



General Assembly

Distr. GENERAL

A/42/821/Add.1 9 December 1987

ORIGINAL: ENGLISH

Forty-second session Agenda item 82 (a)

DEVELOPMENT AND INTERNATIONAL ECCNOMIC CO-OPERATION:
TRADE AND DEVELOPMENT

Report of the Second Committee (Part II)

Rapporteur: Mr. Seyed Mojtaba ARASTOO (Islamic Republic of Iran)

I. INTRODUCTION

1. The Second Committee held a substantive debat; on item 82 (see A/42/821, para. 2). Action to be taken on sub-item (a) was considered at the 38th, 39th, 42nd and 43rd meetings, on 16, 17, 20 and 27 November 1987. An account of the Committee's general discussion of the item is contained in the relevant summary records (A/C.2/42/SR.38, 39, 42 and 43).

II. CONSIDERATION OF PROPOSALS

A. Draft resolution A/C.2/42/L.56

- 2. At the 39th meeting, on 17 November, the Vice-Chairman of the Committee, Mr. Mohamed Shaaban (Egypt), introduced a draft resolution (A/C.2/42/L.56) entitled "International Code of Conduct on the Transfer of Technology", based on informal consultations.
- 3. At the same meeting, the Committee adopted draft resolution A/C.2/42/L.56 without a vote (see para. 44, draft resolution I).

B. Draft resolution A/C.2/42/L.50

4. At the 38th meeting, on 16 November, the representative of <u>Guatemala</u>, on behalf of the States Members of the United Nations that were members of the Group of 77, introduced a draft resolution (A/C.2/42/L.50) entitled "Economic measures as a means of political and economic coercion against developing countries".

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- 5. At the 42nd meeting, on 20 November, the Vice-Chairman of the Committee, Mr. Mohamed Shaaban (Egypt) made a statement in which he informed the Committee of the outcome of the informal consultations held on the draft resolution.
- 6. Before the adoption of the draft resolution, the representative of Israel made a statement (see A/C.2/42/SR.42).
- 7. At the same meeting, the Committee adopted draft resolution A/C.2/42/L.50 by 103 votes to 21, with 4 abstentions (see para. 44, draft resolution II).
- 8. After the adoption of the draft resolution, statements were made by the representatives of Denmark (on behalf of the States Members of the United Nations that were members of the European Community) and Poland (also on behalf of Bulgaria, the Byelorussian Soviet Socialist Republic, Czechoslovakia, the German Democratic Republic, Hungary, Mongolia, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics) (see A/C.2/42/SR.42).

C. Draft resolution A/C.2/42/L.52

9. At the 38th meeting, on 16 November, the representative of <u>Guatemala</u>, on behalf of the States Members of the United Nations that were members of the Group of 77, introduced a draft resolution (A/C.2/42/L.52) entitled "International conference on money and finance for development", which read as follows:

"The General Assembly,

"Recognizing the need for a suitable monetary and financial system supportive of a balanced and equitable development of the world economy,

"Recognizing also the need for the international monetary and financial system to address the particular needs of development of the developing countries.

"Emphasizing that the structura! deficiencies and shortcomings in the existing monetary and financial system call for its comprehensive review and reform so that it can respond to the needs of the 1980s and beyond,

"Noting the increasing recognition of the need for the convening of an invernational conference on money and finance for development,

"Bearing in mind the proposals of the Eighth Conference of Heads of State or Government of Non-Aligned Countries, held at Harare from 1 to 6 September 1986 1/ and the Sixth Ministerial Meeting of the Group of 77, held at Havana in April 1987, for the convening of an international conference on money and finance for development, and proposals made on this subject by other countries,

^{1/} See A/41/697-S/18392, annex.

- "1. Requests the Secretary-General to undertake consultations at an appropriately high level on the terms of reference, format and time-frame of an international conference on money and finance for development, with a view to the convening of an intergovernmental committee to start the preparatory process by April 1988;
- "2. Calls upon the Secretary-General to make available, in consultation with all relevant organs, organizations and bodies of the United Nations system and other relevant international organizations, the necessary documentation for the preparatory body:
- "3. Requests the Secretary-General to submit an initial report on the preparatory process to the Economic and Social Council at its second regular session of 1988, and to submit a subsequent report thereon to the General Assembly at its forty-third session."
- 10. On 19 November, a statement was circulated on the programme budget implications of draft resolution A/C.2/42/L.52, submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly, and contained in document A/C.2/42/L.68.
- 11. At the 42nd meeting, on 20 November, the Vice-Chairman of the Committee, Mr. Mohamed Shaaban (Egypt), made a statement in which he informed the Committee of the outcome of informal consultations held on draft resolution A/C.2/42/L.52.
- 12. At the same meeting, on the proposal of the representative of <u>Guatemala</u>, on behalf of the States Members of the United Nations that were members of the Group of 77, the Committee decided to recommend to the General Assembly that it should defer until its forty-third session consideration of draft resolution A/C.2/42/L.52 (see para. 45, draft decision I).

D. Draft resolutions contained in document A/C.2/42/L.5 and 6

- 13. By its decision 41/436 of 5 December 1986, the General Assembly, on the recommendation of the Second Committee, decided to defer until its forty-second session consideration of the draft resolution entitled "Commodities" (see A/C.2/42/L.5).
- 14. By its decision 41/437 of 5 December 1986, the General Assembly, on the recommendation of the Second Committee, decided to defer until its forty-second session consideration of the draft resolution entitled "Protectionism and structural adjustment" (see A/C.2/42/L.6).
- 15. At the 43rd meeting, on 27 November, the Vice-Chairman of the Committee Mr. Mohamed Shaaban (Egypt), made a statement in which he informed the Committee that no informal consultations had been held on these draft resolutions.
- 16. The representative of Guatemala, on behalf of the States Members of the United Nations that were members of the Group of 7?, made a statement in which he proposed

that the draft resolutions contained in documents A/C.2/42/L.5 and L.6 should be referred to the General Assembly at its forty-third session for consideration.

17. At the same meeting, following statements by the representatives of the United States of America and Guatemala (on behalf of the States Members of the United Nations that were members of the Group of 77), the Committee decided to recommend to the General Assembly that it should defer until its forty-third session consideration of the draft resolutions contained in documents A/C.2/42/L.5 and L.6 (see Para. 45, draft decision II).

E. Draft resolution contained in document A/C.2/42/L.7

18. By its decision 41/441 of 5 December 1986, the General Assembly, on the recommendation of the Second Committee, decided to transmit to its forty-second session for consideration the draft resolution entitled "International Conference on Money and Finance for Development" (see A/C.2/42/L.7), which read as follows:

"The General Assembly,

"Recognizing the need for a suitable international monetary and financial system supportive of a balanced and equitable development of the world economy,

"Recognizing also the need for the international monetary and financial system to address the particular needs of development of the developing countries,

"Emphasizing that the structural deficiencies and shortcomings in the existing monetary and financial system call for its comprehensive review and reform so that it could respond to the needs of the 1980s and beyond.

"Noting the increasing recognition of the need for the convening of an International Conference on Money and Finance for Development,

"Bearing in mind the proposals of the Eighth Conference of Heads of State or Government of Non-Aligned Countries, held at Harare in August/September 1986 and the Fifth Ministerial Meeting of the Group of 77, held at Buenos Aires in March/April 1983, for the convening of an International Conference on Money and Finance for Development, and proposals made on this subject by other countries,

"1. Requests the Secretary-General to undertake consultations at an appropriately high level on the terms of reference, format and time-frame of an International Conference on Money and Finance for Development, with a view to the convening of an intergovernmental ommittee to commence the preparatory process by April 1987;

- "2. Calls upon the Secretary-General to make available, in consultation with all relevant organs, organizations and bodies of the United Nations system and other relevant international organizations, the necessary documentation for the preparatory body;
- "3. Requests the Secretary-General to submit an initial report on the preparatory process to the Economic and Social Council at its second regular session of 1987, and to submit a subsequent report to the General Aswembly at its forty-second session."
- 19. At the 43rd meeting, on 27 November, the Vice-Chairman of the Committee Mr. Mohamed Shaaban (Egypt), made a statement in which he informed the Committee that no informal consultations had been held on the draft resolution.
- 20. The representative of Guatemala then proposed, on behalf of the States Members of the United Nations that were members of the Group of 77, that, in the light of the draft decision adopted in connection with draft resolution A/C.2/42/L.52 (see paras. 9-12 above, and draft decision I), no action should be taken on the draft resolution contained in document A/C.2/42/L.7.
- 21. At the same meeting, the Committee decided to recommend to the General Assembly that no action should be taken on the draft resolution contained in document A/C.2/42/L.7 (see para. 45, draft decision III).

F. Draft resolutions A/C.2/42/L.54 and L.54/Rev.1

22. At the 38th meeting, on 16 November, the representative of Nepal introduced a draft resolution (A/C.2/42/L.54) entitled "Specific action related to the particular needs and problems of land-locked developing countries", on behalf of Afghanistan, Bangladesh, Bhutan, Bolivia, Burundi, the Lao People's Democratic Republic, Lesotho, Mali, Mongolia, Nepal, Paraguay, Rwanda, Swaziland, Uganda and Zambia, subsequently joined by Burkina Faso. The draft resolution read as follows:

"The General Assembly,

"Reiterating the specific actions related to the particular needs of the land-locked developing countries set out in United Nations Conference on Trade and Development resolutions 63 (III) of 19 May 1972, 2/98 (IV) of

^{2/} See Proceedings of the United Nations Conference on Trade and Development, Third Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.73.II.D.4), annex I.A.

31 May 13/6, 3/ 123 (V) of 3 June 1979 4/ and 137 (VI) of 2 July 1983 5/ and Trade and Development Board resolution 319 (XXXI) of 27 September 1985, 6/

"Recalling the provisions of its resolutions 31/157 of 21 December 1976, 32/191 of 19 December 1977, 33/150 of 20 December 1978, 34/198 of 19 December 1979, 35/58 of 5 December 1980, 36/175 of 17 December 1981, 39/209 of 18 December 1984 and 40/183 of 17 December 1985 and other resolutions of the United Nations relating to the particular needs and problems of land-locked developing countries,

"Bearing in mind that the land-locked developing countries, most of which are also least developed, have been severely hit by the current socio-economic crisis.

"Recalling the United Nations Convention on the Law of the Sea, 7/ adopted on 10 December 1982,

"Bearing in mind the report of the Ad Hoc Group of Experts to Study Ways and Means of Improving Transit-transport Intrastructures and Services for Land-locked Developing Countries, 8/

"Recognizing that the lack of territorial access to the sea, aggravated by remoteness and isolation from world markets, and the prohibitive transit, transport and trans-shipment costs and risks impose serious constraints on export earnings, private capital inflow and domestic resource mobilization of the land-locked developing countries and therefore adversely affecting their growth and socio-economic development,

"Noting with concern that the measures taken thus far have not adequately addressed the problems of land-locked developing countries,

^{3/} Ibid., Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

^{4/} Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

^{5/} Ibid., Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

^{6/} See Official Records of the General Assembly, Fortieth Session, Supplement No. 15 (A/40/15), vol. II, sect. I.

^{7/} Official Records of the Third United Nations Conference on the Law of the Sea, vol. XVII (United Nations publication, Sales No. E.84.V.3), document A/CONF.62/122.

^{8/} Official Records of the Trade and Development Board, Twenty-ninth Session, Annexes, agenda item 6, document TD/B/1002.

- "1. Reaffirms the right of access of land-locked countries to and from the sea and freedom of transit through the territory of transit States by all means of transport, in accordance with article 125 of the United Nations Convention on the Law of the Sea;
- "2. Appeals to all States, international organizations and financial institutions to implement, as a matter of urgency and priority, the specific actions related to the particular needs and problems of land-locked developing countries envisaged in United Nations Conference on Trade and Development resolutions 63 (III), 98 (IV), 123 (V) and 37 (VI), in the International Development Strategy for the Third United Nations Development Decade, 9/ in the Substantial New Programme of Action for the 1980s for the Least Developed Countries 10/ and in other relevant resolutions of the United Nations;
- "3. Urges the international community, in particular donor countries and multilateral financial and development organizations, to provide land-locked and transit developing countries with appropriate financial and technical assistance in the form of grants or concessional loans for the construction, maintenance and improvement of their transport and transit infrastructures and facilities, including alternative routes;
- "4. <u>Invites</u> transit countries and the land-locked developing countries to co-operate effectively in harmonizing transit-transport planning and in promoting other joint ventures in the field of transport and communication at the regional, subregional and bilateral levels;
- "5. Urges the international development bodies, in particular the United Nations Development Programme, the United Nations Conference on Trade and Development and the regional commissions, to further expand their support, which should include technical assistance programmes in the transit-transport and communication sectors of the land-locked developing countries;
- "6. Appeals to the international community to make available to all transit and land-locked developing countries, as required, at nominal or no cost, new scientific and technological know-how relating to specific transit-transport and communication problems;
- "7. Invites the United Nations Conference on Trade and Development, the regional commissions and other appropriate bilateral and multilateral financial and technical assistance institutions to assist in implementing the recommendations of the Ad Hoc Group of Experts to Study Ways and Means of Improving Transit-transport Infrastructures and Services for Land-locked Developing Countries;

^{9/} Resolution 35/56, annex.

^{10/} Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

- "8. Welcomes the report of the Secretary-General of the United Nations Conference on Trade and Development on progress in the implementation of specific action related to the particular needs and problems of land-locked developing countries, 11/ submitted pursuant to resolution 40/183, and requests him to prepare another report on the adverse effects of the disadvantageous geographical situation on their development, taking into account the special circumstances of individual land-locked developing countries, for submission to the General Assembly at its forty-fourth session."
- 23. At the 43rd meeting, on 27 November, the Vice-Chairman of the Committee, Mr. Mohamed Shaaban (Egypt), made a statement in which he informed the Committee of the outcome of informal consultations on the draft resolution, and drew the Committee's attention to a revised draft resolution (A/C.2/42/L.54/Rev.1) submitted by the sponsors, subsequently joined by Botswana.
- 24. The representative of India requested a separate vote on operative paragraph 1 of the revised draft resolution and made a statement in explanation of vote before the vote. The representative of Pakistan also made a statement in explanation of vote before the vote (see A/C.2/42/SR.43).
- 25. At the same meeting, the Committee took the following action on the revised draft resolution:
- (a) Operative paragraph 1 was adopted by a recorded vote of 110 to 1, with 21 abstentions. The voting was as follows: 12/
 - In favour:

 Afghanistan, Algeria, Argentina, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Cape Verde, Chile, China, Colombia, Congo, Costa Rica, Cuba, Cyprus, Czechoslovakia, Democratic Yemen, Ecuador, El Salvador, Ethiopia, Finland, France, Gabon, German Democratic Republic, Ghana, Greece, Guatemala, Guinea, Guinea-Bissau, Guyana, Honduras, Hungary, Iceland, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Israel, Italy, Jamaica, Jordan, Kuwait, Lao People's Democratic Republic, Lebanon, Lesotho, Liberia, Libyan Arab Jamahiriya, Luxembourg, Malaysia, Maldives, Mali, Malta, Mexico, Mongolia, Morocco, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Panama, Papua New Guinea, Paraguay, Peru,

^{11/} A/42/537, annex.

^{12/} Subsequently, the representative of Ecuador stated that her abstention on operative paragraph 1 of the revised draft resolution had erroneously registered as a vote in favour, and the representative of Malawi stated that, had he been present at the time of the voting, he would have voted in favour of operative paragraph 1 of the revised draft resolution.

Philippines, Poland, Portugal, Qatar, Rwanda, Saudi Arabia, Senegal, Singapore, Spain, Sri Lanka, Sudan, Suriname, Swaziland, Sweden, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Yugoslavia, Zaire, Zambia, Zimbabwe.

Against: United States of America.

Abstaining: Angola, Belgium, Benin, Burma, Côte d'Ivoire, Denmark, Egypt, Gambia, Germany, Federal Republic of, India, Japan, Kenye, Madagascar, Mauritania, Mozambique, Oman, Pakistan, Romania, Somalia, Turkey, United Kingdom of Great Britain and Northern Ireland.

(b) Draft resolution A/C.2/42/L.54/Rev.l as a whole was adopted by a recorded vote of 135 to 1 (see para. 44, draft resolution III). The voting was as follows: 13/

In favour:

Afghanistan, Albania, Algeria, Angola, Argentina, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Benin, Bhutan, Bolivia, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Cape Verde, Central African Republic, Chile, China, Colombia, Congo, Costa Rica, Côte d'Ivoire, Cuba, Cyprus, Czechoslovakia, Democratic Yemen, Denmark, Egypt, El Salvador, Ethiopia, Finland, France, Gabon, Gambia, German Democratic Republic, Germany, Federal Republic of, Ghana, Greece, Guatemala, Guinea, Guinea-Bissau, Guyana, Honduras, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Kuwait, Lao People's Democratic Republic, Levanon, Lesotho, Liberia, Libyan Arab Jamahiriya, Luxembourg, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Nepal, Netherlands, New Zealand, Nicaraqua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Romania, Rwanda, Samoa, Sao Tome and Principe, Saudi Arabia, Senegal, Sierra Leone, Singapore, Somalia, Spain, Sri Lanka, Sudan, Suriname, Swaziland, Sweden, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Yugoslavia, Zaire Zambia, Zimbabwe.

^{13/} The representative of Ecuador stated that her vote in favour of the revised draft resolution had not been registered.

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Against: United States of America.

Abstaining: None.

26. After the adoption of the draft resolution, statements were made by the representatives of Japan, Peru, the Islamic Republic of Iran, Turkey, Mauritania, Algeria, the United States of America, the Libyan Arab Jamahiriya and the United Kingdom of Great Britain and Northern Ireland (also on behalf of the Federal Republic of Germany) (see A/C.2/42/SR.43).

G. Draft resolution A/C.2/42/L.63

- 27. At the 42nd meeting, on 20 November, the representative of <u>Guatemala</u>, on behalf of the States Members of the United Nations that were members of the Group of 77, introduced a draft resolution (A/C.2/42/L.63) entitled "Seventh session of the United Nations Conference on Trade and Development".
- 28. At the 43rd meeting, on 27 November, the Vice-Chairman of the Committee, Mr. Mohamed Shaaban (Egypt), made a statement in which he informed the Committee of the outcome of informal consultations held on the draft resolution, and orally revised operative paragraph 2 on behalf of the sponsors by deleting the words "particularly those of the developed countries" and by replacing the words "sustained action" by the words "continuing action".
- 29. At the same meeting, the Committee adopted draft resolution A/C.2/42/L.63, as orally revised, without a vote (see para. 44, draft resolution IV).

H. Draft resolution A/C.2/42/L.67

- 30. At the 42nd meeting, on 20 November, the representative of Nicaragua introduced a draft resolution (A/C.2/42/L.67) entitled "Trade embargo against Nicaragua", on behalf of Algeria, the Congo, Democratic Yemen, Mexico, Nicaragua, Panama, Peru and Zimbabwe.
- 31. At the 43rd meeting, on 27 November, the Vice-Chairman of the Committee, Mr. Mohamed Shaaban (Egypt), made a statement in which he informed the Committee of the outcome of the informal consultations held on the draft resolution.
- 32. At the same meeting, the Committee adopted draft resolution A/C.2/42/L.67 by a recorded vote of 89 to 3, with 35 abstentions (see para. 44, draft resolution V). The voting was as follows:
 - In favour: Afghanistan, Albania, Algeria, Angola, Argentina, Australia, Austria, Bahamas, Barbados, Bolivia, Botswana, Brazil, Bulgaria, Burkina Faso, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Cape Verde, China, Colombia, Congo, Cuba, Cyprus, Czechoslovakia, Democratic Yemen, Denmark, Ethiopia, Finland, Gabon, German Democratic Republic, Ghana, Greece,

Guinea, Guinea-Bissau, Guyana, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Kenya, Kuwait, Lao People's Democratic Republic, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Mali, Malta, Mexico, Mongolia, Mozambique, New Zealand, Nicaragua, Nigeria, Borway, Pakistan, Panama, Peru, Philippines, Poland, Romania, Sao Tome and Principe, Senegal, Solomon Islands, Spain, Sudan, Suriname, Swaziland, Sweden, Trinidad and Tobago, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Yugoslavia, Zaire, Zambia, Zimbabwe.

Against: El Salvador, Israel, United States of America.

Abstaining: Bahrain, Bangladesh, Belgium, Brunei Darussalam, Canada, Central African Republic, Chile, Costa Rica, Côte d'Ivoire, Egypt, France, Gambia, Germany, Federal Republic of, Honduras, Italy, Jamaica, Japan, Jordan, Luxembourg, Nepal, Netherlands, Niger, Oman, Papua New Guinea, Paraguay, Portugal, Rwanda, Samoa, Saudi Arabia, Singapore, Sri Lanka, Togo, Tunisia, Turkey, United Kingdom of Great Britain and Northern Ireland.

33. Statements after the vote were made by the representatives of the United States of America, Canada, Israel, the Libyan Arab Jamahiriya, Poland (also on behalf of Bulgaria, the Byelorussian Soviet Socialist Republic, Czechoslovakia, Hungary, the German Democratic Republic, Hungary, Mongolia, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics) and Morocco (see A/C.2/42/SR.43).

I. Draft decision A/C.2/42/L.69

- 34. At the 42nd meeting, on 20 November, the representative of <u>Guatemala</u>, on behalf of the States Members of the United Nations that were members of the Group of 77, introduced a draft decision (A/C.2/42/L.69) entitled "International conference on money and finance".
- 35. At the 43rd meeting, on 27 November, the Vice-Chairman of the Committee, Mr. Mohamed Shaaban (Egypt), made a statement in which he informed the Committee of the outcome of informal consultations held on the draft decision.
- 36. At the same meeting, the Committee adopted draft decision A/C.2/42/L.69 by a recorded vote of 113 to 18, with 5 abstentions (see para. 45, draft decision IV). The voting was as follows: $\underline{14}$ /

¹⁴/ The representative of Liberia stated that, had he been present at the time of the voting, he would have voted in favour of the draft decision.

In favour:

Afghanistan, Albania, Algeria, Angola, Argentina, Bahamas, Bahrain, Bangladesh, Barbados, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Cape Verde, Central African Republic, Chile, China, Colombia, Congo, Costa Rica, Côte d'Ivoire, Cuba, Cyprus, Czechoslovakia, Democratic Yemen, Djibouti, Equador, Egypt, El Salvador, Ethiopia, Gabon, Gambia, Corman Democratic Republic, Ghana, Guatemala, Guinea, Guinea-Bissau, Guyana, Honduras, Hungary, India, Indonesia, Iran (Islamic Republic of), Iraq, Israel, Jamaica, Jordan, Kenya, Kuwait, Lao People's Democratic Republic, Lebanon, Lesotho, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Qatar, Romania, Rwanda, Sao Tome and Principe, Saudi Arabia, Senegal, Singapore, Somalia, Sri Lanka, Sudan, Suriname, Swaziland, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Yugoslavia, Zaire, Zambia, %imbabwe.

Against:

Australia, Austria, Belgium, Canada, Denmark, France, Germany, Federal Republic of, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, Portugal, Spain, United Kingdom of Creat Britain and Northern Ireland, United States of America.

Abstaining: Finland, New Zealand, Norway, Sweden, Turkey.

37. Statements after the adoption of the draft decision were made by the representatives of Denmark (on behalf of the States Members of the United Nations that were members of the European Community, and Peru.

J. Draft decision A/C. 2/42/L.66

- J8. At the 42nd meeting, on 20 November, the representative of <u>Guatemala</u>, on behalf of the States Members of the United Nations that were members of the Group of 77, introduced a draft decision (A/C.2/42/L.66) entitled "Preparation of summary records for the seventh session of the United Nations Conference on Trade and Development".
- 39. At the 43rd meeting, on 27 November, the Committee had before it a statement on the programme budget implications of draft decision A/C.2/42/L.66 submitted, by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly, and contained in document A/C.2/42/L.76.

- 40. The Vice-Chairman of the Committee, Mr. Mohamed Shaaban (Egypt), made a statement in which he informed the Committee of the outcome of the informal consultations held on draft decision A/C.2/42/L.66, and orally revised it on behalf of the sponsors by deleting the words "within available resources".
- 41. Following statements by the representatives of Denmark (on behalf of the States Members of the United Nations that were members of the European Community), New Zealand, Mexico, Norway, Peru, the United States of America, Poland, Mauritania, Morocco, Bulgaria, Algeria and Guatemala (on behalf of the States Members of the United Nations that were members of the Group of 77), as well as by the Secretary of the Committee and the Director-General for Development and International Economic Co-operation, who both replied to questions raised during the discussion, the representative of the United States of America requested that a vote be taken on the draft decision.
- 42. At the same meeting, the Committee adopted draft decision A/C.2/42/L.66, as orally revised, by a recorded vote of 108 to 1, with 22 abstentions (see para. 45, draft decision V). The voting was as follows: 15/
 - In favour:

Afghanistan, Albania, Algeria, Angola, Argentina, Bahamas, Bahrain, Bangladesh, Barbados, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Cape Verde, Central African Republic, Chile, China, Colombia, Congo, Côte d'Ivoire, Cuba, Cyprus, Czechoslovakie, Democratic Yemen, Djibouti, Ecuador, Egypt, Ethiopia, Finland, Gabon, Gambia, German Democratic Republic, Ghana, Guatemala, Guinea, Guyana, Honduras, India, Indonesia, Iran (Islamic Republic of), Irag, Jamaica, Jordan, Kenya, Kuwait, Lao People's Democratic Republic, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Qatar, Romania, Rwanda, Samoa, Saudi Arabia, Senegal, Singapore, Sri Lanka, Sudan, Suriname, Swaziland, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Yuqoslavia, Zaire, Zimbabwe.

Against:

United States of America.

Abstaining:

Australia, Austria, Belgium, Canada, Denmark, El Salvador, France, Germany, Federal Republic of, Greece, Iceland, Ireland, Israel, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, United Kingdom of Great Britain and Northern Ireland.

^{15/} The representative of El Salvador stated that his vote in favour of the draft decision had erroneously registered as an abstention.

43. After the adoption of the draft decision, statements were made by the representatives of Finland, the United States of America, Poland, the Union of Soviet Socialist Republics, Peru, Guatemala (on behalf of the States Members of the United Nations that were members of the Group of 77), Norway, Canada and New Zealand (see A/C.2/42/SR.43).

III. RECOMMENDATIONS OF THE SECOND COMMITTEE

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

DRAFT RESOLUTION I

International Code of Conduct on the Transfer of Technology

The General Assembly,

Recalling its resolution 41/166 of 5 December 1986 on an international code of conduct on the transfer of technology,

- 1. Takes note of the report of the Secretary-General of the United Nations Conference on Trade and Development on the consultations carried out in 1987 relating to the negotiations on an international code of conduct on the transfer of technology; 16/
- 2. Notes that the consultations could not be finalized in 1987 and that a number of suggestions were made in the course of the consultations concerning the possible solution to the issues outstanding in the draft code of conduct; 17/
- 3. Invites the Secretary-General of the United Nations Conference on Trade and Development and the President of the United Nations Conference on an International Code of Conduct on the Transfer of Technology to complete their consultations with regional groups and interested Governments with a view to identifying appropriate solutions to the issues outstanding in the draft code of conduct:
- 4. Further invites the Secretary-General of the United Nations Conference on Trade and Development to report to the General Assemby at its forty-third session if sufficient progress is made in the consultations referred to in paragraph 3 above, and to recommend, in the light of the consultations, any further action on the negotiations on a code of conduct, including the possible reconvening of the United Nations Conference on an International Code of Conduct on the Transfer of Technology.

^{16/} A/42/678.

^{17/} Ibid., paras. 8-16.

DRAFT RESOLUTION II

Economic measures as a means of political and economic coercion against developing countries

The General Assembly,

Recalling the relevant principles set forth in the Charter of the United Nations.

Recalling also its resolutions 2625 (XXV) of 24 October 1970, containing the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations, 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, and 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States,

Reaffirming article 32 of the Charter of Economic Rights and Duties of States, which declares that no State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights,

Bearing in mind the general principles governing international trade and trade policies for development contained in its resolution 1995 (XIX) of 30 December 1964, United Nations Conference on Trade and Development resolution 152 (VI) of 2 July 1983 18/ on rejection of coercive economic measures, and the principles and rules of the General Agreement on Tariffs and Trade and paragraph 7 (iii) of the Ministerial Declaration adopted on 29 November 1982 by the Contracting Parties to the General Agreement at their thirty-eighth session, 19/

Reaffirming its resolutions 38/197 of 20 December 1983, 39/210 of 18 December 1984, 40/185 of 17 December 1985 and 41/165 of 5 December 1986,

^{18/} Proceedings of the United Nations Conference on Trade and Development, Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

^{19/} See General Agreement on Pariffs and Trade, Basic Instruments and Selected Documents, Twenty-ninth Supplement (Sales No. GATT/1983-1), document L/5424).

Taking note of the report of the Secretary-General on the adoption and effects of economic measures taken by developed countries for coercive purposes, including their impact on international economic relations, 20/ and considering that further work should be undertaken in order to implement resolutions 38/197, 39/210, 40/185 and 41/165.

Gravely concerned that the use of coercive measures adversely affects the economies and development efforts of developing countries and that, in some cases, those measures have worsened, creating a negative impact on international economic co-operation,

- 1. Calls upon the international community to adopt urgent and effective measures in order to eliminate the use of coercive measures against developing countries, which have been increasing and have taken new forms;
- 2. <u>Deplores</u> the fact that some developed countries continue to apply and, in some cases, have increased the scope and magnitude of economic measures that have the purpose of exerting, directly or indirectly, coercion on the sovereign decisions of developing countries subject to those measures;
- 3. Reaffirms that developed countries should refrain from threatening or applying trade restrictions, blockades, embargoes and other economic sanctions, incompatible with the provisions of the Charter of the United Nations and in violation of u ertakings contracted multilaterally and bilaterally against developing countries as a form of political and economic coercion that affects their economic political and social development;
- 4. Requests the Secretary-General to prepare a comprehensive, in-depth report, to be submitted to the General Assembly at its forty-fourth session, on effective measures to eliminate the use of coercive measures against developing countries, mentioned in paragraph 1 above, and on the economic measures that adversely affect the development efforts of developing countries, mentioned in paragraph 3 above, taking into account existing information and including:
 - (a) Relevant information from Governments:
- (b) Information from all the pertinent organs and organizations of the United Nations system;
- (c) Suggestions for monitoring the application of the measures referred to in paragraph 3;
- (d) If he deems it appropriate, opinions and suggestions of competent internationally recognized experts in this field;

5. Appeals to Governments and to the pertinent organs and organizations of the United Nations system to provide the necessary information to the Secretary-General, so that he may prepare the report called for in paragraph 4 above.

DRAFT RESOLUTION III

Specific action related to the particular needs and problems of land-locked developing countries

The General Assembly,

Reiterating the specific actions related to the particular needs of the land-locked developing countries set out in United Nations Conference on Trade and Development resolutions 63 (III) of 19 May 1972, 21/98 (IV) of 31 May 1976, 22/123 (V) of 3 June 1979 23/and 137 (VI) of 2 July 1983 24/and Trade and Development Board resolution 319 (XXXI) of 27 September 1985, 25/

Recalling the provisions of its resolutions 31/157 of 21 December 1976, 32/191 of 19 December 1977, 33/150 of 20 December 1978, 34/198 of 19 December 1979, 35/58 of 5 December 1980, 36/175 of 17 December 1981, 39/209 of 18 December 1984 and 40/183 of 17 December 1985 and other resolutions of the United Nations relating to the particular needs and problems of land-locked developing countries,

Bearing in mind that the land-locked developing countries, most of which are also least developed, have been severely affected by the current socio-economic crisis,

^{21/} See Proceedings of the United Nations Conference on Trade and Development, Third Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.73.II.D.4), annex I.A.

^{22/} Ibid., Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

^{23/} Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

^{24/} Ibid., Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

^{25/} See Official Records of the General Assembly, Fortieth Session, Supplement No. 15 (A/40/15), vol. II, sect. I.

Recalling the relevant provisions of the Final Act of the seventh session of the United Nations Conference on Trade and Development, 26/

Recalling the United Nations Convention on the Law of the Sea, 27/adopted on 10 December 1982,

Noting that the report of the Ad Hoc Group of Experts to Study Ways and Means of Improving Transit-transport Infrastructures and Services for Land-locked Developing Countries 28/ and the recommendations therein, and the various views and comments of Governments on the report, could be a basis for an approach towards resolving the problems that the land-locked developing countries face,

Recognizing that the lack of territorial access to the sea, aggravated by remoteness and isolation from world markets, and prohibitive transit, transport and trans-shipment costs and risks impose serious constraints on export earnings, private capital inflow and domestic resource mobilization of the land-locked developing countries and therefore adversely affect their growth and socio-economic development,

Recognizing also that most transit countries are themselves developing countries facing serious economic problems, including the lack of adequate infrastructure in the transport sector,

Noting with concern that the measures taken thus far have not adequately addressed the problems of land-locked developing countries,

- 1. Reaffirms the right of access of land-locked countries to and from the sea and freedom of transit through the territory of transit States by all means of transport, in accordance with article 125 of the United Nations Convention on the Law of the Sea;
- 2. Appeals to all States, international organizations and financial institutions to implement, as a matter of urgency and priority, the specific actions related to the particular needs and problems of land-locked developing countries envisaged in United Nations Conference on Trade and Development resolutions 63 (III), 98 (IV), 123 (V) and 137 (VI) and the Final Act of the seventh session of the United Nations Conference on Trade and Development, in

^{26/} To be issued in Proceedings of the United Nations Conference on Trade and Development, Seventh Session, vol. I, Report and Annexes, para. 153.

^{27/} Official Records of the Third United Nations Conference on the Law of the Sea, vol. XVII (United Nations publication, Sales No. E.84.V.3), document A/CONF.62/122.

^{28/} Official Records of the Trade and Development Board, Twenty-ninth Session, Annexes, agenda item 6, document TD/B/1002.

the International Development Strategy for the Third United Nations
Development Decade, 29/ in the Substantial New Programme of Action for the
1980s for the Least Developed Countries 30/ and in other relevant resolutions
of the United Nations;

- 3. Urges the international community, in particular donor countries and multilateral financial and development organizations, to provide land-locked and transit developing countries with appropriate financial and technical assistance in the form of grants or concessional loans for the construction, maintenance and improvement of their transport and transit infrastructures and facilities, including alternative routes;
- 4. <u>Invites</u> transit countries and the land-locked developing countries to co-operate effectively in harmonizing transport planning and in promoting joint ventures, where appropriate, in the fields of transport and communications at the regional, subregional and bilateral levels;
- 5. <u>Urges</u> the international development bodies, in particular the United Nations Development Programme, the United Nations Conference on Trade and Development and the regional commissions, to further expand their support, including technical assistance programmes in the transport and communications sectors of the land-locked developing countries;
- 6. Appeals to the international community to make available to all transit and land-locked developing countries, as required and on appropriate terms, including concessional arrangements, new scientific and technological know-how relating to specific transit-transport and communication problems;
- 7. Appeals to the international community and, in particular, donor countries, multilateral financial and development institutions, the United Nations Conference on Trade and Development and the regional commissions, to extend all possible support to land-locked developing countries in their efforts to undertake economic measures and policies designed to promote a pattern of growth that renders their economies less vulnerable to adverse consequences of their land-locked situation;
- 8. <u>Welcomes</u> the report of the Secretary-General of the United Nations Conference on Trade and Development on progress in the implementation of specific action related to the particular needs and problems of land-locked developing countries, 31/ submitted pursuant to resolution 40/183, and

^{29/} Resolution 35/56, annex.

^{30/} Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

^{31/} A/42/537, annex.

requests him to prepare another report, taking into account the provisions of the present resolution, for submission to the General Assembly at its forty-fourth session.

DRAFT RESOLUTION IV

Seventh session of the United Nations Conference on Trade and Development

The General Assembly,

Recalling its resolutions 1995 (XIX) of 30 December 1964, as amended, 32/on the establishment of the United Nations Conference on Trade and Development as an organ of the General Assembly, 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, cortaining the Charter of Economic Rights and Duties of States, 3362 (S-VII) of 16 September 1975 on development and international economic co-operation and 35/56 of 5 December 1980, the annex to which contains the International Development Strategy for the Third United Nations Development Decade, and its decision 40/438 of 17 December 1985 concerning the review and appraisal of the implementation of the Strategy,

Recalling also its resolution 41/169 of 5 December 1986, in which it decided to convene the seventh session of the United Nations Conference on Trade and Development,

Having considered the Final Act of the seventh session of the United Nations Conference on Trade and Development, 33/

Taking note of Trade and Development Board decision 350 (XXXIV) of 16 October 1987, in which it was decided that the intergovernmental bodies of the United Nations Conference on Trade and Development should follow up and keep under review the implementation of the policies and measures in the Final Act falling within their terms of reference, 34/

Affirming the commitments made by Member States in the Final Act to reinvigorate and strengthen multilateral co-operation to promote and give effect to policies aimed at revitalizing development, growth and international trade,

³²/ See resolutions 2904 (XXVII), 31/2 A and b and 34/3.

^{33/} To be issued in <u>Proceedings of the United Nations Conference on Trade and Development</u>, Seventh Session, vol. I, <u>Report and Annexes</u>.

^{34/} To be issued in Official Records of the General Assembly, Forty-second Session, Supplement No. 15 (A/42/15), vol. II.

- 1. <u>Welcomes</u> the Final Act of the seventh session of the United Nations Conference on Trade and Development as a step forward in co-operation, negotiation and the international dialogue on development;
- 2. Urges all Governments, bearing in mind their particular contributions, commensurate with their economic weight, and their commitments as embodied in the Final Act, to give full and prompt effect to the policies and measures agreed therein, through continuing action, individually and collectively and in competent international organizations, in pursuit of the objective of revitalizing development, growth and international trade;
- 3. Requests the Trade and Development Board and the subsidiary organs of the United Nations Conference on Trade and Development to take the appropriate necessary action on the Final Act of the seventh session;
- 4. <u>Invites</u> all organs, organizations and bodies of the United Nations system to respond positively to the results of the seventh session of the United Nations Conference on Trade and Development within their respective fields of competence.

DRAFT RESOLUTION V

Trade embargo against Nicaragua

The General Assembly,

Recalling its resolutions 40/188 of 17 December 1985 and 41/164 of 5 December 1986, as well as its resolution 42/1 of 7 October 1987,

Taking note of the report of the Secretary-General on the trade embargo against Nicaragua, 35/

- 1. Deplores the continuation of the trade embargo contrary to General Assembly resolutions 40/188 and 41/164 and the Judgment of the International Court of Justice of 27 June 1986, and once again requests that those measures be immediately revoked;
- 2. Reguests the Secretary-General to report to the General Assembly at its forty-third session on the implementation of the present resolution.

45. The Second Committee recommends to the General Assembly the adoption of the following draft decisions:

DRAFT DECISION I

International conference on money and finance for development

The General Assembly decides to defer until its forty-third session consideration of the draft resolution entitled "International conference on money and finance for development". 36/

DRAFT DECISION II

Commodities and protectionism and structural adjustment

The General Assembly decides to defer until its forty-third session consideration of the draft resolutions entitled "Commodities" 37/ and "Protectionism and structural adjustment". 38/

DRAFT DECISION III

International Conference on Money and Finance for Development

The General Assembly decides to take no action on the draft resolution entitled "International Conference on Money and Finance for Development". 39/

DRAFT DECISION IV

International conference on money and finance

The General Assembly, noting with appreciation the report of the Secretary-General on the current international monetary situation, $\underline{40}$ / requests him to continue to monitor the international monetary situation and prepare an updated version of his report thereon for submission to the General

^{36/} A/C.2/42/L.52.

^{37/} See A/C.2/42/L.5.

^{38/} See A/C.2/42/L.6.

^{39/} See A/42/821/Add.1, para. 18.

^{40/} A/42/555.

Assembly at its forty-third session, and, in this regard, to provide updated information on the proposals for convening an international conference on monetary issues made in recent years by Governments, prominent persons and organizations.

DRAFT DECISION V

Preparation of summary records for the seventh session of the United Nations Conference on Trade and Development

The General Assembly approves the preparation of summary records for the seventh session of the United Nations Conference on Trade and Development for plenary meetings only in accordance with Trade and Development Board decision 344 (XXXIII) of 3 April 1987. 41/

^{41/} See Official Records of the General Assembly, Forty-second Session, Supplement No. 15 (A/42/15), vol. I, sect. II.A.