining trade relations with over seventy countries in Asia, Africa and Latin America. Economic, industrial, and technical and scientific co-operation was becoming increasingly important in Romania's relations with those countries. Romania was participating, alone or in association with other countries, in establishing certain industrial enterprises, was supplying them with equipment on the basis of loans repayable in local products, was granting them technical assistance and was training specialists in several fields. Because of the wider opportunities created by the steady development of his country's economy and the continuing economic progress of the developing countries, the prerequisites for strengthening mutually advantageous trade relations and for intensifying economic co-operation between Romania and those countries already existed.

18. In conclusion, he expressed the hope that the aspirations of the developing countries for economic and social progress would receive positive support in the policy which the developed States and the international organizations were to draw up for the Second Development Decade. He also hoped that UNCTAD and its subsidiary bodies would be able to solve the problems of international trade.

19. Mr. EL-ATTRASH (Syria) observed that in its general statement (see 1255th meeting, para. 45) his delegation had outlined certain measures which should be included in any international development strategy. It had pointed out that the main burden of the effort should fall on the developing countries themselves and that they should take domestic measures in the fiscal, monetary and land reform spheres, as

well as the decisions necessary for expanding trade and promoting regional and sub-regional economic integration. His delegation had also pointed out that such measures were not a substitute for those to be taken by developed countries and international agencies with a view to removing external obstacles to the growth of the developing countries. Those measures included wider access to markets, the stabilization of commodity prices, the institution of supplementary financing machinery, improving the volume and terms of external financing and reforming the international monetary system.

20. His delegation deplored the fact that progress towards securing wider access to the developed countries' markets had been insignificant. It noted, however, that the Special Committee on Preferences at its third session had agreed upon a new time-table<sup>3</sup> for the application of UNCTAD resolution 21 (II). The granting of preferences for manufactures and semi-manufactures was not, however, a substitute for diversification programmes to be undertaken by developing countries. In order to achieve that objective, those countries should adopt programmes for expanding trade among themselves or should integrate their economies on a regional or sub-regional basis. To that end, UNCTAD's work programme on trade expansion, economic co-operation and regional integration should provide them with valuable technical assistance.

21. It was a matter for regret that no new commodity agreement had been concluded since the second session of the Conference. It was to be hoped, however, that the recent decision of IMF to establish a buffer stock financing facility would enable progress to be made in that respect. Commodity agreements, however, were not a substitute for supplementary financing. They would, of course, prevent unfavourable trends in export earnings, but they could not prevent a fall in the volume of exports. Four years earlier IBRD had drawn up a supplementary financing scheme<sup>4</sup> which had been referred to the Intergovernmental Group on Supplementary Financing and had been considered at the second session of the Conference, together with that Group's report.<sup>5</sup> Many delegations had objected to certain features of the scheme and the Conference had failed to reach agreement on it. The Conference, in decision 30 (II), had decided to extend the mandate of the Intergovernmental Group on Supplementary Financing and had requested it to consider and attempt to resolve certain outstanding issues. The Group had submitted the report on its fifth session (TD/B/260/Rev.1) to the ninth session of the Trade and Development Board. The Board, in its resolution 60 (IX), had, *inter alia*, invited IBRD to consider working out arrangements for supplementary financing and, if appropriate, to consider introducing them.

22. His delegation agreed with the Group's conclusion that it would be of little value to divert available resources from

<sup>3</sup> See document TD/B/262.

<sup>4</sup> *Supplementary Financial Measures—a Study requested by the United Nations Conference on Trade and Development, 1964* (International Bank for Reconstruction and Development, Washington, D.C., 1965).

<sup>5</sup> *Supplementary Financial Measures: Final Report of the Intergovernmental Group on Supplementary Financing as adopted by the Group at its third session, held at Geneva, from 30 October to 13 November 1967* (United Nations publication, Sales No.: E.68.II.D.3).

<sup>2</sup> See *Proceedings of the United Nations Conference on Trade and Development, Second Session*, vol. I and Corr.1 and 3 and Add.1 and 2, *Report and Annexes* (United Nations publication, Sales No.: E.68.II.D.14), annex I, p. 38.

basic finance to supplementary financing. It believed that the funds for supplementary financing should supplement basic development finance.

23. His delegation noted that the Intergovernmental Group had held that IBRD should be given wide discretion to determine the amount of supplementary finance to be granted to participating countries in the event of shortfalls in export earnings. His delegation contended that the greater the discretion available to an agency, the less assurance the developing countries had that their development plans would be protected against the effects of shortfalls in their export earnings. He accordingly hoped that objective criteria would be devised for assessing such shortfalls in the light of previous experience, and approved the Intergovernmental Group's conclusion to that effect, as reproduced in paragraph 34(c) of the report on its fifth session (*idem*). He also hoped that, in drawing up the objective criteria, account would be taken of the experience of compensatory financing accumulated by IMF and that statistics for a five-year period would be used in determining the extent of shortfalls in export earnings.

24. Mr. NYIRABU (United Republic of Tanzania) said that the developing countries attached great importance to the work of UNCTAD and that the time had come to review the progress achieved since the second session of UNCTAD. It could not be denied that the results were rather disappointing. The time-table had been violated and the rate at which the decisions taken were being implemented was extremely slow. The disappointment was even deeper in that the recommendations adopted at that session had been meagre and limited in scope.

25. Although it had been agreed at the Conference that the developed countries should provide assistance equal to 1 per cent of their gross national product each year, aid flows had steadily declined. To remedy that state of affairs, consideration should be given to the establishment of a multilateral interest equalization fund designed to facilitate access to capital markets. In addition, efforts should be made to provide a link between the Special Drawing Rights and development finance. The adoption of those two proposals would obviate the need for other, less effective, methods of assistance and would enable the developing countries to obtain loans on more favourable terms. UNCTAD or IBRD should take the initiative in that respect. The proposed negotiations might be conceived along the lines of the Kennedy Round. It was to be hoped that those efforts would also succeed in reducing or eliminating tariff and non-tariff barriers. Simultaneous action by all countries would of course be required, and donor countries in particular should endeavour to untie their aid. Whereas private foreign investment could help to alleviate the shortage of skilled personnel and promote the transfer of modern technology, it could not bring about the structural reforms needed in the economies of the African countries. The continuing activities of large foreign firms in small countries could only perpetuate, and indeed intensify, the economic exploitation established in the colonial era. It was a well-known fact that foreign private firms did not generally invest in those sectors of the economy which must be developed to provide a basis for economic "take-off". UNCTAD should therefore pay more attention to the 0.75 per cent target for official aid.

26. His delegation attached great importance to the potential role of science and technology in the process of economic and social development; it was therefore concerned to note that over 98 per cent of total expenditure on research and development took place in the developed countries and that the results of those activities did not always meet the needs of the developing countries. UNCTAD should therefore, in co-operation with other United Nations bodies, endeavour to remedy the situation and prevent a widening of the gap between developed and developing countries.

27. Much had already been said about the serious problem of the prices of primary commodities; highly qualified economists had estimated that the total loss of earnings to the African continent due to falling prices exceeded the total of all forms of foreign aid granted since the Second World War. The problem was even more critical in single-crop economies. Palliatives were not enough; a more fundamental solution was needed to halt the deterioration of the prices of primary commodities in relation to those of manufactures. His delegation was disappointed at the lack of progress in granting assistance to the least developed countries and thought that UNCTAD should act more vigorously in that field, for those countries could not wait for ever.

28. Mr. BAKOTO (Cameroon) observed that, despite the decisions taken by UNCTAD, international economic relations had not improved. It was unfortunate that it had not been possible to conclude an agreement on cocoa, for that commodity was of vital importance to many countries, and to Cameroon, in particular. Cocoa-producing countries had tried to establish a propitious climate for the conclusion of an agreement; at their thirteenth general assembly, held in Cameroon, they had requested the Secretary-General of UNCTAD to intensify the bilateral consultations to that end. His delegation therefore hoped that that agreement, which would help to solve the general problem of market stabilization, would soon be concluded. With good will on the part of all countries concerned, it should be possible to achieve acceptable results, along the lines of those obtained by the developed countries in the Kennedy Round of negotiations. His delegation hoped that steps would soon be taken to establish buffer stocks and the machinery for supplementary financing. It welcomed the interest shown in those problems by the President of IBRD and supported the proposal that the Secretary-General of UNCTAD should be requested to place the problems of financing on the agenda of the forthcoming session of the Trade and Development Board. Cameroon had consistently advocated the establishment of a generalized non-reciprocal, non-discriminatory system of preferences which would however, make provision for particular situations. Moreover, the Yaoundé Convention of 1963 did not in any way inhibit the generalization of preferences, and many problems would be avoided if attention was given to the situation of the poorest among the developing countries. He had been glad to hear from the Secretary-General of UNCTAD that a group of experts would shortly be meeting to study the particular problems facing those countries. The group of experts might be guided in their work by the recommendations of the Economic Commission for Africa.

29. His delegation hoped that UNCTAD would participate more actively in the activities of UNDP, and that ECA

would be granted the resources required to enable it to play a more significant role. His delegation noted with satisfaction that the President of the United States had formally indicated a number of measures which might remedy some of the evils suffered by the poor nations. It hoped that the developed countries would soon indicate the nature of the commitments which they proposed to undertake and that their assistance would be equal to 1 per cent of their gross national product, since all the working hypotheses of the Committee for Development Planning (see E/4682) were based on that supposition. It was to be hoped, too, that the developed countries would enter into long-term commitments, that during the next decade assistance would increasingly be granted on a multilateral basis, and that consortiums of assistance would be established. The transfer of public funds should, of course, be complemented by that of private resources.

30. Mr. RANKIN (Canada) said that his delegation had listened attentively to the proposals advanced by the representative of Ghana (see 1265th meeting) with regard to UNCTAD's participation in the international development strategy. It supported the initiative taken by that representative and by the Secretary-General of UNCTAD with a view to finding a way out of the present unsatisfactory situation. In order that the solution might be as comprehensive and satisfactory as possible, however, it would have to be flexible. Since it would consist of a programme of action throughout the next Decade and even beyond it, there should be no arbitrary time limits, and lengthy negotiations, in which Canada would participate actively, could be expected. Experience showed that it was extremely difficult to set in advance the date by which such negotiations could be concluded. A framework should be constituted, not a strait-jacket. UNCTAD should therefore examine all possible areas in which discussion might produce results both in the short and in the longer term. His delegation supported the views expressed by the United Kingdom delegation (see 1267th meeting, para. 38) with regard to the limitations of the group system within UNCTAD; the polarization of positions did not promote development.

31. Mr. SOW (Guinea) said that his delegation shared the concern of the Secretary-General of UNCTAD in the face of the enormous problems that the developing countries had to solve and the meagre results achieved so far. The solutions to be applied, however, had been mentioned again and again. The developed countries would have to review their present position in order to make international co-operation a reality. A global solution would have to be applied if a widening of the gulf separating the rich and the poor countries was to be avoided.

32. His delegation regretted that, despite the Charter of Algiers,<sup>6</sup> no sound general agreement had been concluded with regard to commodities. His delegation expected a great deal from the negotiations for an agreement on cocoa, but other consultations would have to be undertaken on the subject of such products as tea and bananas. The measures required to stabilize commodity prices and to eliminate the

obstacles to the expansion of international trade would have to be taken in all urgency; efforts should also be made to adopt a generalized non-reciprocal, non-discriminatory system of preferences, to intensify industrialization and to improve the financing of assistance in all its forms. He noted with satisfaction that IBRD was studying certain methods for the solution of the problems of financing. He hoped that UNCTAD would continue to study the system of preferences advocated by many delegations. As the President of Guinea had said, international co-operation must move beyond the narrow and necessarily commercial framework of mere economic exchanges between nations. The developing countries had long suffered from colonialism, which had been the cause of a unilateral exploitation of their wealth in the exclusive interest of the colonizing countries. That state of affairs had led to a sterile specialization and the economies of many African countries often depended on a single product, over whose fluctuations they had no control. UNCTAD therefore had an important role to play in a strategy of real and harmonious development.

33. Mr. KHALIL (United Arab Republic) said that he shared the disappointment expressed by previous speakers with regard to the results obtained by UNCTAD. Since the establishment of UNCTAD in 1964, it might have been hoped that the developed countries would undertake commitments and would adopt measures with a view to alleviating the difficulties which plagued the Third World. Without repeating the remarks made during the general discussion, his delegation would like to go into more detail on certain points.

34. First, with regard to preferences, the question of the access of the goods of the developing countries to the markets of the developed countries had been studied by the Committee on Preferences since 1965 without any real progress having been made. Recently, various promises had been made, in particular by the countries of OECD. The fears that had been expressed on the subject of the disturbances that an increased penetration of articles manufactured in the developing countries might produce in the markets of the developed countries were obviously unfounded. Indeed, the share of the developing countries in world exports of manufactures was less than 5 per cent. The developing countries, for their part, had always been exposed to the disturbances that resulted from imbalances in their economic structures. To avoid useless discussion, the problems would have to be approached in all frankness and confrontations between groups of countries would have to be abandoned. The results recorded since 1965 were infinitesimal and further delay could only hamper the process of development. The Special Committee on Preferences would have an opportunity to meet soon and it was to be hoped that tangible results could be achieved.

35. Secondly, the problem of financing should be dealt with. An UNCTAD group of experts had studied the question of creating a link between Special Drawing Rights and development financing.<sup>7</sup> It was to be hoped that the International Monetary Fund would not ignore that problem. Solidarity among all nations required the maintenance of the stability of the main currencies, but there must also

<sup>6</sup> See *Proceedings of the United Nations Conference on Trade and Development, Second Session*, vol. I and Corr.1 and 3 and Add.1 and 2, *Report and Annexes* (United Nations publication, Sales No.: E.68.II.D.14), annex IX, p. 431.

<sup>7</sup> See foot-note 5.

be co-operation with a view to establishing a link between the creation of new liquidities and development financing. The IMF could not limit its role to that of a central bank acting only on behalf of the developed countries. Similarly, IBRD should adopt a more liberal attitude with regard to that problem and should not support IDA only. It would be desirable for it to allocate part of its net revenue to financing the United Nations Capital Development Fund. In that regard, it would be useful for UNCTAD to make a study of the Bank's possibilities of action in that field and of the influence that the revaluation of certain currencies could have on the countries of the Third World.

36. Thirdly, the question of shipping appeared to be particularly important. The report of the Trade and Development Board (A/7616) saw in it one of the principal reasons for the balance of payments deficits of the developing countries. In 1963, the total balance of payments deficit of the developing countries had amounted to \$5,000 million, of which \$1,900 million had been ascribable to freight and insurance charges. Measures should be adopted in that area, dealing only with the most immediate problems, and especially those of freight charges. The adoption of international rules for shipping was also essential. A special working group had been set up to study that question and it would be useful for it to discuss the questions of shipping insurance and shipping bills in particular. It would also be useful, during the Second Development Decade, to adopt, at the international level, political measures with regard to shipping, particularly in the matter of freight, bills of lading and shipping insurance.

37. His delegation hoped that, thanks to UNCTAD's contribution, many problems would have ceased to exist by the end of the Second Development Decade.

38. Mr. PEREZ GUERRERO (Secretary-General of the United Nations Conference on Trade and Development) said that he had listened to the discussion with interest and he thanked the delegations who had supported him with their encouragement. The secretariat of UNCTAD would be all the more determined to give assistance to all countries in a common effort to achieve the objectives of the Organization. The statement by Mr. Asante, President of the Trade and Development Board (see 1265th meeting), had been particularly interesting; it was only through his activity, discernment and perseverance that the Board had been able to overcome many difficulties during recent months. He himself could not but share the disappointments and hopes voiced in the Second Committee. However, the example of his predecessor, Mr. Prebisch, was always present to guide him in his task. Thanks to the efforts of all concerned, it would be possible to remove the obstacles on the path of development. What was now required was action and it was hoped that next year, when the new report of the Trade and Development Board was presented, significant progress would be noted.

39. The CHAIRMAN thanked the Secretary-General of UNCTAD for his statement and announced that the Committee had now concluded its general consideration of agenda item 37. He suggested, however, that discussion on that item should remain open, in order to enable various

delegations to submit draft resolutions that were being prepared.

### *Organization of the Committee's work*

40. Mr. ZAKHAROV (Union of Soviet Socialist Republics), speaking on a point of order and supported by Mr. BORSHCHEVSKY (Byelorussian Soviet Socialist Republic), recalled that at its 1265th meeting the Committee had decided to ask for an official legal opinion on the invitation extended to Mr. Lester B. Pearson to address the Second Committee. At the same meeting, many delegations had spoken on the subject and some of them had expressed doubts about the advisability of inviting Mr. Pearson to take part in the Committee's discussions. Until the Committee had received and studied the legal opinion, it could not be said that the question had been finally settled. For that reason the Soviet Union delegation was asking that an item entitled "Organization of the Committee's work" should be included in the agenda of the next meeting.

41. The CHAIRMAN replied that the Committee had in fact decided at its 1264th meeting to invite Mr. Pearson to participate in its work. At its 1265th meeting it had decided to request a legal opinion on the question. The opinion would probably be issued on Friday, 7 November, or Monday, 10 November.

42. The opinion of the Legal Counsel, however, should not in any case affect the decision already taken. The Soviet Union delegation could have raised an objection when the proposal to invite Mr. Pearson had been submitted to the Chairman on behalf of the Group of Seventy-seven, but it had not done so. Consequently, in accordance with rule 114 of the rules of procedure of the General Assembly, the USSR representative's observation was inadmissible. He proposed to include the question in the agenda of the morning meeting of Monday, 10 November.

43. Mr. ZAKHAROV (Union of Soviet Socialist Republics) asked whether it would not be possible to consider the question at the afternoon meeting of Friday, 7 November.

44. Mr. CORREA (Chile), supported by Mr. VERCELES (Philippines), said that the opinion of the Legal Counsel could not affect the decision to invite Mr. Pearson. The Chilean delegation saw no reason why the question should not be considered at the afternoon meeting on Friday.

45. Mr. ASANTE (Ghana) said that the statement by the representative of the Soviet Union should be heard when the Committee had completed its consideration of item 38 (UNIDO), even if the Legal Counsel was not yet in a position to give his opinion.

46. Mr. LACKO (Czechoslovakia) said that he had no desire to question the procedure followed, but he asked whether it would not be possible to include the question in the agenda of the meeting on Friday afternoon.

47. Mr. RIOS (Panama), referring to the divergence of opinion between the Chairman and the Soviet Union representative, asked whether the Chairman was still of the same opinion.

48. Mr. WITKOWSKI (France) asked whether it would not be possible to urge the Office of Legal Affairs to make its opinion available by the morning of Friday, 7 November.

49. The CHAIRMAN read out the text of rule 124 of the rules of procedure of the General Assembly. He considered

that the Committee would not be acting responsibly if it went back on a decision which it had already taken. The opinion of the Legal Counsel could be heard and discussed during the afternoon meeting on Friday, 7 November.

*The meeting rose at 5.20 p.m.*