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> CONSOLIDATION AND PROGRESSIVE DEVELOPMENT OF THE PRINCIPLES AND NORMS OF INTERNATIONAL ECONOMIC LAW RELATING IN PARTICULAR TO THE LEGAL ASPECTS OF THE NEW INTERNATIONAL ECONOMIC ORDER

#### Report of the Secretary-General

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Assembly resolution 34/150

#### I. INTRODUCTION

1. At its thirty-fourth session, the General Assembly adopted, on 17 December 1979, resolution 34/150, entitled "Consolidation and progressive development of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order", which reads as follows:

#### The General Assembly,

Bearing in mind Article 13, paragraph 1 (a) of the Charter of the United Nations, in which the General Assembly is called upon to initiate studies and make recommendations for the purpose of encouraging the progressive development of international law and its codification,

<u>Noting</u> the relevant provisions of the Charter relating to international economic relations, in particular the promotion of social progress and better standards of life in larger freedom in the Preamble, the achievement of international co-operation in solving international problems of an economic, social, cultural or humanitarian character in Article 1, paragraph 3, and the promotion of higher standards of living, full employment and conditions of economic and social progress and development in Article 55,

<u>Recalling</u> its resolutions 2542 (XXIV) of 11 December 1969, containing the Declaration on Social Progress and Development, 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, and 2626 (XXV) of 24 October 1970, containing the International Development Strategy for the Second United Nations Development Decade

<u>Recalling further</u> its resolutions 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, containing the Charter of Economic Rights and Duties of States, and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation,

<u>Considering</u> that the Charter and the above-mentioned resolutions and declarations, as well as other resolutions and decisions adopted by bodies within the United Nations system and by conferences held under United Nations auspices relating to the establishment of the new international economic order, together contain principles and norms of international economic law which should govern economic relations between and among States of differing levels of development and different economic systems,

1. <u>Requests</u> the Secretary-General, in collaboration with the United Hations Institute for Training and Research and in co-ordination with the United Nations Commission on International Trade Law, to study the

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question of the consolidation and progressive development of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order, with a view to embodying them in one or more instruments, as appropriate;

2. <u>Invites Member States to submit their views on this question not</u> later than 31 July 1980;

3. <u>Further requests</u> the Secretary-General to submit to the General Assembly at its thirty-fifth session a preliminary report on his study and the views of Governments received, under the item entitled "Consolidation and progressive development of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order".

2. For the purpose of carrying out the tasks with which the Secretary-General is entrusted under paragraphs 1 and 3 of the resolution, it is useful first of all to trace the development which had led to the adoption of that resolution.

3. It may be recalled that the question dealt with in the resolution was originally raised at the thirtieth session of the General Assembly in 1975, in the course of its consideration of the item entitled "Report of the Economic and Social Council". On the recommendation of the Second Committee, the General Assembly took note of the draft resolution entitled "Consolidation and progressive evolution of the norms and principles of international economic development law" (A/C.2/L.1474/Rev.1) and decided to include that question as a separate item in the provisional agenda of its thirty-first session in the hope that it would be allocated to the Sixth Committee for consideration. 1/ At its thirty-first session, in 1976, the General Assembly included the item in its agenda, allocated it to the Sixth Committee and decided, by its decision 31/409 of 13 December 1976, on the recommendation of that Committee (A/31/398, para. 5), to include it in the provisional agenda of its thirty-second session. At its thirty-second session, in 1977, the General Assembly decided, by its decision 32/440 of 16 December 1977, to defer consideration of the item to the following session (A/32/465, para. 5). At the thirty-third session the Assembly again decided, by its decision 33/424 of 16 December 1978, to defer consideration of the said item, and to include it, under the present modified title, in the provisional agenda of the thirty-fourth session (A/33/484, para. 5). Thus, until the thirty-fourth session of the General Assembly no substantive discussion had been held on the item in the Sixth Committee and in plenary meeting.

4. Discussions held in the Sixth Committee at the thirty-fourth session of the General Assembly revealed a considerable amount of disagreement among the Member States on the very basic issues of whether to undertake any consolidation and progressive development of international economic law.

<sup>1/</sup> Official Records of the General Assembly, Thirtieth Session, Supplement No. 34 (A/10034), p. 77, item 12.

5. Many speakers expressed the view that there was an increasingly urgent need for a systematic effort to consolidate the numerous principles and norms of modern international law into an appropriate instrument that would govern the economic behaviour of States, international organizations, transnational enterprises and other entities. The view was expressed that the codification process must confirm and develop the important principles of the sovereign economic equality of States, permanent sovereignty over natural resources, equity and mutual assistance in economic relations, the co-operation of all States in efforts to achieve progress and development and to eliminate existing economic disparities, territorial integrity, non-interference in the internal affairs of other countries, non-use of force or the threat of force or any kind of economic coercion, peaceful settlement of all disputes among States, including economic disputes. Support was voiced for the initiative on the part of the sponsor of the resolution of drafting an international convention or such other instrument as might be appropriate which would embody the legal principles and norms of international economic law relating in particular to the legal aspects of the new international economic order. It was also felt that in the light of the preliminary report which the Secretary-General was requested to submit to the thirty-fifth session of the General Assembly, the Sixth Committee could decide how best to proceed with the codification process of the subject.

6. Many other delegations, however, felt that it would be premature to proceed with the drafting of such an international convention, as was proposed in the original draft resolution (A/C.6/34/L.17) because the question required more thorough discussion in the Sixth Committee. It was felt also that the time had not yet come to discuss the idea of drafting an international convention or other instrument relating to the legal aspects of the new international economic order since there were profound differences between various States and groups of States with regard to the definition of that concept. Such an undertaking would, in fact, probably be a disservice to the continuous process of negotiations on the subject, and might be counterproductive.

7. The codification in one form or another of the economic rights and duties of States was not viewed as a satisfactory formula for dealing with the problem because, it was stated, such action would call into question the value of relevant resolutions already adopted by the General Assembly, making it even more difficult to reach agreement in that field. It was not yet time to formulate a text of a binding nature on subjects that were continually being developed at the intergovernmental level.

8. The view was also expressed that the norms and principles of international economic law should not be codified until agreement had been reached on specific points. Any premature attempt at such codification might well impede the process of international co-operation that was currently being pursued mainly through the medium of political discussion. It was essential to rectify the inequities in the existing system before seeking to codify the relevant norms and principles. Regarding the study that the Secretary-General was asked to prepare, it was stated that such a study was premature and unnecessary.

9. The view was also expressed that work on the new international economic order should be well co-ordinated and that there should be no duplication or overlap. Accordingly, topics of that nature should be allocated to the body most competent to study them. Inasmuch as the United Nations Commission on International Trade Law (UNCITRAL) was already seized of the matter, there should be considered the possibility of referring the question to UNCITRAL for study by its working group. It was said that UNCITRAL was the body most competent to deal with the topic from the legal standpoint, with a view to the consolidation and progressive development of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order.

10. It may be recalled that General Assembly resolution 34/150, quoted in paragraph 1 above, was adopted at the 105th plenary meeting by 112 votes in favour, 6 against, and 26 abstentions.

## II. OBSERVATIONS ON THE TASKS ENTRUSTED TO THE SECRETARY-GENERAL AND RELATED MATTERS

11. As provided for in paragraphs 1 and 3 of resolution 34/150, the Secretary-General is requested a) to study, in collaboration with UNITAR and in co-ordination with UNCITRAL, the question of the consolidation and progressive development of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order, with a view to embodying them in one or more instruments, as appropriate; b) to submit to the General Assembly at its thirty-fifth session a preliminary report on that study under the relevant agenda item.

12. The task of studying this question is a long-term one, requiring adequate time and resources, much background material, particularly from Governments, and appropriate guidance on the various issues involved from the United Nations organs dealing with the matter. It is anticipated that some further guidance will emerge from a discussion which may be held on the item at the thirty fifth session of the General Assembly, particularly on the scope and nature of the requested study.

13. The present report has been prepared in compliance with the request contained in paragraph 3 of resolution 34/150 for a preliminary report on that study, to be submitted at the thirty-fifth session of the General Assembly.

14. It should be noted that, under the terms of resolution 34/150, the preliminary report is to be submitted to the General Assembly together with the views of Governments requested by the same resolution. In accordance with paragraph 2, the Secretary-General, by letter dated 14 January 1980, invited Member States to submit their views not later than 31 July 1980. After that date and up to 30 September 1980 replies have been received from the following States: Byelorussian Soviet Socialist Republic, Germany, Federal Republic of, Hungary Netherlands, Norway, Philippines, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics and United Republic of Cameroon. These

replies are reproduced in the annex to this report. Any further replies will be reproduced in addenda to the present report.

15. Pursuant to paragraph 1 of the above resolution, the study of the question of the consolidation and progressive development of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order with a view to embodying them in one or more instruments, as appropriate, is to be undertaken by the Secretary-General "in collaboration with the United Nations Institute for Training and Research and in co-ordination with the United Nations Commission on International Trade Law". It is assumed that, <u>mutatis mutandis</u>, the same is applicable to the preparation of this preliminary report.

16. The following actions were accordingly taken:

(a) UNCITRAL at its thirteenth session held in New York from 14 to 25 July 1980 noted with appreciation General Assembly resolution 34/150, and expressed its willingness to co-operate in the field of co-ordination with the Secretary-General in the conduct of the study, requested under the resolution. The relevant work done by UNCITRAL is outlined in section IV of the present report;

(b) UNITAR, having been approached by the Secretariat, forwarded for inclusion in the present report a contribution which is reproduced in section V.

17. As to the views of Member States reproduced in the annex to this report, it should be noted that the number of contributions so far received (see para. 14 atove), is small. It is felt, therefore, that, in this preliminary report, an analysis, topical or otherwise, of the issues taken up in these replies is hardly warranted. Such an analysis should, however, be made and included in the final study requested by the resolution, it being understood that the Secretariat will receive contributions from other Member States.

#### III. OBSERVATIONS ON THE CONCEPT OF "CONSOLIDATION AND PROGRESSIVE DEVELOPMENT OF THE PRINCIPLES AND NORMS" AS APPLIED TO INTERNATIONAL ECONOMIC LAW

18. It seems appropriate, in this preliminary report, to make some observations with reference to the concept of "consolidation and progressive development" of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order.

19. It may be recalled - and this is duly noted in General Assembly resolution 34/150 - that under Article 13 of the Charter of the United Nations the General Assembly is empowered to initiate studies and make recommendations for the purposes of, <u>inter alia</u>, "encouraging the progressive development of international law and its codification".

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20. So far as the progressive development of international economic law is concerned, it is the intention of the Secretary-General to be guided in preparing the study, by the definition contained in the statute of the International Law Commission, approved by the General Assembly in its resolution 174 (II) of 21 December 1947. In that statute the expression "progressive development of international law" is used for convenience "as meaning the preparation of draft conventions on subjects which have not been regulated by international law or in regard to which the law has not yet been sufficiently developed in the practice of States" (article 15 of the statute).

21. Neither the Charter of the United Nations nor the statute of the International Law Commission includes any indication as to what may be considered as "consolidation" of principles and norms of international law. It is clear however that "consolidation" could hardly be considered as something similar to "codification" which is referred to in the Statute as meaning "the more precise formulation and systematization of rules of international law in fields where there already has been extensive State practice, precedent and doctrine" (article 15). The "principles and norms of international economic law relating in particular to the legal aspects of the new international economic order" can hardly be considered as constituting one of such fields. It would seem, therefore, that the concept of "consolidation", as it appears in General Assembly resolution 34/150, is in need of an appropriate clarification.

22. The task of carrying out the study requested by that resolution implies that at the very outset there shall be an understanding as to what sources of "the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order" have to be covered in the study. Basic guidance to that effect seems to be provided by the relevant provisions of General Assembly resolution 34/150.

23. In this respect, it should be noted that, in the context of the question of the consolidation and progressive development of those principles and norms, the resolution considers as being "the relevant provisions" those provisions of the United Nations Charter which pertain, as the resolution puts it, "to international economic relations, in particular the promotion of social progress and better standards of life in larger freedom in the Preamble, the achievement of international co-operation in solving international problems of economic, social, cultural or humanitarian character in Article 1, paragraph 3, and the promotion of higher standards of living, full employment and conditions of economic and social progress and development in Article 55" (second preambular paragraph of the resolution).

24. The preamble of the resolution also lists a number of United Nations instruments and decisions and considers them as ones "relating to the establishment of the new international economic order" and thereby as relevant to the question of consolidation and progressive development of the principles and norms of international economic law. They are as follows:

(a) Declaration on Social Progress and Development (General Assembly resolution 2542 (XXIV) of 11 December 1969);

(b) Declaration on the Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations (General Assembly resolution 2625 (XXV) of 24 October 1970);

(c) General Assembly resolution 2626 (XXV) of 24 October 1970 containing the International Development Strategy for the Second United Nations Development Decade:

(d) Declaration on the Establishment of a New International Economic Order (General Assembly resolution 3201 (S-VI) of 1 May 1974);

(e) Programme of Action on the Establishment of a New International Economic Order (General Assembly resolution 3202 (S-VI) of 1 May 1974);

(f) Charter of Economic Rights and Duties of States (General Assembly resolution 3281 (XXIX) of 12 December 1974);

(g) General Assembly resolution 3362 (S-VII) of 16 September 1975 on development and international economic co-operation.

25. In the last preambular paragraph the resolution refers also to "other resolutions and decisions adopted by bodies within the United Nations system and by conferences held under United Nations auspices relating to the establishment of the new international economic order". There is, indeed, a need to identify those resolutions and decisions in order to cover them adequately in the study.

26. As the subject of the study is the question of the consolidation and progressive development of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order, it seems to be also of importance to determine what are at present the state and status of the principles and norms to be consolidated and progressively developed.

27. In the final preambular paragraph of its resolution 34/150, the General Assembly considers that the United Nations Charter and the declarations, resolutions and decisions listed and referred to in paragraphs 19 and 20 above,

"together contain principles and norms of international economic law which should govern economic relations between and among States of differing levels of development and different economic systems".

28. These provisions, particularly one to the effect that the above instruments taken "together" contain principles and norms of international economic law, seem to imply that the latter are in the process of emerging. This process, especially so far as the principles and norms of the new international economic order are concerned, is indeed not an instantaneous phenomenon but a continuing one.

29. This is particularly valid with respect to what resolution 34/150 calls "norms of international economic law", and to a considerable extent this is also valid with regard to "the principles" of that law, although the latter may seem to be more ripe for consolidation and progressive development. The relevant international instrument, such as the Declaration on the Establishment of a New International Economic Order, the Charter of Economic Rights and Duties of States, embody quite a number of such principles which may be considered as susceptible to further development and consolidation through the elaboration of an appropriate legal instrument.

30. It may therefore be assumed that the consolidation and progressive development of those principles could be the first stage of the process contemplated in General Assembly resolution 34/150. Should that be considered as being an acceptable approach, the Secretary-General will undertake the necessary study of the matter as the first task in fulfilment of the mandate entrusted to him in General Assembly resolution 34/150.

#### IV. WORK OF THE UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW IN THE FIELD OF INTERNATIONAL ECONOMIC LAW AND THE LEGAL ASPECTS OF THE NEW INTERNATIONAL ECONOMIC ORDER

#### A. Substantive work

31. When the Commission was established in 1966, no reference was made in its mandate to legal issues of the new international economic order. Reflecting the growing support for the inclusion of such issues in the work programme of the Commission, the General Assembly, by its resolutions 3494 (XXX) of 15 December 1975, 31/99 of 15 December 1976 and 32/145 of 16 December 1977, had called upon the Commission to take account in its work of the relevant provisions of the resolutions of the sixth and seventh special sessions of the Assembly that laid down the foundations of the new international economic order, thus extending the original mandate of the C ommission. 2/

32. Accordingly, at the eleventh session of the Commission in 1978, a proposal for a decision in respect of the action to be taken regarding the new international economic order was submitted by the representatives of Egypt, Ghana, India, Kenya, Nigeria, the Philippines, Singapore and the United Republic of Tanzania, and by the observer for Yugoslavia. At that session the Commission decided to include in its work programme a topic entitled "the legal implications of the new international economic order" and requested the Secretary-General to prepare "a report setting forth subject-matters that are relevant in the context of the development of a new international economic order". The Commission on that occasion  $al_{SO}$  established a Working Group on the New International Economic Order "to examine the report of the Secretary-General in order to make recommendations as to specific topics which could appropriately form part of the programme of work of the Commission". The Commission, however, deferred the designation of States members of the Working Group until its twelfth session, pending the submission of the report of the Secretary-General mentioned above. 3/

33. In compliance with the above decision, the Secretary-General submitted a report dated 2 May 1979, entitled "New international economic order: possible work programme of the Commission" (A/CN.9/171). This report reviewed "subject-matters of possible relevance to international trade" under the following headings and sub-headings:

- A. General principles of international economic development
  - 1. General principles
  - 2. Non-discrimination

2/ Official Records of the General Assembly, Thirty-third Session, Supplement No. 17 (A/33/17), para. 55.

3/ Ibid., paras. 70 and 71.

- B. Commodities
  - 1. Commodity agreements
  - 2. Producers' associations
- C. Trade
  - 1. Generalized system of preferences
  - 2. Most-favoured-nation treatment
  - 3. Trade obstacles
  - 4. Restrictive business practices and unfair competition
  - 5. Code on international trade law
  - 6. Uniform conflict of law rules
  - 7. General conditions, standard clauses and model rules
  - 8. Arbitration
  - 9. Recognition and enforcement of judgements

#### D. Monetary system

- 1. Monetary system in general
- 2. Exchange rates
- 3. Tax treaties

#### E. Industrialization

- 1. Investment law
- 2. Investment contracts
- 3. Economic co-operation agreements
- 4. Contracts on industrial co-operation
- F. Transfer of technology
  - 1. Importance of technology
  - 2. Code of conduct for the transfer of technology
  - 3. Contracts for the transfer of technology
  - 4. Industrial property rights

- G. Transnational corporations
  - 1. Activities of transnational corporations
  - 2. Illicit payments
- H. Permanent Sovereignty of States over Natural Resources
  - 1. Natural resources
  - 2. Nationalization
  - 3. Environment

34. At its twelfth session in 1979, the Commission designated the following 17 States as members of the Working Group: Argentina, Australia, Chile, Czechoslovakia, France, German Democratic Republic, Germany, Federal Republic of, Ghana, India, Indonesia, Japan, Kenya, Mexico, Nigeria, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland and United States of America. 4/ The Commission requested the Working Group to examine the report of the Secretary-General, taking into account the records of the discussions of UNCITRAL on its eleventh and twelfth sessions, and to make recommendations as to specific topics which could appropriately form part of the programme of work of the Commission. 5/

35. The Working Group held its session at United Nations Headquarters in New York from 14 to 25 January 1980 (see A/CN.9/176). At that session the Working Group reached a consensus on the following list of topics which it proposed to the Commission for possible inclusion in its programme of work:

- 1. Legal aspects of multilateral commodity agreements.
- 2. Study aimed at identifying legal issues arising in the context of foreign investment that might be suitable for consideration by the Commission.
- 3. Study on intergovernmental bilateral agreements on industrial co-operation.
- 4. Harmonization, unification and review of contractual provisions commonly occurring in international contracts in the field of industrial development, such as contracts on research and development

<sup>4/</sup> Ibid., Thirty-fourth Session, Supplement No. 17 (A/34/17), para. 100. 5/ Ibid.

consulting, engineering, supply and construction of large industrial works (including turn-key contracts or <u>contrats produit en main</u>), transfer of technology (including licensing), service and maintenance, technical assistance, leasing, joint venture, and industrial co-operation in general.

- 5. Identification of concrete legal problems arising from the activities of transnational corporations, having regard to, in particular, the need for co-ordination of work with other competent bodies in this field.
- 6. Study on concession agreements and other agreements in the field of natural resources taking into account the work carried out by other competent bodies in this field and the need for co-ordination.

36. It should be noted that the Working Group had not discussed the order of priorities to be accorded to the topics proposed by it, but that it was unanimously of the opinion that item 4 was of special importance to developing countries and to the work of UNCITRAL in the context of the new international economic order.

37. At its thirteenth session in 1980, the Commission had before it the above report of the Working Group, and also a study dated 16 May 1980 on item 4 which had been prepared by the Secretary-General in response to a request made by the Working Group (A/CN.9/191). 6/

38. The Commission took note with appreciation of the report of the Working Group on the New International Economic Order and on the basis of its recommendation the Commission agreed on the following decision:

"to accord priority to work related to contracts in the field of industrial development".

39. In the same decision, the Commission requested the Secretary-General

"to carry out preparatory work in respect of contracts on supply and construction of large industrial works and on industrial co-operation",

and also,

"to submit a report to the Working Group on the New International Economic Order".

6/ The study reviewed the various types of contracts used in the context of industrialization, described their main characteristics and content and referred to the work carried out in this field by other organizations.

40. It also requested the Working Group to submit a progress report to the fourteenth session of the Commission in 1981. 7/ It was also decided that the Working Group on the New International Economic Order would be comprised of all States members of the Commission. The meeting of the enlarged working group is scheduled to take place from 9 to 18 June 1981 at Vienna. 8/

#### B. Co-ordination of work

41. At its twelfth session (1979), the Commission considered the subject of the co-ordination of the work of organizations engaged in the unification of international trade law  $\frac{9}{}$  with special reference to the proposed work on the new international economic order.  $\frac{10}{}$  The Commission decided to submit for adoption to the General Assembly a draft resolution on co-ordination.  $\frac{11}{}$  This draft resolution was adopted by the General Assembly as resolution  $\frac{34}{142}$  of 17 December 1979, which reads as follows:

#### "The General Assembly,

<u>Noting</u> that the significant increase in economic and trade relations between States and their peoples has given rise to increased activities of a legislative nature by international bodies and organs both within and without the United Nations system,

Being of the view that such activities should not lead to the duplication of work or the establishment of conflicting rules, resulting in non-ratification by States or non-application by the courts,

<u>Recalling</u> its resolution 2205 (XXI) of 17 December 1966, by which it established the United Nations Commission on International Trade Law and conferred upon that Commission the mandate of furthering the progressive harmonization and unification of the law of international trade by, <u>inter alia</u>, co-ordinating the work of organizations active in this field and encouraging co-operation among them,

7/ Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 17 (A/35/17), para. 143.

8/ Ibid., para. 165.

9/ The co-ordination of the work of organizations engaged in the unification of international trade law is a duty imposed on the Commission by General Assembly resolution 2205 (XXI) of 17 December 1966 which established the Commission. In order to assist the Commission in performing this function, the Secretary-General has presented to each session of the Commission a report entitled "Current activities of international organizations related to the harmonization and unification of international trade law".

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10/ Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 17 (A/34/17), paras. 95-99.

11/ Ibid., para. 131.

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<u>Considering</u> that, by virtue of the mandate conferred upon it by the General Assembly, it is among the tasks of the United Nations Commission on International Trade Law to ensure that legal texts prepared by various international organizations in the field of international trade law contribute to a coherent and generally acceptable system of international law,

Bearing in mind the establishment by the United Nations Commission on International Trade Law of the Working Group on the New International Economic Order and its mandate, as well as the programmes of work of the other working groups of the Commission,

Reaffirming its resolution 33/92 of 16 December 1978,

1. <u>Reaffirms</u> the mandate of the United Nations Commission on International Trade Law in the co-ordination of legal activities in the field of international trade law;

2. <u>Calls the attention</u> of all organs and bodies within the United Nations system to this mandate of the United Nations Commission on International Trade Law;

3. <u>Invites</u> all organs and organizations concerned to co-operate with the United Nations Commission on International Trade Law by providing it with relevant information on their activities and by consulting with it;

4. <u>Calls upon</u> all Governments to bear in mind the importance of improved co-ordination of activities related to participation in the various international organizations concerned with international trade law;

5. Requests the Secretary-General:

(a) To take effective steps to secure a close co-ordination, especially between those parts of the Secretariat which are serving the United Nations Commission on International Trade Law, the International Law Commission, the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization and the Commission on Transnational Corporations;

(b) To place before the United Nations Commission on International Trade Law, at each of its sessions, a report on the legal activities of the international organs, bodies and organizations concerned, together with recommendations as to steps to be taken by the Commission."

42. The subject of co-ordination was also considered by the Working Group on the New International Economic Order. The Working Group agreed that the Commission should give particular attention to the need for co-ordination in respect of legal work relevant to the new international economic order by reason of the fact that the General Assembly had requested all United Nations organs and bodies to

contribute to the establishment of a new international economic order. Therefore, the danger of duplication of efforts and work was much greater in the latter area (A/CN.9/176, para. 37).

43. The Working Group placed before the Commission the following considerations relating to co-ordination:

"(a) It is in the first instance the duty of Governments represented in United Nations bodies to exercise control over the programmes of work of these bodies and in particular to ensure that in drawing up those programmes work programmes already existing should be taken into account. In this respect attention was drawn to the usefulness of the reports on the work of other organizations in the field of international trade law which the Secretary-General submitted to the annual sessions of the Commission. The suggestion was made that such reports would gain in usefulness if they contained more detailed information on the scope of subject matters dealt with by these organizations and on the progress made in respect of them. It was further suggested that the Secretariat of the Commission should submit detailed reports in respect of a given subject matter similar to the report submitted to the twelfth session of the Commission regarding transport law;

(b) There should be a greater co-operation between the secretariats of the United Mations bodies concerned, in particular between those serving the Commission, the United Mations Conference on Trade and Development, the United Mations Industrial Development Organization, the Centre for Transnational Corporations and the Committee for Natural Resources. Such co-operation could be achieved by periodic meetings between the heads of the secretariats involved. Furthermore, in areas where this was relevant, the secretariat of a United Mations body dealing with a given subject related to any subject on which certain results had already been achieved by another United Mations body should inform its body of those results. In this connexion, reference was made to the successful work of the Commission in the area of international commercial arbitration and the desirability that other United Mations bodies should be informed of that work whenever, in their own work, the question of settlement of disputes arose:

(c) It was noted that under General Assembly resolution 34/142 the Secretary-General had been requested to take effective steps to secure a close co-ordination, especially between those parts of the Secretariat which are serving UNCITRAL, the International Law Commission, UNCTAD, UNIDO, and the Commission on Transnational Corporations. The view was expressed that there might well be an urgent need for a more rational approach by the United Nations to the legislative work of its various organs.

(d) Thought, was also given to the feasibility of regular meetings of chairmen of commissions and committees." (A/CN.9/176, para. 39).

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44. The Commission at its thirteenth session (1980) considered the views of the Working Group. The Commission was agreed that the recommendations of its Working Group on the New International Economic Order, if fully implemented, would go a long way to improve the current lack of co-ordination. However, it was felt that more information was required about the programmes and terms of reference of the various United Nations organs before it would be possible to recommend a concrete course of action.

45. The Commission therefore requested its secretariat to submit to it at its next annual session complete information on the activities of other organs and international organizations so as to enable the Commission to consider the question of co-ordination of work in full knowledge of the issues involved and to take such decisions as may be appropriate.

#### V. ACTIVITIES OF THE UNITED NATIONS INSTITUTE FOR TRAINING AND RESEARCH IN THE FIELD OF INTERNATIONAL ECONOMIC LAW AND THE LEGAL ASPECTS OF THE NEW INTERNATIONAL ECONOMIC ORDER

46. The United Nations Institute for Training and Research (UNITAR) has undertaken a number of studies on the legal aspects of the new international economic order and has also incorporated this subject in its training programmes. Among the recent studies published by UNITAR are two entitled: "The Function of International Law in the New International Economic Order" by K. Venkata Raman /in The Structure of the World Economy and Prospects for a New International Economic Order, edited by Laszlo and Kurtzman, Pergamon Press, 1980/; and also by K. V. Raman, "Legal Obstacles" (chap. 1, Sect. 3) /in The Obstacles to the New International Economic Order, edited by Laszlo et al./.

47. UNITAR's training department has a number of activities which involve legal aspects of the new international economic order. This topic is discussed in the international law fellowship programme organized annually by UNITAR and in the regional training and refresher courses in international law. Such a course is planned for the Asia and Pacific region in 1981 which will deal specifically with various legal aspects relating to the new international economic order. Lectures on this topic are also included in certain other training programmes such as the training programme on multilateral diplomacy for national officials of Suriname.

48. UNITAR also sponsored a seminar on economic and legal aspects of the establishment of a new international economic order in Moscow from 15 to 23 April 1980.

#### ANNEX

## Views of Member States submitted pursuant to paragraph 2 of General Assembly resolution 34/150

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#### BYELORUSSIAN SOVIET SOCIALIST REPUBLIC

<u>/</u>Original: Russian/ <u>/</u>3 September 1980/

In the United Nations and other international organizations the Byelorussian 1. Soviet Socialist Republic has consistently held the position that the international economic order should be based on democratic and equitable principles, should respond to the interests of States with different socio-economic systems, and should promote the strengthening of relations based on friendship and trust between peoples and the development of effective, mutually advantageous co-operation. In this regard the Byelorussian SSR stresses the importance of the statement by the Soviet Government dated 4 October 1976 on the restructuring of international economic relations, and the positions of principle contained in a series of joint statements by the delegations of the countries of the socialist community. The joint statement by the delegations of Bulgaria, the Byelorussian Soviet Socialist Republic, Czechoslovakia, the German Democratic Republic, Hungary, the Mongolian People's Republic, Poland, the Ukrainian Soviet Socialist Republic, the Union of Soviet Socialist Republics and Viet Nam, issued on 2 February 1980 during the Third General Conference of UNIDO, reads:

2. "On the basis of the principles of equality of countries, respect for their sovereignty and territorial integrity, non-intervention in their internal affairs, and mutual advantage, the socialist countries, which are the authors of this declaration, are helping the developing countries in many ways to set up their societies on modern material and technical bases.

3. "By its content, principles and modes of operation, economic, commercial, scientific and technical co-operation between the socialist States and the developing countries is opposed to the system of imperialist exploitation and exercises great progressive influence on the entire system of international economic relations.

4. "As they unfailingly observe those principles and actively advocate their implementation within the United Nations and other bodies, the socialist countries encourage their implementation in international relations, and energetically support the developing countries in their struggle for the readjustment of international economic relations on the basis of equality and equity and for the establishment of a new international economic order. The new type of economic relations between socialist countries and developing countries has proved its effectiveness in the face of the aggravation of the crisis of the capitalist economy."

5. The joint statement further points out that "world capitalist economic mechanisms, when they operate 'normally', merely go on reproducing relationships of exploitation, inequality and dependence, while in times of crises they transfer the worst consequences of these to the developing countries".

6. In view of the foregoing, the idea of codifying principles and norms regulating international economic relations in order to further strengthen the progressive basis of those relations and eliminate from that field the negative features cited above, which impede development and social progress, is of special interest.

7. As is well known, the process of formulating and generalizing legal norms regulating international economic relations is already under way and is reflected in both theory and practice. In 1964, for example, the first session of the United Nations Conference on Trade and Development approved the basic principles of international economic co-operation proposed by the delegations of the USSR and other socialist countries; while at the twenty-ninth regular session of the General Assembly (resolution 3281) and at its sixth special session (resolutions 3201 and 3202), the General Assembly adopted the Charter of Economic Rights and Duties of States and the Declaration and Programme of Action on the Establishment of a New International Economic Order, which are of great importance in this field.

8. The question whether the progressive provisions contained in these documents will form a basis for legal norms defining the specific and unconditional obligations of States in international economic relations can be answered only by means of a most thorough and comprehensive analysis of their practical implementation, account being taken of the diversity of economic relations among States and the influence of political and other factors on the formation of these relations. A study of the codification of norms of international economic law within the United Nations Commission on International Trade Law could serve as the basis for such an analysis.

#### GERMANY, FEDERAL REPUBLIC OF

<u>/</u>original: English <u>/</u>21 August 19807

1. The Federal Republic of Germany has shown through its participation in the work of the United Nations that it actively supports the development of economic co-operation among States. It does so in the spirit of the Charter of the United Nations whose preamble expresses the determination of the peoples

"to promote social progress and better standards of life in larger freedom".

2. The Federal Republic of Germany is striving bilaterally, regionally and within the United Nations to create, in collaboration with other States, conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples.

3. In so doing it proceeds on the understanding that growth and development have come to be a joint objective and a joint responsibility of all States. All

members of the United Nations are confronted with the following challenge: to build up an order of co-operation towards the establishment of which all States and all groups of States will make a contribution of their own so as to be able to achieve the dual aim of sustained non-inflationary growth in the industrialized countries and an accelerated and proportionately higher rate of growth in the developing countries.

4. The establishment of such an order specifically calls for a reshaping of North-South relations. In line with the present division of labour, the developing countries are supplying mainly raw materials and the industrialized countries primarily finished products.

5. The Federal Republic of Germany has repeatedly stressed the need to replace this traditional pattern of exchange by increasingly balanced co-operation and a greater degree of equality and to provide the countries of the third world with more favourable external conditions for their development.

6. It has therefore also repeatedly reaffirmed its readiness to help within the framework of the North-South dialogue to accelerate development and to establish a balanced pattern of North-South co-operation. Like the other members of the European Community, it is convinced that this is only possible on the basis of free world trade, and it is ready to accept the structural changes resulting from open markets and to master the problems they create.

7. In the endeavour to create a new international economic order based on co-operation among States in accordance with the principles and purposes of the Charter of the United Nations, it is essential, in the view of the Federal Government, that the existing structures should be steadily developed and adjusted, in a flexible way, to ever new requirements and conditions. The aim must be to preserve the effectiveness of the steering mechanism of the market economy and to ensure for the developing countries both equal participation in world economy and a more than proportionate rate of growth.

8. The search for a new order must be based on the recognition that neither side - developing or industrialized countries - can reach its economic goal alone. The developing countries can step up their own progress only in a climate of world-wide economic growth. More stable commodity prices, increased exports of finished goods from the developing countries, a greater transfer of resources all this depends on the industrialized countries' returning to stable growth.

9. The industrialized countries for their part need the impetus of accelerated development to regain stable growth.

10. The international economic order must therefore serve the twofold aim of providing more than proportionate growth rates in the developing countries and stable growth in the industrialized countries. It must be an order based on equality and mutual commitment in which each group of countries assumes responsibility for the realization of both aims in the awareness that only thus will it be able to attain its own goal.

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11. In the spirit of the above principles which guide the Federal Republic of Germany in its efforts in the development of the world economy, the Federal Republic has for years been providing substantial material contributions, thus giving proof of its determination to promote economic progress, especially in the developing countries, and to support all measures which might help to improve international economic relations.

12. The Federal Republic of Germany holds the view that the progressive development of international law can also be of importance in this context. It has considerable doubts, however, as to whether the current endeavours to consolidate the principles and norms of international economic law are suitable for bringing the international community nearer its objective of development or whether they in fact impede development because the elaboration of rigid legal norms is not in keeping with the basically dynamic nature of the law and the present state of negotiations within the various bodies. The Federal Government expects the eleventh special session of the United Nations General Assembly in August and the global negotiations envisaged for 1981 to deal in detail with the complex subject of improving international economic relations. It hopes that the North-South dialogue can be continued and intensified within this framework and also within other bodies and that the gradual approximation of positions will produce useful and constructive results for all concerned.

13. The Government of the Federal Republic of Germany expects the report of the United Nations Secretary-General, pursuant to General Assembly resolution 34/150, to reflect the views of States on the current state of the international economic order and possible improvements to that order. It remains to be seen whether the report can evolve a consensus on certain existing rules of international customary law and certain norms in international contractual law. In any event, it will have to be taken into account that the International Court of Justice, in its judgement on the continental shelf, stated the following with regard to international customary law:

"... the state practice, including that of States whose interests are specially affected, should have been both extensive and virtually uniform in the sense of the provision invoked and should moreover have occurred in such a way as to show a general recognition that a rule of law or legal obligation is involved." (North Sea Continental Shelf, Judgement, I.C.J. Reports 1969, p. 43)

14. It will also have to be borne in mind that the reservations made by States with regard to certain resolutions or their voting against them should be assessed not only as an expression of the legal convictions of those States.

15. This is also of importance in this context because the resolutions listed in the preamble to resolution 34/150 contain disputed demands. Thus, the Federal Republic of Germany, like other major trading countries, was unable to vote for the Charter of Economic Rights and Duties of States because of certain disputed passages. It has also, like other States, stated its reservations with regard to other resolutions listed in resolution 34/150.

16. The United Nations can play an important part in the progressive development of international law. The Federal Government attaches great importance to the elaboration of new norms of international law recognized by the international community. The indispensable prerequisite for this is, however, the achievement of a consensus among those concerned. The formulation of demands by some States against the wishes and convictions of other States is not sufficient for this purpose.

17. The Federal Republic of Germany would, therefore, appreciate it if the envisaged report of the United Nations Secretary-General concentrated on the elaboration of principles and norms which the international community as a whole subscribes to. These are, in the Federal Government's view, primarily the principles and norms deriving from the Charter of the United Nations (especially arts. 55 and 56). Accordingly, the Federal Government has no doubt that joint efforts by all States are required in order to reduce progressively the gap between rich and poor countries. The starting-point for this task is solidarity and joint responsibility of all Member States of the United Nations for the attainment of the objectives laid down in Article 55 of the United Nations Charter. The Federal Government believes that no country, regardless of its social or economic order, may evade this responsibility.

18. In this connexion, countries must at last rid themselves of the notion that some of them stand to gain whilst others will lose.

19. The principle of economic co-operation with third world countries in the interest of both sides is reflected in the numerous bilateral and multilateral trade agreements concluded by the Federal Republic of Germany directly or as a member of the European Economic Community. Furthermore, the Federal Republic of Germany has rendered a significant contribution to the economic development of developing countries by means of a great number of agreements on technical and financial co-operation with third world countries and through substantial contributions to the multilateral development aid programme.

20. The Federal Republic of Germany proceeds on the understanding that the promotion of the economic development of countries which are not yet sufficiently advanced to be able adequately to supply their own populations is an important principle of the existing international order deriving from the principle of solidarity. The Federal Government, therefore, finds it all the more regrettable that some countries are evading this political and moral responsibility. When the principle of solidarity has been recognized by all States and not just by some of them, consideration could be given to deriving more concrete results from this principle. However, until that is the case, there can be no question of a general State practice which is needed for the emergence of international customary law. The Federal Government is, therefore, of the opinion that the legal view expressed by the United Nations Secretary-General in A/CN.4/245, paragraph 167, remains valid. 21. Despite the different views and interests and the difficulties described above, the efforts to achieve agreement on concrete issues will nevertheless yield progressive results.

22. These results will increasingly lead to new rules of economic relations between nations which may be consolidated and become rules of international customary law. At present, it is important that all States should meet their obligations of solidarity and be prepared to participate through negotiations in solving the great number of complex problems that still exist.

23. Consequently, the Federal Government shares the view already expressed by certain States during the thirty-fourth session of the General Assembly that the work of the Sixth Committee on the principles and norms of international economic law should be deferred until balanced results begin to emerge in the further course of the North-South dialogue. It will then be possible, on the basis of such progress, to deal in the Sixth Committee by consensus, as is usual, with the question of elaborating more concrete rules.

24. The co-ordination with the United Nations Commission on International Trade Law (UNCITRAL) envisaged in General Assembly resolution 34/150 will, in the opinion of the Federal Republic of Germany, be useful for the work in question. However, it must be borne in mind that the province of UNCITRAL is primarily the private sector. In the Federal Government's view, therefore, UNCITRAL should, if possible, not deal with material issues of public law. Reference is also made to the report of the UNCITRAL Working Group on the New International Economic Order contained in A/CN.9/176.

#### HUNGARY

<u>/</u>Original: English7 <u>/</u>25 August 19807

1. The Government of the Hungarian People's Republic attaches great importance to the deepening of international economic co-operation and to the transformation of international economic relations on a democratic and just basis. It supports the progressive basic principles laid down in the Declaration on the Establishment of a New International Economic Order and in the Charter of Economic Rights and Duties of States, the implementation of which promotes the establishment of international economic co-operation based on equal rights, justice and respect for sovereignty and excludes from these relations every manifestation of dependence, exploitation, prejudice and especially discrimination based on the differences in socio-economic systems. The Hungarian People's Republic supports the just efforts of the developing countries which aim at strengthening and consolidating their economic independence, establishing conditions of unlimited possession over their resources and economic activities and at accelerating their socio-economic development.

2. The Government of the Hungarian People's Republic supports in principle the efforts being made within the framework of the United Nations to draw up general regulatory measures concerning the subject in question. As is known, a special working group was formed under the auspices of the United Nations Commission on International Trade Law to study at expert level, and in appropriate depth and detail, the legal aspects of a new economic order and to establish the indispensable basis for future efforts to draw up regulatory measures. The subject needs to be explored in greater depth, and the working group has only just begun its work.

3. On the basis of the above, the Government of the Hungarian People's Republic feels that it is premature to elaborate the details of a draft instrument relating to the norms and principles of international economic law, in particular with regard to the legal aspects of the new international economic order and, for this very reason, it proposes that the concrete work concerning detailed legal regulations should be carried out at a later date in the light and on the basis of the results of the said preparatory activities.

#### NETHERLANDS

<u>/</u>Original: English <u>/</u>29 September 19807

1. During the debate on the question of the consolidation and progressive development of the principles and norms of international economic law in the Sixth Committee of the thirty-fourth session of the General Assembly, the Netherlands expressed some reservations. The Netherlands stated that the time was not ripe for deciding <u>a priori</u> that "the" principles and norms of the law concerning a new international economic order ought to be embodied in an international instrument. The Netherlands also noted that it would be meaningful to start, as an investigatory and possibly preparatory step, with an open and unprejudiced discussion on such emerging concepts as the right to development, the duty of States to co-operate for global welfare, the right to economic self-determination and the recognition of developing States as subjects of international economic law with special rights.

2. The Netherlands would once again like to emphasize the need for such a discussion. The Commission on Human Rights and other agencies of the United Nations have begun a debate on the question of the right to development. The Netherlands considers it to be of cardinal importance that this discussion be continued and that it should include the relationship between solidarity, common interests and international law.

3. What is at stake is the development of international law designed to achieve in the international context what are now policy objectives in some countries individually. It is important to move gradually towards this goal by first identifying the area where the need is most pressing and by trying to reach preliminary agreements in the form of non-binding rules, for example in the form of codes of conduct. The ultimate aim of such an exercise would be the creation of a system of mandatory rules of international law, including rules containing a definition of the right to development and elaborating its contents.

#### NORWAY

<u>/Original: English</u>/ <u>/22 September 1980</u>/

1. The establishment of a new international economic order is of great urgency on the agenda of world economic development. Through the years Norway has actively contributed to the promotion of the economic advancement of the developing countries and thus supports their demand for a new international economic order based on a more equitable international division of labour. Norway views its co-operation with developing countries as a question of international solidarity.

2. Developments over recent years have thrown into sharp relief the close interdependence which exists between all the nations of the world, irrespective of

their stage of economic development, and the concomitant need for co-operation. What is called for is co-ordinated regulating measures in the international economy with a view to achieving greater justice between nations in the global distribution of resources and incomes.

3. Consequently, Norway takes, in principle, a favourable attitude towards a constructive consolidation and progressive development and, as appropriate, codification of the principles and norms of international economic law relating in particular to the legal aspects of the new international economic order.

4. We are at the same time of the opinion, however, that the question of codification is at present premature, in view of the various ongoing negotiations concerning important development issues and, in particular, the preparations for a new round of global negotiations on major issues in the fields of raw material, energy, trade, development, money and finance. The global round of negotiations will be launched at the special session of the General Assembly this autumn (1980), and we foresee the results of these negotiations being set out in agreed conclusions to be embodied in a final document. Thus the status of this document will necessarily have an important bearing on the further study of the question of progressive development and codification of the principles and rules of economic co-operation.

5. Norway therefore deems it appropriate that the study which the Secretary-General is called upon to undertake in resolution 34/150 should await the results of the relevant negotiations under way. The question of codification will at any rate need thorough and careful examination and will have to proceed in a co-ordinated manner. In this connexion, due regard should be paid to such emerging principles as the human right to development, which is currently under discussion in United Nations fora such as the Third Committee of the General Assembly and the Commission on Human Rights.

6. Furthermore, we would also point to the fact that a much used procedure in the United Nations system in elaborating international rules and principles is to proceed by first preparing a declaration on the topic, which might eventually lead to a convention.

7. As regards resolution 34/150, Norway has certain reservations concerning the contents of preambular paragraph 5. Much as we seek to adopt as positive an approach as possible towards the aspirations and demands of the developing countries, there were certain formulations and proposals in the Programme of Action adopted by the sixth special session of the General Assembly which we were unable to support. Furthermore, the Charter of Economic Rights and Duties of States contains some provisions which we were unable to support.

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#### PHILIPPINES

<u>/</u>] /]5 August 198<u>0</u>/

1. In reply to the resolution, the Philippines reiterates the need and justification for such a study in view of the considerations set out below.

2. There now exists generally accepted principles of international economic law defined as that branch of international public law which is concerned with the ownership and exploration of natural resources, production and distribution of goods, invisible international transactions of an economic or financial character, currency and finance, related services and the status and organization of the entities engaged in such activities.

3. International economic law deals with the public international law aspect of one of the principal purposes of the United Mations, as laid down in Article 1, paragraph 3 of the Charter, namely, "to achieve international cooperation in solving international problems of an economic ... character" in relation to the pertinent provisions of Chapters IX and X of the United Mations Charter.

4. In their search for more rational and equitable economic relations between countries, nation States have been evolving norms and principles which now constitute the law on the new international economic order. The basic foundations of the new international economic order are laid down in the following General Assembly resolutions: 3201 (S-VI) and 3202 (S-VI) containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order; 3281 (XXIX) containing the Charter of Economic Rights and Duties of States; 3362 (S-VII) on development and international economic co-operation; 2626 (XXV) on the International Development Strategy for the Second United Nations Development Decade; and the Lima Declaration and Plan of Action on Industrial Development and Co-operation.

5. These norms and principles should constitute the specific applications in international economic relations of the fundamental provisions of the United Nations Charter. Thus, the declaration on the new international economic order proclaims the new international economic order as one "based on equity, sovereign equality, interdependence, common interest and co-operation among all States, irrespective of their economic and social systems". The Charter of Economic Rights and Duties of States set out established principles of international law such as sovereignty, territorial integrity and political independence, non-aggression and non-intervention; it also enunciates such principles as mutual and equitable benefit, remedying of injustices brought about by force, and promotion of international social justice.

6. While these norms and principles are now accepted as creating rights and obligations among States, they have not been the subject of systematic study with the aim of consolidating them in appropriate instruments.

7. The progressive development of the norms and principles of new international economic relations is being carried out in an unsystematic manner in numerous subsidiary organs and specialized agencies within the United Nations system. Thus, the United Nations Conference on Trade and Development has formulated, <u>inter alia</u>, a Code of Conduct of Liner Conferences, a Code of Conduct on Restrictive Business Practices, and an agreement on the Common Fund. In the Committee for Transnational Corporations, a Code of Conduct for Transnational Corporations is being evolved, while the Third Conference on the Law of the Sea is elaborating the concept and implications of the principles of the "common heritage of mankind".

8. At its eleventh session, the United Nations Commission on International Trade Law had already decided to study the legal implications of the new international economic order. However, such a study is limited as it refers only to the progressive harmonization and unification of the law on international trade.

9. There is an urgent need to consolidate the norms and principles of international economic law in the form of a unified and more definitively binding undertaking by nation States in order to achieve the objectives of the new international economic order.

10. The effective implementation of the desired changes in the wide-ranging, yet interdependent, aspects of international economic relations necessitates the consolidation and progressive development of the norms and principles of international economic law into appropriate instruments. Such instruments should provide a broad framework that would ensure consistent progressive harmonization of the various norms and principles which actually make up a single thread, i.e., the new international economic order. Ultimately, such progressive development should lead to more definitively binding legal instruments, if the objectives of a new international economic order are to be fulfilled.

11. In essence, this kind of progressive development of international economic law would be in keeping with the universal character of contemporary international law, i.e., its content should now reflect the basic interests and needs of the developing countries. The new international economic order is the central concern of the international community. The developing countries constitute the greater majority of the international community and the new international economic order defines their right to development. International economic law should clearly and efficaciously define this right to development, as well as the concomitant obligations of States, developing and developed, in the promotion of a truly equitable and rational world development.

12. The Philippines believes that the appropriate time has come to undertake the study of the consolidation and progressive development of the norms and principles of international economic law relating in particular to the legal aspects of the new international economic order, with a view to embodying them in one or more instruments as appropriate.

13. In furtherance of the study, there is a need to establish an <u>ad hoc</u> working group of governmental experts representing the different regional groupings

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recognized in the United Nations. The Philippines proposes that such a working group, of not more than 15 persons, be established during the thirty-fifth regular session of the General Assembly.

### UKRAINIAN SOVIET SOCIALIST REPUBLIC

<u>/</u>Original: Russian/ <u>/</u>I2 September 1980/

1. The Ukrainian Soviet Socialist Republic, firmly adhering to the policy of strengthening peace and improving the entire system of international economic relations, has consistently advocated its radical restructuring on the principles of equality and mutual advantage. Guided by this approach the Ukrainian SSR sympathizes with the struggle of the developing countries for the establishment of a new economic order which would be in keeping with the interests of States with different socio-economic systems and would promote the development of over-all co-operation among them on an equitable and democratic basis.

2. In recent years notable success has been achieved in this regard with the active participation of the socialist countries. The adoption by the United Nations General Assembly of such important international documents as the Declaration and Programme of Action on the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States has contributed greatly to the work of eliminating the old unjust system of international economic relations.

3. Nevertheless, the fact remains that the present state of these relations continues to reflect the system which arose in the context of an entirely different balance of world power favouring the interests of the imperialist circles and which is diametrically opposed to the vital interests of the overwhelming majority of countries and the evolution of the over-all international situation. Its essence lies in the desire of the Western capitalist countries to perpetuate inequality and discrimination, strengthen their privileged position within the capitalist world economic system and keep developing countries in a state of dependence.

4. Such a situation is especially intolerable at a time when the peaceful coexistence of States with different social systems has been strengthened through détente and is beginning to take shape in concrete political and economic terms; the real prerequisites for solving urgent international problems and for peaceful, mutually advantageous co-operation among States and peoples in various fields of human endeavour have been created.

5. The Ukrainian SSR maintains that international economic relations should be restructured in such a way as to eliminate from that field all forms of inequality and discrimination, <u>diktat</u> and exploitation, to remove the barriers created by the policy of colonialism, imperialism and neo-colonialism and impeding economic independence and progress in liberated countries, and to prohibit the use of economic relations as an instrument of blackmail, political pressure and interference in internal affairs.

6. The codification of the principles and norms regulating international economic relations will help to eliminate such abuses from this field. This entire process must be designed to promote the creation of a legal structure which would guarantee the development of broad foreign economic and commercial relations among States on a just, equitable and mutually advantageous basis.

7. The work to achieve this goal requires a thorough and comprehensive study of the theory and practice of international economic relations, particularly the use of the provisions and recommendations embodied in international documents already adopted in this field.

8. It should be pointed out that as early as 1964, at the first session of UNCTAD, the socialist countries proposed basic principles of international economic co-operation whose approval pointed the way towards the radical restructuring of international economic relations.

9. The above-mentioned Charter of Economic Rights and Duties of States and the Declaration and Programme of Action on the Establishment of a New International Economic Order are also very important in this regard. The progressive provisions of these documents are being applied in practice to an ever greater degree and are embodied in numerous international economic and commercial agreements.

10. It is hoped that the possibility of elaborating, on the basis of these progressive recommendations, legally binding principles and norms regulating international economic relations could be considered by the United Nations Commission on International Trade Law, due account being taken of the diversity of these relations and all factors influencing their development.

#### UNION OF SOVIET SOCIALIST REPUBLICS

/Original: Russian/ /19 August 19807

1. The Soviet Union has consistently maintained that the international economic order should be structured on a democratic and equitable basis, should serve the interests of States with different social, political and legal systems, and should promote the strengthening of relations based on friendship and trust between peoples and the development of effective, mutually advantageous co-operation among them. This position of principle was clearly expressed in the statement by the Soviet Government dated 4 October 1976 on the restructuring of international economic relations.

2. The statement pointed out that "the present nature of international economic relations is contrary to the vital interests of the majority of countries and the development of the international situation as a whole. This disparity has become particularly acute after the process of détente has created the conditions for the solution of urgent economic problems in the interests of all the peoples of the world"

3. The Soviet Union has always actively supported constructive measures, including those taken in the field of international law, for the purpose of restructuring international economic relations on an equitable basis. The Soviet Union, like the other socialist countries, contributed greatly to the elaboration of the Charter of Economic Rights and Duties of States and the Declaration and Programme of Action on the Establishment of a New International Economic Order. The progressive provisions of these documents are embodied in numerous economic and commercial agreements concluded by the Soviet Union.

4. In developing relations with other countries the Soviet Union unswervingly opposes all forms of discrimination in foreign economic and commercial affairs, and supports the development of mutually advantageous co-operation with all States on an equitable and democratic basis. In that regard, full account is taken of the special position within the system of international economic relations of the developing countries, the strengthening of whose economic independence and stability is of the utmost importance at the present time.

5. The primary obstacle to the radical restructuring of international economic relations on a democratic basis, as was pointed out in the above-mentioned statement of 1976, continues to be the position of the monopolistic circles of the capitalist States. They are the ones which impede the eradication of discrimination and other artificial obstacles in international trade and the elimination of various forms of inequality, <u>diktat</u> and exploitation in international economic relations.

6. The codification of the principles and norms governing international economic relations would serve to strengthen the progressive basis of those relations and eliminate the above-mentioned abuses, which impede economic development and social progress. The idea of undertaking such a codification is constructive and of considerable importance.

7. It could be said that the process of formulating and generalizing legal norms regulating international economic relations is in fact already under way. In 1964, at the first session of UNCTAD, the Soviet Union together with the other socialist countries proposed basic principles of international economic co-operation, the approval of which pointed the way towards the radical restructuring of international economic relations.

8. The adoption by the United Nations General Assembly of the Charter of Economic Rights and Duties of States and the Declaration and Programme of Action on the Establishment of a New International Economic Order was an important new step in this direction. These documents, of course, do not have any binding power, but are of the nature of recommendations. Nevertheless, they have exerted and will continue to exert considerable influence on the theory and practice of international economic relations. The provisions of the Charter and the Declaration are being applied to an ever greater degree in the various fields of economic activities of States and are embodied in a growing number of agreements concluded by them.

9. The question whether these progressive recommendations will form the basis for legal norms defining the concrete and unconditional obligations of those involved in international economic relations can be answered only by a most thorough and comprehensive analysis of their application covering all the aspects of the question, account being taken of the diversity of economic relations among States and the influence of political and other factors on the formation of these relations. It is hoped that the study of the question of the codification of the norms of international economic law within the United Nations Commission on International Trade Law could serve as the basis for such an analysis.

#### UNITED REPUBLIC OF CAMEROON

<u>/Original: French/</u> <u>/12 September 1980/</u>

1. The Cameroonian Government, while endorsing the text of General Assembly resolution 34/150 as a whole, believes that this resolution should be very explicit as regards technology.

2. It is well known that the achievement of the objectives of the developing countries in respect of industrialization and development has major implications for national and international policies on technology.

3. Indeed, it is now recognized that the technological dependence of the developing countries, particularly in relation to the transmational companies of the developed market-economy countries, imposes severe constraints on the development efforts of the countries of the South and that there is an urgent need to reduce this dependence and to create an adequate technological capacity in the third-world countries themselves.

4. It would therefore be appropriate to refer, in the preamble of the text submitted, to the resolution adopted by the General Assembly recommending the urgent adoption of the international code of conduct on the transfer of technology currently under negotiation in order to ensure an adequate restructuring of international relations in the matter of technology in support of the development process with a view to initiating the prospective new international economic order.

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