

noted that the revised text spoke of "consolidation" rather than "codification", as in the original text. In paragraph 2 it was requested that the Secretary-General submit his study on the question to the General Assembly.

48. His delegation was fully aware of the importance and implications of the draft resolution and it therefore understood the initial reluctance of some delegations to consider the question. After consultations, his delegation had been able to submit a revised text, which in its view reflected a cross-section of the views expressed by the various delegations.

49. Mr. BARCELO (Mexico) praised the efforts made by the Philippine delegation in connexion with the item concerning the consolidation of international economic

norms. In any case, it would be necessary to continue the negotiations on the subject and his delegation would be most interested in participating in those negotiations.

50. Mr. CORREA (Chile) said that draft resolution A/C.2/L.1474/Rev.1 dealt with a question of vital importance but that he was concerned about the terms in which it had been couched; the expression "consolidate" had a very precise meaning—to strengthen something which needed strengthening. In his view, that was not true of the norms of international economic development law. He therefore thought it would be better to use the term "compilation" or "rewording".

The meeting rose at 4.45 p.m.

1711th meeting

Thursday, 4 December 1975, at 3.15 p.m.

Chairman: Mr. Olof RYDBECK (Sweden).

A/C.2/SR.1711

AGENDA ITEM 12

Report of the Economic and Social Council [chapters II, III (sections A to E, G, H and J to L), IV and VI (sections A to D and F)] (*continued*) (A/10003, A/10003/Add.1 (parts I to III))

AGENDA ITEM 123

Development and international economic co-operation: implementation of the decisions adopted by the General Assembly at its seventh special session (*continued*) (A/10005 and Corr.1, A/10395, A/AC.179/L.3, A/C.2/296, A/C.2/299, A/C.2/L.1468/Rev.1, A/C.2/L.1470, A/C.2/L.1472, A/C.2/L.1476)

TRANSNATIONAL CORPORATIONS (*concluded*)*
(A/C.2/L.1435)

MEASURES AGAINST CORRUPT PRACTICES OF TRANSNATIONAL AND OTHER CORPORATIONS, THEIR INTERMEDIARIES AND OTHERS INVOLVED (*concluded*)* (A/C.2/L.1437/REV.1)

1. The CHAIRMAN announced, with reference to agenda item 12, that the United States delegation had decided to withdraw draft resolution A/C.2/L.1435 on the understanding that the Committee would adopt without a vote revised draft resolution A/C.2/L.1437/Rev.1; Costa Rica, the Syrian Arab Republic and Togo should be added to the list of sponsors of the revised draft.

2. Mr. DHARAT (Libyan Arab Republic), referring to the corrupt practices of transnational corporations and their intermediaries, said that the immoral and illegal acts of those corporations constituted a violation of laws and moral codes, an interference in the domestic affairs of other countries and an assault upon man's dignity and honour. He

considered that the question under consideration was of great importance for the international community in view of the adverse effects of those activities in many countries, especially in countries which were striving to achieve economic and social development. The transnational corporations sought only to make profits, to the detriment of the countries in which they operated.

3. The available information proved beyond a doubt that transnational corporations did not respect national laws on the granting of permits and on places and conditions of work and that furthermore, disregarding international ethics, they were guilty of currency speculation and bribery of well-placed persons so as to operate with greater impunity. They established boycotts against national economies, tried to overthrow Governments which did not submit to their threats and extortion, assisted those who fought against liberation movements and favoured racist and imperialist Governments which practised *apartheid* and foreign occupation. All those acts had enabled the corporations to obtain great economic advantages, incompatible with the interests of the countries where they operated or of their peoples, and which resulted in the corruption of moral codes and the disruption of the political and administrative framework of those countries. Some countries had investigated those immoral and illegal activities; however, despite the protests which they made at the international level, they had achieved limited results. Although some home countries had imposed penalties on such corporations for tax evasion and some host countries had penalized them for corruption, that had not prevented them from continuing their activities. It was therefore necessary to adopt international measures which would provide for more severe sanctions against the corrupt practices of transnational corporations.

4. In some cases, the information media of the developed Western countries disseminated information on such prac-

* Resumed from the 1706th meeting.

tices and publicized them; however, all too frequently their goal was to undermine the prestige of the host countries and to hinder their struggle for sovereignty over their own natural resources. The Libyan Arab Republic denounced the defamatory campaign aimed at concealing the monopolistic activities of transnational corporations and the involvement of authorities of the home country in those activities. It was necessary to expose that plot, which affected not only the developing countries striving to achieve economic and social progress but also the world as a whole including the developed countries, and severe sanctions must be adopted.

5. His delegation had already raised the subject in the General Assembly and, on 9 October 1975, had submitted a draft resolution (A/C.2/L.1430) under agenda item 12, under which the General Assembly condemned all illegal and immoral acts practised by transnational corporations against the security of peoples throughout the world and also their assault upon man's dignity through bribery; condemned those States and Governments which supported, collaborated with or covered up the illegal and immoral acts of the transnational corporations; recognized the right of any State to nullify any contracts entered into as a result of illegal and immoral practices, called upon all Member States to investigate those acts, to exchange information and to impose strong sanctions; called upon the home State to refrain from employing the transnational corporations as an instrument for intervening in the internal affairs of the host country; requested the home State to take all forms of legal action against transnational corporations committing illegal and immoral acts including bribery, and requested the Secretary-General to establish a group of experts to prepare a study of those practices and their consequences upon international relations. The Economic and Social Council was to examine the political and economic consequences of those activities for the development of the developing countries.

6. His delegation endorsed the revised draft resolution which, in its view, adequately covered the question of studies of the corrupt practices of transnational corporations. In the draft resolution, the Economic and Social Council was requested to direct the Commission on Transnational Corporations to include in its programme of work the question of corrupt practices of those corporations. The Economic and Social Council, UNITAR and the United Nations University should devote the necessary attention to the question so as to show the consequences of those practices and to propose effective measures to remedy them before it was too late.

7. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to adopt without a vote revised draft resolution A/C.2/L.1437/Rev.1 concerning measures against corrupt practices of transnational corporations.

The revised draft resolution was adopted.

8. Mr. GAJENTAAN (Netherlands) said that he was very pleased at the consensus which had been reached on the draft resolution. He stressed the importance of the work of the United Nations on the subject of transnational corporations; he was referring both to the United Nations Centre

on Transnational Corporations and to the Commission on Transnational Corporations, whose main aim was to prepare a code of conduct for transnational corporations and Governments. His delegation shared the concern expressed about the corrupt practices of transnational corporations and denounced all forms of bribery or encouragement of those activities. However, his Government could not commit itself to enacting laws which would penalize acts committed outside its territory. With regard to paragraph 4 of the draft resolution, he understood that co-operation between Governments in collecting and exchanging information on such practices should be limited to information which was publicly available and should not include, for example, information which was still confidential because it formed part of the proceedings in a case.

9. Mr. YANNOPOULOS (Greece) said that in joining in the consensus his delegation recognized the need for international action to minimize the adverse effects that the activities of transnational corporations might have on the development process and on international relations. It considered that corrupt practices and other adverse effects could be eliminated only by means of international machinery, since neither measures by the home country nor condemnation on the part of the host country was sufficient. It was therefore important not only to formulate a code of conduct but also to standardize the presentation of financial data relating to the operations of transnational corporations. He hoped that the expert group of professional accountants, auditors and financial managers that the United Nations Centre on Transnational Corporations had been asked to establish¹ would soon begin work so that it would be possible to reach an international agreement on the disclosure of information concerning transnational corporations. He pointed out that the Commission on Transnational Corporations had not yet agreed on a definition of a transnational corporation.

10. Mr. MYERSON (United States of America) expressed satisfaction at the consensus which had been reached on the draft resolution. He recalled that, at the seventh special session (2327th plenary meeting), the Secretary of State, Mr. Kissinger, had set forth in detail the position of his Government regarding transnational corporations and had said that the United States shared the concern of host Governments and affirmed that transnational enterprises must act with full respect for the sovereignty and policies of host countries. Those countries were entitled to regulate the operations of transnational enterprises; however, if they wished to benefit from the advantages which those enterprises could offer, they should foster conditions that attracted and maintained their productive operation.

11. The United States Government condemned corrupt practices in the strongest terms, since they were contrary to the most sacred social values and could have adverse effects on relations among States. However, it emphasized that no international action could replace the basic responsibility of each State to establish clear standards of behaviour and to enforce them evenly and fairly against foreign nationals and its own citizens alike. Exaggerated and emotional statements, and also the politicization of the subject and the

¹ See *Official Records of the Economic and Social Council, Fifty-ninth Session, Supplement No. 12 (E/5655 and Corr.1), para. 19.*

introduction of irrelevant ideological elements, could not facilitate the solution of the problem. Furthermore, the concern about the corrupt practices of transnational corporations was largely a result of the existence of a free press and government in free societies.

12. His delegation wished to make it clear that in the view of its Government private enterprises, including transnational corporations, had a vital role to play in the expansion of the world economy and in the development of all countries. It was certain that some companies had been involved in corrupt practices which must be condemned but for the most part the operation of transnational corporations brought great benefits to the international economy. With that in mind, his delegation had submitted draft resolution A/C.2/L.1435, which it had decided to withdraw because it considered that the new draft resolution just adopted by consensus met similar concerns.

13. He went on to comment on the draft resolution just adopted, not by way of reservation but to make explicit the United States Government's understanding of the text. All agreed that corrupt practices, including bribery, should be condemned, but the blame should be shared equally by all those involved; all references to bribery should cover all aspects, including the offer, payment, solicitation and acceptance of illegal payments. Furthermore, all States had the right to enact and enforce legislation against corrupt practices; that legislation should clearly define offences, should establish specific, appropriate penalties for particular offences, and should provide for offenders to be prosecuted in court on the basis of specific evidence. In that respect, the United States would co-operate with host Governments; however, it would oppose arbitrary acts of economic reprisal on the basis of uncorroborated charges.

14. The question of co-operation between home Governments and host Governments to eradicate corrupt practices was a difficult and complex one. For example, his delegation had strong reservations about the feasibility or propriety of home countries' enacting extraterritorial legislation to deal with the problem. The Commission on Transnational Corporations should examine the question carefully, and the United States would contribute to any effort aimed at a constructive and effective solution. Furthermore, his delegation fully supported the concept of information exchange in particular cases, within the context of established legal procedures, but it had doubts about the efficacy and appropriateness of a blanket multilateral approach to information exchange.

15. Finally, as it had already stated on another occasion, his delegation considered that the ability of the international community to deal with the issue constructively would be an important test of whether the search for solutions or the clash of ideologies would dominate the economic future of the world.

16. Mr. STANBURY (Canada) welcomed the consensus on the draft resolution, which was an important contribution to the fight against the corrupt practices of transnational corporations. His Government had always attached great importance to the subject, and had been active in the various bodies which had dealt with it. In its view, primary responsibility for such action lay with the Governments which exercised sovereignty over the territory in which

those practices occurred, and measures in the case of practices occurring outside the sovereign territory of each State should be applied only in specified circumstances, in order to avoid interference in the internal affairs of other countries. Therefore, the resolution should in no way be interpreted as an extraterritorial extension of the jurisdiction of States.

17. Mr. YORK (Federal Republic of Germany) welcomed the consensus and spoke warmly of the spirit of compromise shown by the representative of Iran during the informal consultations on the draft resolution. He supported the basic goal of the draft resolution, namely, to combat the corrupt practices of transnational corporations. In his view, however, those practices raised a range of difficult problems, especially when they occurred in host countries, whose right and duty it was to take both preventive and punitive action. Penalties should apply both to those who accepted and those who made illegal payments, since both were guilty. His country would co-operate, within the limits of its competence and of its law, with host Governments whenever a German transnational corporation engaged in corrupt practices. He stressed the need to adopt objective and impartial criteria: emotional statements would do nothing to provide satisfactory solutions.

18. Mr. AL-JEAN (Kuwait) said that he was gratified that consensus had been achieved on the draft resolution. He rejected all allegations concerning host countries, which were often the scapegoats for activities for which the countries of origin were responsible. He announced that Kuwait had recently concluded an agreement to assume full control of its petroleum resources from 5 March 1975, and would therefore be safe from any corrupt practices of transnational corporations in that sector.

19. Mrs. COLMANT (Honduras) welcomed the consensus achieved on draft resolution A/C.2/L.1437/Rev.1, and reserved her delegation's right to speak again on the question of the activities of transnational corporations.

20. Mr. MARTINEZ (Cuba) stated that his delegation would explain its position concerning the draft resolution just adopted when it was considered by the General Assembly in plenary session.

21. Mr. AHOUANSOU (Dahomey) stressed the importance of the draft resolution, since corrupt practices by transnational corporations occurred throughout the world. His country had, in addition to condemning the unlawful acts of those corporations at the international level, taken action at home to end the problem. The best contribution which the imperialist countries could make to the development of a country was to refrain from interfering in its affairs. In conclusion, he announced that his delegation wished to become a sponsor of the draft resolution just adopted.

CONSOLIDATION AND PROGRESSIVE EVOLUTION OF THE NORMS AND PRINCIPLES OF INTERNATIONAL ECONOMIC DEVELOPMENT LAW (*concluded*) (A/C.2/L.1474/REV.1, A/C.2/L.1488, A/C.2/L.1489)

22. The CHAIRMAN read out the draft decision which he was submitting (A/C.2/L.1489) and said that it was the

result of the informal consultations held in connexion with draft resolution A/C.2/L.1474/Rev.1, which was before the Committee under agenda item 12. Under the draft decision, the General Assembly would take note of draft resolution A/C.2/L.1474/Rev.1 and decide to include the question in the provisional agenda of its thirty-first session. If he heard no objection, he would take it that the Committee wished to adopt draft decision A/C.2/L.1489 without a vote.

The draft decision was adopted.

23. Mr. VERCELES (Philippines) thanked the Chairman for introducing the draft decision which had just been adopted and the many delegations of developing and developed countries which had taken part in the consultations. As he had said before, he was fully aware of the importance and implications of the consolidation and progressive evolution of the norms and principles of international economic development law, which was a new area of international law designed to promote the economic progress of the developing countries, and he therefore understood the reluctance shown by many members of the Committee during the consultations. In any event, his delegation was glad that the question would be considered as a separate agenda item at the thirty-first session of the General Assembly, and he expressed the hope that the Sixth Committee would give it the serious consideration which the subject deserved.

Mr. Hosny (Egypt) took the Chair.

24. Mr. AMIRDZHANOV (Union of Soviet Socialist Republics) said that his delegation's constructive approach to the question was reflected by the fact that it had not objected to the adoption of draft decision A/C.2/L.1489, although it considered that studies on the subject were not opportune. It should be borne in mind that the General Assembly, at its sixth and seventh special sessions and in the Charter of Economic Rights and Duties of States, had laid the foundations for the new international economic order. Accordingly, since the main task was to implement the progressive decisions contained in those instruments, any codification work in that field might impede the crucial task of establishing a new international order.

25. In conclusion, he pointed out that the list of documents recommended as a basis for the study of the norms and principles relating to the question included decisions in the preparation of which his country had not participated, since, as was common knowledge, it was not a member of GATT and some other bodies.

26. Mr. AKSOY (Turkey) said that his delegation had had no difficulty in supporting the consensus on the procedural decision suggested by the Chairman. In any case, it felt that the process of codification provided for in draft resolution A/C.2/L.1474/Rev.1 should be the subject of a detailed review in which not only jurists but also economists took part. The international economic order was undergoing a process of change which had begun at the sixth special session of the General Assembly, and it was therefore not the right time for a codification of norms concerning economic development; his delegation's initial reaction had therefore necessarily been unfavourable.

27. Mr. GONZALEZ DE COSSIO (Mexico) noted that the adoption of the draft decision introduced by the Chairman meant that due importance would be attached to the subject of the codification of international economic development law in the Committee most competent to deal with the question, in view of the legal issues which it involved. He reiterated the importance which his delegation attached to drawing up rules to govern international economic relations, and assured the delegation of the Philippines that at the thirty-first session of the General Assembly his delegation would co-operate fully to ensure the success of that important initiative.

CONFERENCE ON INTERNATIONAL ECONOMIC CO-OPERATION (*concluded*)* (A/C.2/L.1467/REV.1)

IMPLEMENTATION OF THE DECISIONS ADOPTED BY THE GENERAL ASSEMBLY AT ITS SEVENTH SPECIAL SESSION (*concluded*)* (A/C.2/L.1468/REV.1)

28. The CHAIRMAN invited the Committee to resume consideration of draft resolution A/C.2/L.1467/Rev.1, under agenda item 12, and draft resolution A/C.2/L.1468/Rev.1, under item 123.

29. Mr. RAJAONARIVELO (Madagascar), referring to draft resolution A/C.2/L.1467/Rev.1, said that the Group of 77, in a spirit of co-operation, had held negotiations and consultations with the developed countries, and as a result had submitted the revised draft resolution, which provided a framework and guidelines for meetings and conferences on international economic co-operation. Referring to the second preambular paragraph he recalled that the developing countries which attended the Conference on International Economic Co-operation in Paris would represent the Group of 77 as a whole. Moreover, referring to paragraph 2, he said that there had been consensus on requesting the Paris Conference to report on its conclusions to the General Assembly at its thirty-first session, a provision which was not clearly expressed in the French version of the text.

30. He said that there had been no difficulties about draft resolution A/C.2/L.1468/Rev.1 during the consultations, and that only minor changes had been made in the text, especially in the fourth preambular paragraph, in which the principle that the General Assembly should review all negotiations and decisions in other forums on international economic co-operation was reiterated. Paragraphs 3 and 4 had been rearranged as a single paragraph, in which the Assembly decided to assess the implementation of resolution 3362 (S-VII), with a view to facilitating, *inter alia*, the forthcoming revision of the International Development Strategy.

31. In conclusion, he said that, in his view, both draft resolutions could be adopted by consensus.

32. Mr. CORDOVEZ (Secretary of the Committee), in a statement of the financial and administrative implications of draft resolutions A/C.2/L.1467/Rev.1 and A/C.2/L.1468/Rev.1, said that the preparation of the report to be submitted by the Secretary-General, through the Economic

* Resumed from the 1703rd meeting.

and Social Council, on his participation in the Conference on International Economic Co-operation would be accommodated within the activities of the relevant programmes of the Department of Economic and Social Affairs, and would therefore have no financial implications.

33. With reference to paragraph 4 of draft resolution A/C.2/L.1467/Rev.1, in which the Secretary-General was requested actively to assist the participants in the Paris Conference, he said that such assistance would require that a number of staff members from substantive services of the Department of Economic and Social Affairs attend the Conference. Consequently, while draft resolution A/C.2/L.1467/Rev.1 would probably have financial implications, they could not be estimated until the Conference had decided on its programme of work, since it was impossible, as matters stood, to determine how many staff members would be required to attend and for how long.

34. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to adopt draft resolution A/C.2/L.1467/Rev.1 without a vote.

The revised draft resolution was adopted.

35. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to adopt draft resolution A/C.2/L.1468/Rev.1 without a vote.

The revised draft resolution was adopted.

36. Mr. GORITZA (Romania), referring to draft resolution A/C.2/L.1467/Rev.1, said that the Conference on International Economic Co-operation would have to consider problems of universal significance which affected the interests of the entire international community; it was therefore understandable that many countries, including his own, were concerned that at the Conference the interests of as many countries as possible, and the principles and general policy decisions adopted by the United Nations, should be taken into account. Furthermore, the results of the Paris Conference should be considered within a worldwide framework and in the context of the development and international economic co-operation activities of the United Nations.

37. Mr. MYERSON (United States of America) said that his delegation was gratified by the spirit of co-operation which had prevailed in the consultations on the two draft resolutions and by the consensus which had been reached.

38. In order to avoid any misunderstanding, he drew attention to his delegation's position concerning some of the texts referred to in paragraph 1 of draft resolution A/C.2/L.1467/Rev.1, and said that its position had not changed.

39. With reference to the first preambular paragraph of draft resolution A/C.2/L.1468/Rev.1, he drew the attention of the members of the Committee to the statement made by the United States delegation in the *Ad Hoc* Committee of the Seventh Special Session,² especially as it affected the

final words of that paragraph. With regard to paragraph 3 of the draft resolution, his delegation agreed that the assessment of the implementation of General Assembly resolution 3362 (S-VII) was of the utmost importance and would ultimately have a bearing on the revision of the International Development Strategy, in view of the link between the two instruments. While it might be too early to decide when the revision of the Strategy should take place, he believed that the Economic and Social Council should at its sixty-first session consider in detail the question of the adequacy, relevance and nature of the Strategy, with a view to an effective revision of that instrument.

40. Mr. VALLE (Brazil), referring to paragraph 1 of draft resolution A/C.2/L.1467/Rev.1, reaffirmed that the position taken on other occasions by the Brazilian Government concerning article 3 of the Charter of Economic Rights and Duties of States remained the same.

41. Mr. GAJENTAAN (Netherlands) expressed his delegation's satisfaction that a consensus had been reached on both draft resolutions; that was an encouraging sign that the entire international community was prepared to reaffirm the political will demonstrated at the seventh special session of the General Assembly.

42. Mr. RAJAONARIVELO (Madagascar), speaking on behalf of the Group of 77, thanked all delegations that had taken part in the consultations, which had made it possible to arrive at the compromise texts adopted by consensus.

REPORT OF THE *AD HOC* COMMITTEE ON THE RESTRUCTURING OF THE ECONOMIC AND SOCIAL SECTORS OF THE UNITED NATIONS SYSTEM (A/10005 AND CORR.1, A/AC.179/L.3)

43. The CHAIRMAN invited the Committee to consider the progress report of the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System (A/10005 and Corr.1), which was before the Committee under item 123, and said that the administrative and financial implications of the decisions adopted by the *Ad Hoc* Committee appeared in document A/AC.179/L.3.

44. Mr. DADZIE (Chairman of the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System), introducing the report of the *Ad Hoc* Committee, said that the Committee had concerned itself principally with the organizational arrangements for its future work, partly because of lack of time and partly because of the appreciation of members that the complexity of the task ahead called for careful planning and organization. In considering its schedule of meetings for the coming year the Committee had borne in mind the over-all calendar of United Nations meetings and the availability of the various reports which it was requested to take into account under General Assembly resolution 3362 (S-VII).

45. At its February 1976 session, to which the executive heads of all the organizations of the United Nations system had been invited, the Committee expected to hold a general debate at which delegations could make policy statements on the substantive questions before the Committee. On the basis of that debate, the Committee would define a number

² See *Official Records of the General Assembly, Seventh Special Session, Ad Hoc Committee of the Seventh Special Session, 3rd meeting.*

of problem areas which would be the subject of priority study and of recommendations to the General Assembly.

46. In order to facilitate its work, the Committee had decided to establish an informal working group which would meet between sessions. Participation in that group would be open to all States, but a decision on its size and composition would be taken on the basis of consultations with the chairmen of the regional groups. In addition, the Committee had requested the Secretariat to prepare a bibliography of documents relevant to its work, in order to supplement the documentation referred to in section VII of General Assembly resolution 3362 (S-VII).

47. Furthermore, the Committee had agreed to attach great importance to the participation in its work of all the United Nations organizations, including the regional commissions, programmes, specialized agencies, IAEA and GATT. To that end, it had stressed the desirability of holding consultations with those organizations and had established arrangements designed to ensure that the Committee derived the maximum benefit from their assistance. The Committee had also agreed on the desirability of having summary records and had decided to request UNCTAD at its fourth session, which was to be held at Nairobi from 5 to 28 May 1976, to give priority consideration to the item relating to institutional questions on the agenda of the Conference.

48. In addition to the discussion of organizational matters, there had been a preliminary exchange of views on the objectives and substance of the restructuring of the system. A number of broad trends had emerged from those discussions. First, it had been felt that the process of restructuring was essential if the United Nations system was to be fully capable of dealing with the problems of economic co-operation and if it was to be more responsive to the objectives of the Declaration and the Programme of Action on the Establishment of a New International Economic Order (General Assembly resolutions 3201 (S-VI) and 3202 (S-VI)) and of the Charter of Economic Rights and Duties of States (resolution 3281 (XXIX)). Secondly, it had been maintained that, as was indicated in resolution 3362 (S-VII), the work of the Committee would proceed in the context of progress towards, and as an integral element in, the further elaboration of the new international economic order. Thirdly, it had been pointed out that care should be taken to ensure that the results of the Committee's work did not run counter to the spirit or the letter of the Charter. Lastly, it had been suggested that, while the problem areas referred to would not be easy to identify in precise and generally acceptable terms, there were certain issues to which it might be possible to give priority attention, including, for instance, the role of the Economic and Social Council, the role of the Secretariat, including the existing units dealing with economic and social affairs, the possible consolidation of United Nations operational activities and funds, the adoption of measures to ensure cohesion and better co-ordination within the system, and the strengthening of machinery for the system-wide implementation of policy decisions on development questions.

49. The Committee would explore all those matters more fully than it had been able to do thus far. However, there had been general agreement that progress in the enormously

complex work to be done would require the same atmosphere of mutual accommodation and consensus as had prevailed at the seventh special session of the General Assembly.

50. The CHAIRMAN said that unless any delegation wished to comment on the report of the *Ad Hoc* Committee, which dealt essentially with organizational matters, he would take it that the Committee decided to recommend that the General Assembly take note of the report of the *Ad Hoc* Committee on the work of its first session (A/10005 and Corr.1).

It was so decided.

SPECIAL INTERGOVERNMENTAL COMMITTEE ON INTERNATIONAL TRADE (*continued*)* (A/C.2/L.1472)

51. Mr. RAJAONARIVÉLO (Madagascar) said that the Group of 77 had held negotiations on the draft resolution under consideration, submitted under item 123, and, in view of the outcome of those negotiations, requested that consideration of the matter should be deferred until the thirty-first session of the General Assembly.

52. Mr. LINDENBERG SETTE (Brazil), speaking on behalf of his own delegation, which had been the initiator of the draft resolution under consideration, thanked the many delegations which had helped it during the negotiations; he particularly thanked the representative of Madagascar, in his capacity both as representative of his country and as the Chairman of the Group of 77, and the delegations of Argentina, Egypt, Iran and the Upper Volta. He regretted that it had not been possible to take a decision on that important question during the current session. Although the initiative had come from his delegation, the idea was not an original one, for many countries had entertained it and similar, if not identical, concepts had been expressed recently. He also expressed his surprise at the uniformly negative reaction of the developed countries. Various arguments, none of them convincing, had been used against the draft resolution. Some had alleged that the objectives of the proposed intergovernmental committee were too vague and its terms of reference obscure. Others, on the contrary, had felt that the Committee's terms of reference were so precise as to prejudice the outcome of its work. All the industrialized Western countries had shared one fundamental concern, namely, that various negotiations on international trade were now in progress and that further negotiations in one more forum would affect or disturb those already under way. Although it must be acknowledged that in some cases that concern had been sincere, that had not been the intention of the Group of 77. Accordingly, and since it was not the time for polemics or recriminations, the Group of 77 had expressed its desire to postpone consideration of the question until the thirty-first session of the General Assembly. Furthermore, some members of the Group were considering the possibility of raising the issue at the fourth session of UNCTAD. However, for various reasons, he suggested that a decision on the draft resolution should be taken at the following meeting.

* Resumed from the 1706th meeting.

**INSTITUTIONAL ARRANGEMENTS IN THE FIELD
OF THE TRANSFER OF TECHNOLOGY (A/C.2/L.1470)**

**EXCHANGE OF TECHNOLOGICAL INFORMATION
(A/C.2/L.1476)**

53. Mr. DONNELLY (United Kingdom) and Mr. YORK (Federal Republic of Germany) said that they would have liked further informal consultations to be held on draft

resolutions A/C.2/L.1470 and A/C.2/L.1476, submitted under item 123, and that they were prepared to continue to participate in the consultations on those draft resolutions.

54. The CHAIRMAN said that, before adjourning the meeting, he wished to announce that Surinam had become a Member of the United Nations.

The meeting rose at 4.50 p.m.

1712th meeting

Friday, 5 December 1975, at 3.15 p.m.

Chairman: Mr. Olof RYDBECK (Sweden).

A/C.2/SR.1712

AGENDA ITEM 12

Report of the Economic and Social Council [chapters II, III (sections A to E, G, H and J to L), IV and VI (sections A to D and F)] (concluded) (A/10003, A/10003/Add.1 (parts I to III))

PERMANENT SOVEREIGNTY OVER NATURAL RESOURCES IN THE OCCUPIED ARAB TERRITORIES (concluded)* (A/10290 AND ADD.1 AND 2, A/C.2/L.1490, A/C.2/L.1494)

1. The CHAIRMAN invited the Committee to consider draft resolution A/C.2/L.1490, of which Oman and Yemen had become sponsors, and announced that the administrative and financial implications of the draft were contained in document A/C.2/L.1494.

2. Mr. QADRUD-DIN (Pakistan), introducing draft resolution A/C.2/L.1490 on behalf of the sponsors, said that the first preambular paragraph recalled General Assembly resolution 3335 (XXIX), in paragraph 5 of which the Secretary-General was requested to prepare a report on the adverse economic effects on the Arab States and peoples, resulting from repeated Israeli aggression and continued occupation of their territories. The report was to be substantive and comprehensive and was to be prepared with the assistance of the relevant specialized agencies and UNCTAD.

3. The second preambular paragraph recalled the statement made by the delegation of Pakistan at the twenty-ninth session of the Assembly in the Second Committee (1635th meeting) in introducing the revised draft resolution¹ which underlined the need to seek the assistance of relevant United Nations organizations in preparing the report requested of the Secretary-General. He said that in that statement his delegation had cited several examples to underline the importance of the assistance to be provided by the relevant United Nations organizations and had stressed that UNCTAD had the machinery to carry out studies and research which would be useful in the prepara-

tion of the report. Similarly, the UNESCO secretariat had been expected to assist the Secretary-General in assessing the losses, destruction and damage caused to educational, cultural and scientific institutions in the Arab States subjected to Israeli aggression and occupation and the losses and damage which had a bearing on the economies and development efforts of the countries concerned. Furthermore, UNESCO was to take into account the loss of items of cultural and national heritage in Arab Jerusalem, the west bank of the Jordan River, the Sinai region, the Golan heights and the Syrian city of Quneitra, where the loss of valuable items of national heritage during Israeli occupation had been reported. It had also been emphasized on that occasion that other organizations within the United Nations system such as WHO, FAO, UNIDO and the ILO were expected to participate in preparing the report. He further recalled that in the statement he had mentioned it had been made clear that the word "wealth" used in resolution 3336 (XXIX) meant all forms of wealth, including items of cultural or national heritage, personal wealth of the Arab peoples, and so on.

4. The third, fourth and fifth preambular paragraphs of the draft resolution recalled the statements, submitted by the Secretary-General of the administrative and financial implications of the provisions concerning the preparation of the report. At the request of the Secretary-General, the General Assembly had approved an additional appropriation of \$37,000 to cover the cost of the services of two economists for a period of six months each, as well as the travel costs involved in the preparation of the report. The work of the two economists had been intended to supplement the staff and resources of ECWA, which was to perform a large part of the work involved in the preparation of the report.

5. The report submitted by the Secretary-General (A/10290 and Add.1 and 2), did not include any substantive or comprehensive study or research as envisaged in resolution 3336 (XXIX) and the related statements already mentioned. The sixth preambular paragraph of the draft resolution noted that the report was composed only of annexes containing information available to Governments and some of the relevant specialized agencies; no studies specifically relating to the report had been undertaken.

* Resumed from the 1708th meeting.

¹ A/C.2/L.1372/Rev.1.