

United Nations
**GENERAL
ASSEMBLY**

FORTY-SECOND SESSION

*Official Records**



SECOND COMMITTEE
39th meeting
held on
Tuesday, 17 November 1987
at 3 p.m.
New York

SUMMARY RECORD OF THE 39th MEETING

Chairman: Mr. OUDOVENKO (Ukrainian Soviet Socialist Republic)

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87-57128 1010S (E)

Distr. GENERAL
A/C.2/42/SR.39
30 November 1987
ENGLISH
ORIGINAL: FRENCH

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The meeting was called to order at 3 p.m.

AGENDA ITEM 82: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)
(A/42/3, 178, 313, 344, 352, 354, 357, 359, 381, 386, 407, 410, 411, 417, 474, 477,
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Draft resolution on co-operation between the United Nations and the Southern African Development Co-ordination Conference (A/C.2/42/L.55)

1. Mr. RENDOH (Botswana), introducing the draft resolution on behalf of the sponsors, said that the States members of the Southern African Development Co-ordination Conference had an imperative need to strengthen their infrastructures and economies in the face of the economic and military destabilization perpetrated by South Africa and the deterioration of the international economic situation. On behalf of the States members of the Co-ordination Conference he thanked the organizations and countries which continued to give the Conference the assistance which had made significant progress possible in various sectors such as transport and communications, agriculture, food and energy. The draft resolution was part of that international solidarity with the peoples of southern Africa, and he hoped that the members of the Committee would give it their unanimous support.

Draft decision on an international code of conduct for the transfer of technology (A/C.2/42/L.56)

2. Mr. SHAABAN (Egypt), Vice-Chairman of the Committee, said that the draft resolution had been the subject of informal consultations and had been approved by all the groups of countries. He urged the Committee to adopt it by consensus.

3. Draft resolution A/C.2/42/L.56 was adopted.

Draft resolutions on the effective mobilization and integration of women in development (A/C.2/42/L.29 and L.57)

4. The CHAIRMAN announced that Gambia, Lesotho and New Zealand had become sponsors of draft resolution A/C.2/42/L.57.

5. Mr. GAJENTAAN (Netherlands), Vice-Chairman of the Committee, said that the informal negotiations on draft resolution L.29 had reached agreement which was now reflected in draft resolution L.57. He merely suggested that the words "of work" should be inserted after "programme" in the fourth line of operative paragraph 5 of the draft resolution, which he recommended should be adopted by consensus.

6. Draft resolution A/C.2/42/L.57, as orally amended, was adopted.

7. Mr. PAPADATOS (Greece), speaking in explanation of vote after the vote, welcomed the adoption of draft resolution L.57, of which his country was a sponsor. Greece had always supported the advancement of the status of women in all United Nations forums, but so far the emphasis had always been on women's social issues, while economic matters, in particular the contribution of women to development, had been somewhat neglected. The present draft resolution corrected that defect. For the first time the World Economic Survey was to devote a separate section to consideration of the contributions of women in sectors of the economy where the value of their labour was not always taken fully into account.

8. The CHAIRMAN said that if there was no objection, he would take it that draft resolution L.29, which was replaced by draft resolution L.57, had been withdrawn by its sponsors.

9. It was so decided.

10. Mr. FOO (Singapore) stressed the importance of free access to markets for world trade and economic development. Most specialists in economic history would agree that there was a close connection between the economic expansion which the world had seen since the Second World War and the unprecedented growth of trade. It was the open and equitable multilateral system established under GATT which had spurred the growth of international trade. For a third-world country like Singapore, which had become independent in the mid-1960s, economic prosperity had required the implementation of a growth strategy based on exports. His country was therefore particularly dependent on international trade for its economic survival and very vulnerable to external economic shocks. Hence its concern about the damage which protectionist measures might inflict on the economy of a small country like Singapore. It was particularly worrying to note that certain developed countries were trying to revitalize their declining industries by means of restrictive trade practices. Despite the protests of the developing countries and the many resolutions and decisions adopted by international bodies to combat protectionism, the Governments of certain developed countries were unfortunately continuing to heed the requests for protection made by their industries, invoking the risk of market dislocation and the threat of unemployment.

11. Like other developing countries, Singapore was concerned at the gradual retreat from multilateralism to bilateral trading arrangements. The virtues of free trade had been widely accepted since the 1840s, but protectionism had remained popular nevertheless, no doubt because it was a policy that was easy to administer and not costly. Once in place, however, it bred inefficiency and was extremely difficult to dismantle. Governments that adopted protectionist measures were therefore sowing the seeds of their own economic decline.

(Mr. Foo, Singapore)

12. The Western industrialized countries often held up the South-East Asian and East Asian developing countries as models of a free-trade export-led growth strategy, but those same countries were threatening to wipe out those gains by restricting access to their markets. Singapore had always played according to the rules of the free-market system and reaffirmed its unflinching support for the decisions taken at Punta del Este and the seventh session of UNCTAD.

13. Mr. TANTEM SAPYA (Thailand), noting that international trade and economic relations continued to follow an uncertain course, said that it was necessary to seek effective ways to co-operate on curing international economic ills. The New International Economic Order was no closer to achievement than at the time of its proclamation: protectionism continued unabated, raising obstacles to trade liberalization and expansion, and the economic situation in the developing countries remained gloomy.

14. On the one hand, the extreme complexity of international trade required each country to be self-reliant in its development; on the other hand, in the modern interdependent world, international co-operation was necessary to complement that process. It was therefore necessary to strike a balance between those two forces so as to enable each country to achieve economic gains through domestic reforms and policies while at the same time improving the international framework for closer and more universal co-operation in trade and development. The seventh session of UNCTAD seemed to have given a ray of hope by providing the necessary groundwork for solutions to several international economic problems.

15. The growth of protectionism at the international level, a most pernicious and highly disruptive factor for world trade, had arisen primarily because certain developed countries had persisted in protecting their own uncompetitive production sectors instead of restructuring them to face changes in comparative advantage. The basic principle of comparative advantage was the key to world trade liberalization. While developing countries should make structural adjustments and diversify their production to reduce economic risk and foster growth and development, the developed countries should continue providing special and differential treatment, particularly in agriculture and commodities.

16. Thailand, which had participated actively in the Uruguay Round in the hope that it would result in a fairer and more liberalized system of trade, looked forward to the expeditious and constructive conclusion of those negotiations. As a major agricultural producer, Thailand attached great importance to negotiations on agricultural trade and hoped that the decision taken at Punta del Este to give agriculture priority would pave the way for measures to bring about true liberalization of world agricultural trade.

17. Thailand and other members of the Association of South-East Asian Nations had submitted proposals for aligning tariffs on tropical products in developed countries at the prevailing lowest level and, possibly, for non-tariff treatment. It was essential to establish more systematic, predictable and stable international agricultural trade based on the principles of comparative advantage, the status quo

(Mr. Tanlemsanya, Thailand)

and roll-back. His delegation fully supported the entering into force of the Common Fund for Commodities, which it would ratify in the very near future, as well as the strengthening of the Integrated Programme of Commodities.

18. South-South co-operation must be strengthened to supplement the indispensable North-South dialogue with a view to achieving the ultimate goal of economic prosperity for all countries. In order to promote economic and technical co-operation between developing countries, his Government had set up the Thai Aid Programme for developing countries.

19. The solution to the chronic problems of world trade and development could be found in more liberal and more co-operative trade relations. International assistance and co-operation should not be pursued per se, but it was important not to lose sight of the need to encourage a freer flow of trade so as to strengthen and safeguard the development process of developing countries.

20. Mr. BOECK (Austria) said that the Review Conference on the Convention on a Code of Conduct for Liner Conferences would be convened at Geneva in November 1988, in accordance with article 52 of that Convention and bearing in mind that that instrument had come into force on 6 October 1983. Austria, which would like to play an active part in that Conference, hoped that signatories and non-signatories alike would participate fully in the Conference's work and its decision-making process.

21. Mr. RABGYE (Bhutan) said that implementation of the Substantial New Programme of Action was still as urgent as it had been in 1981 and of the utmost importance for his country. The economic crisis had had the most severe impact on the least developed countries, whose economic situation had deteriorated significantly since the adoption of the Programme of Action. Although the results of that Programme, in which Bhutan had placed high hopes, had not been very encouraging, there had been two recent positive developments: the consensus reached at the seventh session of UNCTAD and the recommendations adopted at the thirty-fourth session of the Trade and Development Board. His delegation was therefore hopeful that the General Assembly would impart further impetus to the implementation of the Programme of Action by endorsing decision 349 (XXXIV) of the Trade and Development Board and the Final Act of UNCTAD.

22. The aim of the Substantial New Programme of Action was to transform the economies of the least developed countries rapidly so as to achieve self-sustained development, which required substantial transfers of resources from outside, but although some donors had reached or even exceeded the aid target of 0.15 per cent of GNP, bilateral and multilateral development assistance to those countries had decreased during the 1980s and did not amount to even half the target. His delegation therefore urged the countries concerned to make every effort to reach the target.

23. The land-locked developing countries were among the very poorest, suffering mainly from high costs of production, transport and communications, and it was to be hoped that donors providing assistance to them would focus on developing their infrastructure.

(Mr. Rabgye, Bhutan)

24. The basic responsibility for promoting social and economic development in the least developed countries lay with those countries themselves. In April 1987, Bhutan had adopted its sixth five-year development plan, the nine objectives of which had been formulated with the utmost care because their achievement would be of prime importance for the well-being of the Kingdom. However, national development plans should be buttressed by international support, through both increased financial resource transfers and policies and programmes. His delegation hoped that the goodwill recently expressed by the international community would be translated into action.

25. Mr. SEVILLA BOZA (Nicaragua) said that the results of the seventh session of UNCTAD were indeed modest, given the magnitude and seriousness of the problems considered and the needs of developing countries, but were none the less positive. Particular mention should be made of the support given to the Common Fund for Commodities, and of the reaffirmation of UNCTAD as a multilateral forum for dealing with trade and development problems and therefore with the role of multilateralism.

26. With regard to agenda item 82 (a), he felt bound to mention a situation that was paralysing Nicaragua's external trade and seriously impeding its development, namely, the total trade embargo imposed by the United States since May 1985. That embargo, denounced by the General Assembly in its resolutions 40/188 and 41/164 and adjudged illegal by the International Court of Justice in its Judgment of 27 June 1986, together with the other coercive measures imposed since 1982, had resulted in a loss of \$192.1 million for Nicaragua.

27. Apart from the impact of those unjust measures on its producers and its economic system, Nicaragua was suffering from the effects of depressed international market prices on its export earnings and from the decline of the dollar relative to other international currencies. Because Nicaragua had little industry and was therefore highly dependent on imports, its problems due to the combination of those two factors and the trade embargo were easy to understand. Yet, it was not the only country in the region experiencing economic difficulties: all the Central American countries were beset by serious problems. The region must therefore seek not only to make the peace initiatives a reality, but also to take up the daunting challenge of economic recovery, development and income distribution. The trade embargo to which Nicaragua was being subjected ran counter to those efforts; it was therefore important for the international community to reiterate its call for the embargo to be lifted issued in resolutions 40/188 and 41/164.

28. Mr. KIM MUN DOK (Observer for the Democratic People's Republic of Korea) said that the results of the seventh session of UNCTAD were meagre, given the seriousness of the world economic situation. The developing countries continued to suffer huge economic losses as a result of unfair terms of trade that forced them to sell their precious natural and human resources cheaply and pay high prices for manufactured goods. The appeal of those countries for stabilization of commodity prices, which had reached their lowest level since the Great Depression, remained unanswered. Protectionism and other discriminatory measures had deprived them of their export markets.

(Mr. Kim Mun Dok, Observer, Democratic
People's Republic of Korea)

29. It was therefore essential for all Member States to display the necessary political will to implement the Final Act of UNCTAD, and also urgent to adopt a new political strategy for bringing about a durable and global solution to the external debt problems of the developing countries. The international community should do away with the arbitrary restrictions and unlawful embargoes imposed on the developing countries.

30. The critical world economic situation and inequitable international trade relations had resulted in a severe deterioration in the economies of the least developed countries, whose numbers were increasing. His delegation therefore urged the developed countries to implement without delay the Substantial New Programme of Action and the conclusions and recommendations agreed at the Mid-Term Review of that Programme, and to transfer substantial additional external resources to the least developed countries so as to satisfy their immediate and long-term development needs. His delegation welcomed the decision of the Trade and Development Board to hold a conference on the least developed countries.

31. The active pursuit of South-South co-operation would expedite the establishment of a new, equitable, international economic order. That did not exclude North-South co-operation, because the developed countries could never be free from their historical responsibility to further the development of the developing countries. Thorough utilization of the potential for South-South co-operation would enhance the bargaining power of the developing countries in international relations, create a favourable climate for the economic growth of the North and revive the North-South dialogue. The Pyongyang Declaration and Plan of Action provided an important basis for co-operation that should be put into effect first in those areas where it was urgently needed and feasible, then extended one step at a time while consolidating achievements and accumulating experience.

32. His Government would continue to do its best to further the development of economic and technical co-operation with developing countries and was planning further expansion of its fruitful co-operation with African countries, especially in the agricultural sector.

33. Mr. AHMED (Bahrain) noted first with satisfaction the encouraging results obtained at the seventh session of the United Nations Conference on Trade and Development in various important areas such as the debt problem, monetary questions, the growth of resources for development and the improvement of the international trade situation. The session had in particular given new impetus to the role of multilateral co-operation for development.

34. Second, the advanced countries should demonstrate the necessary political will to implement the resolutions adopted by the Conference during that session. For that there was a need for improvement in the system of international trade and the international community to respect the principles and rules of free trade, which States often infringed by intensifying protectionist measures, raising customs barriers and applying quota systems, thus diminishing the developing

(Mr. Ahmed, Bahrain)

countries' export capability. The time had come for the advanced countries to grant the developing countries preferential treatment in response to their needs for development, finance and trade. In particular, they must undertake to fully respect the provisions of the General Agreement on Tariffs and Trade (GATT), grant the least developed countries most-favoured-nation treatment, and eliminate the tendency to adopt trade regulations that were contrary to the spirit of equity which should characterize the international trade system; they should also combat the rise of protectionism. In that connection, it was extremely important for the international community and the international financial agencies to implement without delay the general policy measures which the United Nations Conference on Trade and Development had recommended at its seventh session.

35. Third, the developing countries, particularly the island countries, had been seriously affected by the fall in the prices of commodities and raw materials, and particularly by the recent collapse, in real terms, of oil prices and the deterioration of the terms of trade of the developing countries. Those developments had in particular prevented Bahrain from fully implementing its economic and social development programme and had also damaged the capacity of the oil-exporting countries to provide financial support for the development of the least developed countries.

36. The Secretary-General's report on the current international monetary situation (A/42/555) had drawn attention to the need to settle current monetary problems without delay. It must however be emphasized that the International Conference on Money and Finance for Development, to which General Assembly decision 41/442 had referred, would not achieve the desired goals unless all interested parties participated actively, thus enabling the international community to introduce a truly just and equitable international monetary system.

37. Concerning the issue of technical co-operation among developing countries, his delegation had carefully studied the report of the High-Level Committee on the Review of Technical Co-operation among Developing Countries (A/42/39) and wished to say in that connection that it fully supported the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries (TCDC), which the General Assembly had endorsed in its resolution 33/134 of 19 December 1978. However, as regards the use of UNDP funds for TCDC activities, account should be taken not of country IPFs but only of regional, interregional and global IPFs. Bearing in mind the diversity of the situations faced by the different developing countries, Bahrain considered that paragraph 95 of the report of the High-Level Committee should be interpreted as meaning that the 10 per cent limit on the use of IPFs for TCDC purposes should not be applied rigorously.

38. The Secretary-General's note regarding progress in the implementation of specific action related to the particular needs and problems of the land-locked developing countries (A/42/537), reflected the strong desire to overcome the geographical handicaps from which those countries suffered and which impeded their trade and development. Bahrain hoped that the Secretary-General would be in a position to submit to the General Assembly at its forty-third session a similar

(Mr. Ahmed, Bahrain)

note on the implementation of General Assembly resolution 41/163 regarding the adoption of specific measures in favour of island developing countries, particularly on the progress of the in-depth studies of the common problems of island countries and of the constraints inhibiting their economic growth and development. Bahrain also hoped that the Secretary-General would include in his report a study on the problems of island developing countries which depended for their survival on a single commodity and which had suffered from the collapse of the price, in real terms, of that commodity.

39. Mr. DUARTE (Cape Verde) fully supported the views expressed by the Group of 77 regarding the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries. The least developed countries were confronted by many difficulties in the implementation of the Programme. Their economic and social situation had deteriorated since 1981, notwithstanding the important reforms which they had implemented against a very unfavourable background, the efforts made by the number of donors to reach or go beyond established assistance targets and the quantitative and qualitative improvement in multilateral assistance.

40. His delegation remained convinced that the plans and programmes of the least developed countries could not be implemented effectively and rapidly unless donors provided massive and substantial increases in their financial aid. It was encouraging to note that the recommendations adopted in connection with the mid-term review and in the Final Act of the seventh session of UNCTAD had reaffirmed the need to implement the Substantial New Programme of Action which, in the view of his delegation, continued to be completely valid and represented for the least developed countries an indispensable framework for sustained co-operation with their development partners. It strongly urged the Second Committee to devote special attention to the implementation of the Programme and to encourage co-operation and co-ordination between the least developed countries and their partners.

41. Since 1982, his Government had made considerable efforts to plan the country's development in spite of serious economic difficulties and constant climatic vagaries. With UNDP assistance, it had been able to organize, together with its development partners, a second round table which had led to the adoption of the second national development plan. His delegation welcomed the results already achieved in the implementation of that plan. It thanked those donors which had already announced their intentions as regards the provision of assistance to Cape Verde and urged others to follow suit.

42. The results of the first conference of the non-governmental partners of Cape Verde, in which 51 non-governmental organizations had participated in October 1987, had been very encouraging. The non-governmental organizations, through their flexible administrative machinery and direct contacts in the field, could play an essential role at the local community level and were an indispensable complement to the major activities of nation-wide scope.

(Mr. Duarte, Cape Verde)

43. In conclusion, his delegation warmly welcomed the idea of a conference on the least developed countries and appreciated the offer of France to host such a conference.
44. Mr. MARTIN (Paraguay) said that his delegation, like all other delegations, had warmly welcomed the statements made by the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD) and the President of the Trade and Development Board. They had given a realistic and sincere account of the world economic situation, the marked deterioration which was seriously undermining the social and economic development of the developing countries.
45. The work of the seventh session of the United Nations Conference on Trade and Development had been the subject of much comment and it had been noted in particular that the results of the session had been modest, above all for the developing countries. The Conference had, however, focused attention on the basic importance of multilateral negotiations in settling current problems, on the economic interdependence between the various countries and the different sectors of economic policy, and on the need to assume the responsibilities inherent in such interdependence. That should encourage countries to seek multilateral solutions, which was the only valid method of harmonizing views and elaborating specific measures to give fresh impetus to trade, stimulate growth and guarantee development.
46. His delegation also wished to draw attention to the statement of the Chairman of the Group of 77, who had listed in detail the various problems that contributed to the deterioration in the international situation and all of their adverse consequences for the economic development of the least developed countries and of land-locked countries such as Paraguay.
47. Paraguay was fully aware of the importance of technical co-operation between developing countries for the improvement of the standard of living of the people. It was convinced of the need to develop TCDC programmes to enable the developing countries to achieve collective self-sufficiency and thus to attain one of the main objectives of the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, which had been adopted nearly 10 years earlier and the implementation of which was still far from giving the results envisaged. It was true that the initial responsibility for the implementation of that form of co-operation rested with the developing countries themselves, but the fact remained that it was necessary in that connection to have the material resources, which were very scarce at that time. Paraguay therefore considered that the international community, and particularly the richest countries, should give tangible proof of their spirit of solidarity by fostering initiatives in that field. It also had to be recognized that the obstacles were not of a purely financial nature. Lack of information about the possibilities for horizontal co-operation and a lack of conviction as to their viability were also a problem.
48. The developing countries should realize the need to promote their own human and technological resources and should adopt a more aggressive attitude with regard

(Mr. Martin, Paraguay)

to TCDC, abandoning the myth that everything from the North was always better and developing competitive local techniques that could be successfully exported to other countries with a comparable level of development.

49. Paraguay had always maintained very close relations with neighbouring countries, in all areas. That policy had led to intensive and constant technological exchanges which had recently been further increased through the joint realization of the major hydroelectric projects at Itaipu and Yacyreta, with Brazil and Argentina respectively.

50. As indicated in UNDP document TCDC/5/3, Paraguay had already started to provide TCDC services. With a view to promoting that activity, it was currently endeavouring to identify higher centres of learning in Paraguay and to carry out a survey of the country's human resources. As part of those efforts, which required the co-operation of international bodies and friendly States, Paraguay had stepped up its contacts with countries in the region with a view to preparing bilateral legal instruments that could govern scientific and technological exchanges.

51. If the developing countries were to harness their vast human and technological potential for the purposes of their development, they would have to devote to technical co-operation activities financial resources which matched them in importance. International organs should therefore allocate a more significant share of their resources to TCDC, and bodies such as UNDP should publicize the possibilities available in that field. Furthermore, the institutions responsible for those activities should be strengthened and the units of the international bodies which dealt with them should be developed, if necessary at the expense of traditional co-operation activities.

AGENDA ITEM 86: SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE: REPORTS OF THE SECRETARY-GENERAL (continued) (A/C.2/42/L.16/Rev.1 and A/C.2/42/L.25/Rev.1)

Draft resolutions A/C.2/42/L.16/Rev.1 and A/C.2/42/L.25/Rev.1

52. Mr. GAJENTAAN (Netherlands), Vice-Chairman of the Committee, said that no consensus on draft resolution A/C.2/42/L.16/Rev.1 had been reached during informal consultations. Informal consultations had also been held on the draft resolution relating to special economic assistance to Central America (A/C.2/42/L.25/Rev.1), but the sponsors, which had been joined by Austria, would like the decision on the draft resolution to be postponed.

53. The CHAIRMAN said that, if there was no objection, he would take it that the Committee wished to postpone consideration of draft resolution A/C.2/42/L.25/Rev.1.

54. It was so decided.

55. Mr. BENMOUSSA (Morocco) said that his delegation had joined the sponsors of draft resolution A/C.2/42/L.16/Rev.1.

56. A vote was taken on draft resolution A/C.2/42/L.16/Rev.1.

57. Draft resolution A/C.2/42/L.16/Rev.1 was adopted by 123 votes to none, with 1 abstention.

58. Mr. MacARTHUR (United States of America), speaking in explanation of vote after the vote, said that the draft resolution which had just been adopted involved two separate issues. One issue concerned the provision of economic assistance to the southern African region. The United States had made sizeable contributions in that connection, having provided \$52.8 million to the member countries of the South African Development Co-ordination Conference (SADCC), under its regional programme, and \$210.6 million to SADCC member countries and South African citizens disadvantaged by apartheid, under its bilateral economic and humanitarian assistance programmes.

59. However, the resolution dealt with a second question which troubled the United States. The idea that such assistance should compensate for "the effects of economic measures taken by South Africa or by the international community against South Africa" was not acceptable. The United States had repeatedly expressed its opposition to the adoption of comprehensive and mandatory sanctions. Such sanctions, if properly enforced, would very likely provoke South Africa to take countermeasures which would be particularly harmful to the front-line States. It was certainly important to remedy the economic and political effects of apartheid in southern Africa, but that should be done by adopting constructive measures rather than by making ineffective and often counter-productive attempts to isolate the countries of southern Africa from South Africa, on which their economic survival depended.

60. Mr. ZIELINSKI (Poland), speaking on behalf of the Byelorussian SSR, Bulgaria, Czechoslovakia, Hungary, Mongolia, the Ukrainian SSR and the Union of Soviet Socialist Republics, said that they had voted for the draft resolution because of the need to take more effective measures against the Pretoria régime and to eliminate apartheid as soon as possible.

61. Mr. BIHAMIRIZA (Burundi), Mrs. de WHIST (Ecuador), Mr. LUCAS (Guinea), Mr. FERNANDEZ (Liberia), Mr. UMER (Pakistan), Mr. MAYIRA (Rwanda) and Mr. GHONDA (Zaire) said that, had they been present during the voting, they would have voted in favour of draft resolution A/C.2/42/L.16/Rev.1.

AGENDA ITEM 84: TRAINING AND RESEARCH: UNITED NATIONS INSTITUTE FOR TRAINING AND RESEARCH: REPORT OF THE SECRETARY-GENERAL (continued) (A/42/354, A/42/694)

62. Mr. DJOUDI (Algeria) said that his delegation echoed the call made at the twenty-third Conference of Heads of State and Government of the Organization of African Unity (OAU) in favour of continuing the activities of the United Nations Institute for Training and Research (UNITAR). Although the implementation of the restructuring plan adopted by the General Assembly in its resolution 41/172 had got off to a promising start, the viability of the Institute remained uncertain because of insufficient financial support from the principal donor countries. The

(Mr. Djoudi, Algeria)

Institute was therefore constantly faced with threats which, if they materialized, would be economically ruinous and politically dangerous. Moreover, the reallocation of the activities of UNITAR to other entities of the United Nations system could not in itself eliminate the causes of the crisis or guarantee the continuation of the Institute's original objectives. His delegation supported unreservedly the Secretary-General's recommendations and would not fail to demonstrate, by its financial support, the importance which it attached to the Institute's activities.

63. Mr. SHAABAN (Egypt) said that, in July 1987, the OAU Conference of Heads of State and Government had adopted a resolution which reaffirmed Africa's full support for the Institute's activities. Egypt, which had voted in favour of that resolution, had always supported UNITAR, both financially and morally. At the forty-first session of the General Assembly, Egypt had proposed the establishment of a working group to draw up concrete restructuring proposals, and had co-ordinated the consultations which had led to the adoption by consensus of resolution 41/172, entitled "Restructuring plan for the United Nations Institute for Training and Research".

64. The Secretary-General's report (A/42/694) sought to demonstrate that several measures envisaged in General Assembly resolution 41/172 regarding the programme as well as the financing and administration of the Institute had been implemented. Unfortunately, as had become clear at the Pledging Conference, many delegations had thought otherwise, and that was also the opinion of his delegation. With regard to the measures which had to be implemented gradually, likewise, the arguments advanced were not convincing. Annexes III and IV of the report contained a labyrinth of figures whose examination fell more within the competence of the Advisory Committee on Administrative and Budgetary Questions or the Budget Division than of the Second Committee. However, it was interesting to note that the estimates for contributions for 1987 had not been made on the basis of precise commitments. The projections made for announced contributions had not materialized, and the budget deficit was on the order of \$680,000 for 1987 alone. It was also interesting and distressing to note that the United Nations, which was undergoing a financial crisis, had been advancing money to UNITAR to meet its operational needs.

65. Finally, with regard to the conclusions and recommendations of the report, (A/42/694), Egypt was in favour of the sale, as soon as possible, of the UNITAR building. Once the Institute's debts were repaid, the balance from the sale should be deposited in a reserve fund whose use would be specified at a later date, taking into account the wishes of the donors of the Institute's building. The reserve fund should not be used to fill the gap in the Institute's budget deficit, otherwise the fund would be depleted in five or six years. However, his delegation believed that it was extremely difficult, even impossible, to concur with the recommendation to continue the operations of UNITAR on a trial basis, with the same administrative structure and maintaining its programme, since the pledges made at the recent Pledging Conference did not even cover 25 per cent of the budget required for a minimum programme for 1988. It would be desirable if UNITAR was

(Mr. Shaaban, Egypt)

able to continue its activities, which were very useful. However, since that seemed impossible, his delegation proposed that the General Assembly request the Secretary-General to reallocate the Institute's research activities to one or several autonomous bodies of the United Nations system, and the training activities to a new institute, also autonomous, which would maintain the acronym "UNITAR" and to which the assets and liabilities of the current Institute would be transferred. The training programmes of the new UNITAR would be financed by voluntary contributions, special-purpose grants and any other available resources. The current staff would be made available to the new UNITAR, as would, at no cost to the Institute's General Fund, the services of fellows on training, and the Secretary-General could be requested to find, as early as possible, other posts for all those staff members who would be released.

66. His delegation was prepared to participate actively with other delegations in the formulation of specific proposals to be submitted to the Committee. It proposed that, as in 1986, no draft resolution be officially submitted, so as not to prejudice the outcome of informal consultations and invited interested delegations to participate in informal and formal consultations in the hope that members of the Committee would eventually find the most satisfactory solution. As Vice-Chairman of the Committee responsible for co-ordinating consultations on that item, he would, in order to maintain his neutrality, prefer Mr. Otobo of the Nigerian delegation to co-ordinate the consultations and to report back on the outcome.

67. The CHAIRMAN, noting that several representatives wished to speak on the proposals submitted by the representative of Egypt, read out in that connection rule 116 of the rules of procedure of the General Assembly.

68. Mr. ENGO (Cameroon) said that the representative of Egypt had not submitted a formal proposal, as he had not invoked the rules of procedure, but had merely made an appeal.

69. The Egyptian proposal was unlikely to win the support of the majority of the delegations which wished to state their views, either during the discussions in the Committee or in the draft resolutions to be submitted. A serious question was involved relating to the future of a United Nations body, and a full-fledged debate was needed in which all would have the opportunity to state their positions. His delegation could not agree to a procedure requiring sovereign Member States to refrain from submitting draft resolutions, ostensibly so as to avoid prejudicing the outcome of informal consultations. It therefore asked the representative of Egypt not to insist on his proposal.

70. Mr. ELGHAOUT (Mauritania) endorsed the comments made by the representative of Cameroon. While he recognized that the holding of formal and informal consultations might help formulate a draft resolution that could be adopted by consensus, he noted that the representative of Egypt had simply made an appeal - and one which was not new - and that delegations were free to accept or reject it. However, he could not agree to a vote being taken on the proposal by the representative of Egypt, since it was not a motion.

71. Mr. OLUKANNI (Nigeria) said it was for the time being somewhat difficult to approve the proposal by the Egyptian delegation that a representative of Nigeria, Mr. Otobo, should hold informal consultations with a view to reaching agreement. Since there could be no question at the present stage of putting the proposal to the vote, he proposed that its consideration should be deferred so that consultations could take place on the subject.

72. Mr. SHAABAN (Egypt) said that he did not wish a vote to be taken; his proposal had been simply an appeal made in a constructive spirit. Indeed, at the previous session, the fact that no formal proposal had been submitted had enabled the views of all delegations to be heard, both those in favour of closing UNITAR and those recommending its restructuring.

73. He warned the Committee against any attempts to impose a solution through draft resolutions not emanating from the representatives themselves. The restructuring plan adopted at the previous session had reflected the wishes of the sovereign Member States, and he had hoped that the same would apply to the current session. Such had been the aim of his proposal. However, in order to take into account the objections made by some delegations, he announced that he was withdrawing his proposal in its entirety.

74. Mr. ESSY (Côte d'Ivoire) said he was surprised that the general discussion, which should proceed in the normal way, had been interrupted in an attempt to have members of the Committee take a decision on the proposal submitted by one delegation. He was even more surprised to learn that certain decisions had apparently been taken not by the Member States but by forces outside the Committee.

75. Mr. SHAABAN (Egypt), speaking on a point of order, said that the accusation just levelled against his delegation was unjustified. He reiterated that no formal proposal had been submitted; he had merely concluded his intervention with an appeal. Should that accusation be repeated, he would be obliged to ask delegations to resume their examination of the substantive question.

76. Mr. ESSY (Côte d'Ivoire), continuing his remarks, said that his delegation subscribed unreservedly to the conclusions of the report of the Secretary-General (A/42/694), which were in accordance with the provisions of General Assembly resolution 41/172 on the restructuring plan for UNITAR. The sale of the Institute's property should give it greater financial stability while enabling it to repay its debts to the United Nations.

77. The disenchantment apparent with UNITAR was a consequence of the international economic crisis. It was, however, paradoxical that, in a period of crisis in the growth of the United Nations, when multilateralism was being called in question and UNITAR's research and analysis work and training activities in the field of multilateral co-operation were proving more valuable than ever, it should be necessary to forgo such a precious source of reflection which was essential to the Organization's vitality. His delegation was sure that Committee members would understand what was really at stake, which included the position and role of UNITAR today, and earnestly called for the adoption of a draft resolution endorsing the Secretary-General's conclusions.

78. Mr. ITO (Japan) said that his delegation had mixed feelings about the Secretary-General's report (A/42/694). While still hoping that it would be possible to avoid the worst-case scenario and that it would not be necessary to phase out the Institute's activities, Japan believed that vigilance must be maintained, since there had been no apparent improvement since the adoption of General Assembly resolution 41/172, particularly in respect of ensuring the necessary financing for UNITAR.
79. Japan, which supported the thrust of the recommendation put forward by the Secretary-General, believed that all the parties concerned - donor countries, the Secretary-General and, above all, UNITAR - must make further efforts to mobilize resources, vigorously pursue the restructuring plan and take all further necessary measures to revitalize and streamline the Institute's activities, in the most cost-effective manner possible, with a view to attracting the widest moral and financial support.
80. Japan completely endorsed the Secretary-General's proposal that steps should be taken to proceed as rapidly as possible with the acquisition of the land and the subsequent sale of the entire property of the UNITAR building and therefore urged the Secretary-General and UNITAR to maintain close co-operation and consult frequently in order to ensure smooth implementation of the decision in question. On the other hand, on the issue of the Hong Kong agreement, Japan was disappointed at the unsatisfactory outcome of the negotiations conducted by the Executive Director, whose tireless efforts had proved to be in vain.
81. Since UNITAR had no choice other than to continue its operations on a trial basis, and on the basis of paid-in contributions by Governments, Japan urged the Secretary-General to further pursue the implementation of the restructuring plan and to continue to monitor developments closely so that UNITAR would survive the current difficult period and secure a healthy, long-term base. It was vitally important for UNITAR to remedy the imbalance between administrative costs and programme delivery costs. The Secretary-General should pursue that goal, bearing in mind the disappointing outcome of the recent pledging conference and the need to review the composition and grading of the entire staff.
82. With regard to the core programme of UNITAR activities, which was to be financed from the General Fund, Japan wished to encourage the Institute to adhere to its policy of gradually shifting emphasis from research to training, particularly for the benefit of developing countries. Where research was concerned, Japan noted the importance of projects relating to ways and means of enhancing the effectiveness of the United Nations system as a whole, particularly in the light of the ongoing review of intergovernmental structures in the economic and social fields. Lastly, UNITAR must give careful consideration to avoiding duplication of and overlapping with the activities of other organs in the system.
83. Japan reaffirmed its unflinching support for UNITAR and hoped that the Institute would be able to live up to delegations' expectations.

Rights of reply

84. Mr. MacARTHUR (United States of America), speaking in exercise of the right of reply under agenda item 82, said that it was regrettable that the representative of Nicaragua should have seen fit to make a blatantly political and tendentious statement that could not but have an adverse effect on the Committee's work. The trade embargo imposed by the United States on the Sandinist régime had been declared lawful by GATT, which was the competent organ. In fact, the issue of the embargo had been raised merely as a pretext for endeavouring to make the Committee into a forum for a political debate.

85. The representative of Nicaragua had referred several times to the resolution calling for the preparation of a report on the trade embargo. The resolution and report in question merely reflected the wording of the resolution on coercive economic practices and thus represented a waste of resources. The Committee's work would be compromised, if some delegations persisted in raising inappropriate issues merely in order to achieve political ends.

86. An effort was being made to advance the Central American peace process. Various parties were demonstrating a willingness to negotiate, and the Sandinist régime had made a commitment to restore human rights. All those factors pointed to a positive outcome, and it would therefore be a waste of time for the Committee to consider issues that were better handled elsewhere.

87. Mr. VILCHEZ (Nicaragua), speaking in exercise of the right of reply, said that as always, for lack of sound arguments, the United States delegation was seeking to distract attention from a specific and objective case that was well known to the entire international community and had been considered by the Committee and in the plenary meeting at the two previous sessions of the General Assembly. The issue in question was the trade embargo imposed on Nicaragua, which had been declared unlawful by the International Court of Justice.

88. As a matter of principle, his delegation would continue to raise the issue as long as the United States continued the embargo. The best way for the United States to provide actual proof of its supposed support for the concerted effort on the part of the Central American countries to achieve peace would be to lift the unjust trade embargo imposed on Nicaragua. His delegation hoped that the United States Government would finally realize that its current policy could not produce positive results and that its threats did not frighten Nicaragua.

89. Mr. MacARTHUR (United States of America), speaking in exercise of the right of reply, once again, said that the time that his delegation and the Nicaraguan delegation had taken to exercise their right of reply could have been devoted to hearing another speaker's statement on the issue of UNITAR.

The meeting rose at 6.25 p.m.