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SUMMARY RECORD OF THE 27th MEETING

Chairman: Mr. KHAN (Pakistan)

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The meeting was called to order at 10.20 a.m.

AGENDA ITEM 88: SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued) (A/49/204-E/1994/90, A/49/205-E/1994/91, A/49/229, A/49/256, A/49/307, A/49/378, A/49/381, A/49/395, A/49/412-S/1994/1078, A/49/422-S/1994/1086, A/49/424 and Add.1, A/49/479, A/49/493-S/1994/1142, A/49/506, A/49/541 and A/49/542)

- (a) TRADE AND DEVELOPMENT (continued) (A/49/15 (vol. I and II)), (A/49/227 and Add.1 and 2, A/49/228-S/1994/827, A/49/277 and A/49/363; A/C.2/49/9)
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1. Mr. NAMAKANDO (Zambia) said that his delegation associated itself fully with the position expressed by the representative of Algeria on behalf of the Group of 77 and with the statement made by the representative of Tunisia, the current Chairman of the Organization of African Unity (OAU).

2. The concept of sustainable development referred to the capacity of national economies to fulfil such basic needs as food, shelter, security and cultural development. Sustainable development could not be easily attained without significant contributions from the international community in the areas of trade and finance and the transfer of technology. The greatest obstacle to the achievement of sustainable development was not inadequate information or misplaced policies but rather a shortfall in the provision of resources.

3. His delegation accepted the Secretary-General's reasons for not submitting an updated report on poverty eradication at the current session. The future report should reflect the outcomes of the forthcoming World Summit for Social

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Development and the Fourth World Conference on Women. That could be achieved by harmonizing the recommendations and plans of action that would result from those global conferences.

4. Many developing countries, including Zambia, were implementing structural adjustment programmes. They had worked out anti-poverty strategies and programmes with well-established short- and long-term objectives. International financial institutions had expressed interest and were participating in those activities. On the other hand, those who had the financial resources to tackle the problem effectively had yet to demonstrate sufficient commitment and fulfil their promises and pledges.

5. The share of industry in the gross domestic product (GDP) of many African countries was declining. In Zambia, the decline in the share of industry had been mainly due to a decline in reinvestment. The situation had improved since the beginning of the decade, although the social costs associated with the restructuring of the Zambian economy had been high. Zambia had benefited from external assistance that had enabled it to withstand the shocks of bringing macroeconomic indicators to levels that would attract investment and encourage industrial expansion.

6. His delegation commended the United Nations Industrial Development Organization (UNIDO) for the assistance it had provided to African countries in the implementation of the Second Industrial Development Decade for Africa. UNIDO should continue to expand its activities, in particular its private-sector support programmes. UNIDO assistance in the areas of investment promotion and rural industrialization was highly commendable. UNIDO was contributing both to job creation and a conducive environment for investment in the agricultural and manufacturing sectors of industry. In the long run, investments in industry would help create a sustainable economy.

7. Zambia depended on one major commodity - copper - for its foreign exchange earnings. Fluctuations in the price of copper had frustrated many of the country's development efforts, and his delegation hoped that the establishment of a diversification fund for Africa's commodities would assist the Zambian economy more effectively than the Common Fund for Commodities had been able to do.

8. Mr. NAADJIE (Ghana) said that the importance of trade for developing countries as an engine of growth had long been acknowledged. While the successful conclusion of the Uruguay Round would usher in a period of renewed expansion of world trade, many African economies were threatened by the erosion of their preferential margins for most of their major exports, resulting in a decline in export earnings. The compensatory measures included in the Final Agreement must provide a safety net for countries prone to short-term disadvantages.

9. The prevailing commodity situation gave cause for concern and demanded international action. The long-term downward trend of commodity prices and poor linkages between the commodity and domestic sectors gave rise to the need for

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policies which created and intensified linkages in development programmes and strategies. His delegation urged the international community to help developing countries set up the necessary supportive policy framework and to provide financial and technical assistance to strengthen competitiveness and accelerate diversification in commodity-dependent countries.

10. The World Summit for Social Development would provide a unique opportunity for world leaders to outline specific strategies for the eradication of poverty in developing countries. The Summit programme of action must include sections on employment generation and the enhancement of social integration. Combating poverty was the shared responsibility of all countries; all countries must therefore make it a priority to support international efforts for its eradication.

11. Mr. VALCARCE (Chile) said that the successful conclusion of the Uruguay Round had paved the way for the liberalization of trade to promote development and thereby substantially improve the global economy as a whole. He emphasized the importance of a clear rule-based multilateral trading system and cautioned that failure to adhere to established rules would undermine the export development efforts of the developing countries. The good faith and honour of member countries and equity in international relations were at stake. He urged the prompt ratification of the GATT agreements, particularly by the countries whose economies had the greatest bearing on the international economy. Increasingly competitive export sectors in the developing countries should not be viewed as a threat to the major industrialized economies.

12. He was confident that the concerns that the outcome of the GATT negotiations might prove costly to the developing economies, particularly during the initial adjustment phase, could be assuaged, and he welcomed the efforts of UNCTAD to that end.

13. The rules of the market and the concept of comparative advantage should prevail. It was the responsibility of all countries to ensure that national economic policy decisions were in harmony with the international economic environment and to consider the possible global impact of such decisions. There was absolutely no justification for subsidies of any kind, including agricultural subsidies. Such subsidies severely affected agricultural development in various regions and undermined initiatives to promote world food security; their elimination was of equal or greater importance than the adoption of new agreements.

14. The international financial institutions should apply the adjustment measures they had so energetically promoted in the developing countries to all countries without discrimination. Equity in world trade must be strengthened, particularly at a time when official development assistance was dwindling.

15. The challenge which the developing countries faced of harmonizing their developmental needs with environmental considerations made it imperative that they be given access to new, clean technologies. The success of the United

Nations Conference on Human Settlements (Habitat II) was likewise of critical importance.

16. Mr. YADAV (India) said that the problem of poverty required a development strategy that combined efforts to achieve general economic growth on a broad front with programmes designed to address specific categories of the population. In addition to efforts to promote a favourable international economic environment, situation-specific approaches might also be needed, depending on whether poverty and the lack of income-generation was due to a region's poor production potential in terms of resource endowment or to its geographic inaccessibility, which deprived it of social services and economic benefits. A complete strategy would also need to consider the needs of communities and groups that might have been deprived of socio-economic rights and benefits for historical reasons. Equal attention must be given to the elimination of centuries of inequality caused by certain patterns of male domination in society. The strategy should also take into account the rights of the child and the needs of youth.

17. It was essential to recognize the right of poor people to a dignified life, food, work, education, good health, shelter and development. The right to information was also crucial in the context of strategies for fighting poverty. In order to guarantee all those rights, it was necessary to elaborate programmes that guaranteed a certain level of employment to the rural poor and to educated but unemployed rural and urban youth. There was also a need for programmes that provided for the nutritional, educational and health needs of women and children as well as mass community-led literacy programmes. Alternate markets should be established to provide the poor with an accessible and affordable means of meeting their everyday needs.

18. India had instituted a large rural employment programme and a self-employment programme in small-scale industries and enterprises in urban areas. The Integrated Child Development Services provided services to children up to age 6 and to pregnant and nursing mothers. The Public Distribution System delivered essential commodities to the most backward and remote areas of the country. An innovative scheme to give rural women access to and control over their own resources had been formulated and was currently being implemented through 120,000 branch post offices in rural India.

19. There were no universally applicable models of development. Any model should be tailored to the perceptions of the target groups and should generate in them a sense of ownership of the programmes that had been adopted. The population at large should be involved in development policy planning. To meet that objective, India had recently amended its Constitution with a view to delegating considerable financial and administrative powers to local bodies at the village and town levels.

20. It was important that the poor, especially women, should be organized and backed by supportive structures and institutions. Non-governmental organizations had a vital role to play in that area.

21. Mrs. HOMANOVSKA (Ukraine) said the countries with economies in transition were taking unprecedented steps to ensure their rapid transition to a market economy and integration into the world economy. That transition would be longer and more complicated than had been previously anticipated. In Ukraine, the processes of economic restructuring and social renewal were taking place during a period marked by a decline in industrial production, high inflation rates, lack of regulation in the field of credit and finance, acute payments crisis, a critical investment situation and a sharp decline in the standard of living.

22. The President of Ukraine had recently outlined a new strategy for economic development that would help stabilize the country's monetary system. That strategy should create the necessary conditions for a comprehensive currency reform and the introduction of a new national currency, the hryvnya. There were plans for radical institutional changes, the most important of which was the reform of property relations. Ukraine was also placing emphasis on radical land reforms.

23. Ukraine's foreign economic policy would concentrate on the transition to an active export-oriented strategy of economic development based on a strengthening of the country's export capacity in priority areas of the economy, measures to liberalize foreign economic relations, a reform of the legal and institutional bases of foreign economic activities as required by the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO), and the further development of a regional foreign economic policy.

24. In carrying out its economic reforms, Ukraine would make maximum use of the capacity of its own economy. At present, however, the success of those reforms depended greatly on foreign assistance, and her delegation was grateful to the countries that understood Ukraine's problems and were providing the necessary support.

25. The Secretary-General's report on the integration of the economies in transition into the world economy (A/49/330) reflected a growing awareness that transition to a market economy was a long and painful process that required assistance from the entire international community. Future reports should provide more specific information on the forms and volume of the assistance being provided to economies in transition, as well as more substantial recommendations on future United Nations activities in that area. In particular, United Nations programmes in the economic and social fields should be more oriented to countries with economies in transition.

26. After the establishment of WTO, the GATT/WTO system would become one of the most important institutions for regulating international economic relations. In that new institutional system, the role of the United Nations Conference on Trade and Development (UNCTAD), which had become the most representative international forum for questions of trade and development, had increased. The provision of assistance to countries in transition to a market economy should become one of the main areas of the Conference's activities. Her delegation hoped that the activities of the GATT/WTO system would contribute to the liberalization of trade and the creation of an open and transparent trading

system and would provide opportunities for increasing access to world markets of exports from countries with economies in transition, including Ukraine.

27. The General Assembly should adopt the necessary decisions at its current session to provide new opportunities for increasing the access of goods and services from Eastern European countries to world markets. Those elements should be reflected in an omnibus resolution on international trade issues to be adopted in the Second Committee.

28. Mr. DZUNDEV (Former Yugoslav Republic of Macedonia) said that at its forty-eighth session the General Assembly had rightly stressed the importance of the full integration of the economies in transition into the world economy. The Secretary-General's report on that subject (A/49/330) clearly indicated that the performance of those economies had been unsatisfactory. New problems and constraints had emerged, and only a few of the economies had thus far shown signs of recovery, despite the fact that the countries in transition were working to improve cooperation among themselves. Broader and substantial cooperation with the relevant international organizations and financial institutions, particularly the International Monetary Fund (IMF) and the World Bank, remained crucial.

29. In his own country, the Government and the public and private sectors had been striving to achieve market-oriented growth and sustainable development. The transition was being carried out under extraordinarily restrictive material, social and political conditions. External trade and import and export performance had been severely curtailed with the loss of the traditional markets of the former members of the Council for Mutual Economic Assistance and with the imposition of sanctions against Yugoslavia and the embargo imposed against his country in February 1994 by Greece.

30. In coordination with IMF and the World Bank, his Government was pursuing a programme to stabilize the economy, inter alia by intensifying structural economic reforms and introducing social reforms. The success of the transition process required an expansion of external trade, increased financial inflows, improved market access and the elimination of all types of barriers to trade. Regional and global integration must proceed apace, on the basis of the concept of interdependence.

31. Mr. APTSIAURI (Georgia) said that the item under consideration was one of the most important on the Committee's agenda and provided an opportunity to discuss the issues involved in the light of new political realities and economic challenges. The question of the integration of the economies in transition into the world economy and the question of trade and development were of particular importance to his delegation, which deeply appreciated the work of the United Nations system and other international institutions to address the economic problems of the countries in transition. He also expressed appreciation for the humanitarian and technical assistance provided to his country.

32. A number of the countries in transition, including Georgia, faced unexpected obstacles which slowed their development and thus required additional

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support from the international community. Economic performance in Georgia was even poorer than in other transitional countries members of the Commonwealth of Independent States. The current economic situation was characterized by weak industries, inadequate energy supplies, food shortages, a weak monetary system and high unemployment.

33. Document A/49/330 rightly indicated that the international community's efforts to assist the economies in transition had not yet produced the expected results, and his delegation agreed that it was necessary to identify and mobilize fresh official resources. He welcomed the further strengthening of coordination among all United Nations bodies concerned with economic and technical assistance for the countries in transition and said that the United Nations Development Programme (UNDP), which was active in Georgia, had a key role to play in that regard. However, Georgia had no intention of relying solely on foreign assistance: the Government had launched a comprehensive national economic recovery programme focusing on foreign investment, regulation of the banking system, further liberalization of trade and privatization, particularly in agriculture.

34. His delegation welcomed the successful conclusion of the Uruguay Round and believed that the liberalization of trade would make a solid contribution to the democratization of international economic relations, for the benefit of all members of the world community. His delegation supported the adoption of an omnibus resolution on international trade that would reflect the needs and interests of the most vulnerable countries and attached particular importance to improved terms of trade, both bilaterally and multilaterally, the liberalization of trade regimes and the reduction and elimination of discriminatory tariff and non-tariff measures.

35. Mr. ABDELGHANI (Qatar) said that the world economy was in a state of continuous development and that all States were becoming more closely linked. It was not possible for any country, however developed, to be totally self-sufficient. At its thirty-ninth session, the Trade and Development Board had recognized that trade liberalization was an important tool for increasing economic efficiency and improving resource allocation and growth in all countries. The international community must therefore support the efforts of the developing countries in that area by facilitating their access to markets, increasing the availability of financial resources and reducing their debt burden. The conclusion of the Uruguay Round represented the dawn of a new era in trade liberalization and international economic cooperation, and he hoped that all States parties would ratify the Uruguay Round agreements so that WTO could become an impartial forum for the supervision of world trade.

36. Qatar had great faith in free trade, believing that international trade was an essential factor in economic development, which in turn helped to narrow the gap between developed and developing countries. Developed countries had responsibility to help developing countries and economies in transition by opening their markets to commodities from those countries without restriction. Developing countries must also increase their promotion of private enterprise, investment and exports. Statistics showed that trade liberalization benefited

all countries. The interests of the developed and the developing countries were complementary rather than competing. For example, developing countries with increased income could afford to buy products from developed countries.

37. Yet despite the movement towards international economic integration, the problems faced by developing countries were much the same as those they had faced in the 1980s. Development plans had not achieved their goals, and poverty, trade imbalances, foreign debt burdens and dangerous environmental problems persisted, although many developing countries had made significant adjustments in order to stimulate their economies, distribute and export their products, and improve market access. The 1994 Ministerial Meeting of the Least Developed Countries had declared that the international community was neglecting its obligation to help those countries achieve democracy, respect human rights, develop their national capacities and apply free-market policies.

38. Sadly, many societies had been torn apart by inter-ethnic strife which had produced enormous numbers of cross-border refugees or displaced persons within their own countries. That situation had led to increased poverty in both the countries of origin and the receiving countries. Rural-to-urban migration also left millions of people living in terrible conditions without basic services. Without economic growth and development there could be no international peace or security; all countries should therefore work together to resolve their differences and achieve sustainable development through international economic cooperation.

39. Mr. THANARAJASINGAM (Malaysia), said that his delegation favoured the immediate ratification of the Uruguay Round Final Act by the major industrialized countries in order not to delay the establishment of the WTO. Countries must strictly abide by their commitment not to introduce rules and procedures that might impede full market access.

40. With regard to sustainable development and international economic cooperation, environmental standards should not be imposed arbitrarily or unilaterally, either in trade or in other areas of inter-State relations. Environmental concerns should not serve as a guise for protectionism but should take equitable and differentiated responsibilities of developed and developing countries into account.

41. There was no justification for linking labour standards with trade, for such a link might constitute a new form of protectionism. Labour issues were properly the province of the International Labour Organization (ILO), not the WTO. His delegation welcomed the invaluable contribution of UNCTAD to the developing countries, particularly in the negotiations on commodities. The role of UNCTAD should be strengthened to help integrate the developing countries into the multilateral trading system and enhance national trade and development capacities.

42. Malaysia had consistently opposed protectionism and supported trade liberalization, and therefore welcomed regional efforts to promote trade. Although Malaysia was opposed to trading blocs, it believed that the Association

of South-East Asian Nations (ASEAN) Free Trade Area was consistent with GATT and would not be a barrier to third countries.

43. UNIDO had rightly begun to re-evaluate its priorities and strengthen its institutional capacities. It should give primary attention to creating an environment conducive to sustained industrial development and should focus on enhancing international competitiveness by stimulating private-sector participation and promoting foreign investment and technology. UNIDO should also focus on developing human resources, efficient industrial support services and effective linkages through the expansion of medium-sized and small industries.

44. The technological base of many developing countries should be strengthened through an effective programme of capacity-building, specialized training programmes, internships and research and development activities. Such efforts should seek to build up endogenous capacity and experience. UNIDO should facilitate that process in such areas as sourcing and the promotion of international cooperation among private sector entities.

45. Efforts to develop human resources for industry should include training for highly skilled workers and the development of skills in specialized activities consistent with the stage of industrial development of the country concerned. Effective collaboration between the public and private sectors and educational institutions and with advanced industrial and teaching establishments in developed countries was essential.

46. The Preparatory Committee for the United Nations Conference on Human Settlements (Habitat II) had underscored the major role of national Governments and the international community in addressing the problems of adequate and sustainable housing for all. Rapid urbanization and increased population mobility posed greater challenges for human settlements, and it was necessary to devise more innovative designs which took local ecosystems into account.

47. Mr. MAUNG (Myanmar) said that any attempt to use food as an instrument of political and economic pressure was reprehensible. The international community should focus on strengthening cooperation which could lay the foundations for sustainable food security, especially in the developing countries.

48. Despite the successful conclusion of the Uruguay Round, much remained to be done to enhance world trade. The Round had not taken the interests of developing countries fully into account; as a result of protectionism those countries still faced fierce and complex trade competition.

49. He welcomed the Second World Conference on Human Settlements (Habitat II), which would provide an opportunity to address the problems of cities and rural settlements in a comprehensive manner.

50. Because it believed that the eradication of global poverty and the enhancement of the living standards of millions of people throughout the world was one of the most important aims of development policies, his delegation

supported the call by the Group of 77 for a resumption of the North-South dialogue. A constructive dialogue based on common interests and mutual benefits should enhance international economic cooperation for development.

51. In 1988, the Government of Myanmar had initiated a number of fundamental economic reform measures including trade liberalization, enhancement of the role of the cooperative and private sectors and promulgation of the Union of Myanmar Foreign Investment Law. Those measures had resulted in economic growth rates of 10 per cent in 1992/93 and 5.8 per cent in 1993/94.

52. Mr. MARTINI HERRERA (Guatemala), speaking also on behalf of Costa Rica, El Salvador, Honduras, Nicaragua and Panama, said that those countries together with Belize had established an Alliance for the Sustainable Development of Central America. That initiative provided a framework for short-, medium- and long-term policies, programmes and activities which marked a shift in the region's pattern of development. It also took into account the special circumstances of Central America, which had created conditions favourable to private investment, focused public spending on anti-poverty measures and implemented economic adjustment programmes, yet still faced enormous social problems which threatened its stability.

53. The commitment of the Central American countries to sustainable development was consistent with the commitments set out in Agenda 21. All the countries of the region were determined to ensure respect for life in all its forms and to promote lasting peace, participatory democracy, respect for human rights and economic integration. The international community could and must contribute to the region's sustainable development through innovative cooperation mechanisms. A recent meeting of Heads of State of the region had invited the international community to become members of the Alliance.

54. In joining the Alliance, Member States would help to achieve the goals of securing peace and development in the region within the framework of Agenda 21. They would also help protect the region's biodiversity, promote the development and transfer of clean technologies and encourage sustainable eco-tourism. They could also help reduce environmental pollution, halt deforestation and promote productive forestry activities and the development of new environmental products.

55. Mr. ACHA (Peru) said that the Second World Conference on Human Settlements (Habitat II) should complement the other, closely related world conferences, being held in 1994 and 1995. To ensure the success of the Conference, a third session of the Preparatory Committee should be convened in New York in January or February 1996.

56. He welcomed the establishment of national committees, which included non-governmental organizations. Of particular importance would be the regional meetings and seminars on such topics as the financing of cities and urban development. It would be extremely useful for other United Nations agencies and programmes to be involved in the preparatory process.

57. He expressed concern that resources for the preparatory process were not yet commensurate with the volume required and urged that 80 percent of all such funds should be allocated for national programmes.

58. Efforts during the preparatory process should lay the basis for the adoption of more efficient sectoral and cross-sectoral policies and strategies that tied human settlements management to national socio-economic models and programmes and identified the levels of investment required to set up viable and sustainable mechanisms to be applied at the national, local and community levels. In order to ensure the success of the preparatory process, there should be a broader dissemination of information on Habitat II in concise and simple language.

59. Mr. BASHIR (Sudan) noted that, according to the report of the Secretary-General on Habitat II (A/49/272), 45 per cent of the population of Africa would be living in cities by the year 2020, while those who remained in the countryside would be living in very primitive conditions. That was certainly the case in the Sudan, where millions had left the countryside to live in shanty towns around cities in the most appalling and dangerous conditions, threatening the country's social and economic structure. The Government had therefore formulated plans to provide services to the countryside in order to stop that influx and turn the shanty towns into decent places to live. Implementation of those plans had been begun with the construction of roads and the installation of services. People had then been encouraged to live in the new settlements. The plans met with some limited opposition in a popular quarter of the capital, which some Western quarters had made into a political issue, ignoring the noble intention which lay behind it. The Sudanese Government's efforts in the area of human settlements were not made in a vacuum, but were part of an ongoing process informed by the Government's wish to provide suitable housing and decent living conditions, as called for by the United Nations.

60. The economic development of the developing countries was being adversely affected by their dependence on a limited number of commodities, whose continually falling prices they could not control. Consequently, many developing countries had tried to export expensive manufactured goods and otherwise diversify their exports to lessen their dependence on commodities. In the light of the conclusion of the Uruguay Round and the establishment of WTO, his delegation called for support for the developing countries' exports and the opening of world markets to their manufactured goods.

61. Along with hunger and illness, poverty was one of the greatest enemies of mankind. The Sudanese Government had prepared a comprehensive plan to combat poverty by raising rural living standards through economic and social development plans, with similar projects directed at poor urban dwellers. The Islamic alms-tax was to be used to generate resources to be distributed to the poor, the needy, widows and orphans. In addition, the State had set up a relief fund for the poorest sector of society. With a budget of 6 billion Sudanese pounds, the fund was intended to subsidize basic consumer goods. Other measures provided support for cottage industries to enable the poor to participate in the economic life of the State. Lastly, a social savings bank had been established

with resources of 3 billion Sudanese pounds. The entire programme had made a palpable difference in the lives of many of the country's poor.

62. Because the economies of the world had become so intertwined, international economic cooperation was essential in order to resolve the current economic situation in which rich countries got richer while poor countries got poorer. The Sudanese Government's efforts to combat poverty had had positive results, but could only achieve their goals with international assistance and cooperation.

63. Mrs. KLEIN-LOEMBAN TOBING (Suriname) said that the primary goal of international cooperation was to promote sustainable development and to ensure that such development was human-centred, with a strong emphasis on equitable economic growth and on environmental protection. In the countries of the South, of which Suriname was one, the great majority of the population stood in urgent need of better social protection. The most vulnerable groups - children, women, the elderly and the disabled - were paying the highest price for short-sighted economic policies, political blunders, war and serious violations of human rights.

64. In the report of the Joint Inspection Unit on the development needs of small Member States (A/49/424) Suriname had been listed among net contributors to UNDP because its per capita income had been calculated to be higher than \$3,000. Inflation had been so high in the country, however, that the real per capita income in 1993, according to World Bank figures, had been \$1,210. The official exchange rate had been reset at a more realistic level, and Suriname looked forward to its early reclassification, and to the resulting aid programmes.

65. The most crucial development goals were the total eradication of poverty, cancellation or reduction of external debt and fundamental changes in structural adjustment policies. The cultural dimension of development should not be neglected, however. Her delegation welcomed the report of the Director-General of the United Nations Economic, Social and Cultural Organization (UNESCO) on the World Decade for Cultural Development (A/49/159-E/1994/62) and the report of the Secretary-General on the role of women in development (A/49/378). Only real partnership between men and women would lead to sustainable development in peace, harmony and dignity for all.

66. Mr. KAYALAR (United Nations Industrial Development Organization (UNIDO)), replying to the questions and observations of delegations, said that UNIDO appreciated the recognition of the importance of industrialization to sustainable development and the support expressed for the agency's role. Industrialization was an essential instrument for the promotion and acceleration of growth and development, and a favourable investment climate and private sector initiative were essential to creating productive employment. He welcomed the support that had been expressed for UNIDO activities in the areas of information technology, improving of standards of production and workforce skills and assistance in the field of environment and sustainable development. A briefing had been held in response to the request for more information on the

progress of implementation of the Second Industrial Development Decade for Africa.

67. In response to a question from Austria, he said that the Industrial Development Board had adopted a number of important decisions at its recently concluded session dealing with, among other topics, environment, energy and sustainable development, the integration of women in industrial development, economic and technical cooperation among developing countries, private sector development and privatization, and the agency's organizational and staff structure. The Board had actually eliminated the post of Deputy Director-General in order to reduce the size of the agency's bureaucracy.

68. It was particularly opportune to deliberate the importance of industry to sustainable development and international economic cooperation while the Secretary-General and Member States were in the process of formulating an agenda for development. UNIDO was ready to cooperate in that effort in every way.

69. Mr. KRASSOWSKI (Assistant Director, Department for Policy Coordination and Sustainable Development) said that he was grateful for the guidance offered by Member States with regard to the International Year for the Eradication of Poverty. As to the consultations with Governments, mentioned in paragraph 7 of the Secretary-General's report (A/49/572), their input would be received through the preparatory committees for the World Summit for Social Development and the Fourth United Nations Conference on Women, and through the Commission on Sustainable Development. Member States could also submit written comments if they wished. The ad hoc working group mentioned in paragraph 13 was an intradepartmental body set up by the Secretary-General.

70. The timetable for the programme for the Year would be developed through those consultations, and a first draft submitted to the June 1995 session of the Economic and Social Council, the coordinating body for the Year. The revised text would be submitted to the Second Committee for consideration during the fiftieth session of the General Assembly.

71. The report of the Secretary-General had been seen as a progress report; its brevity should not be taken as an indication of the attention given to that topic by the Secretariat. A number of other poverty initiatives were also under way. Bringing all the work being done on poverty together into a coherent whole would be a major task, which would be made easier once an agreed policy framework had emerged from the World Summit for Social Development.

72. Mr. DOURAS (Greece), speaking in exercise of the right of reply, said that in his statement under agenda item 88 (e), the representative of the former Yugoslav Republic of Macedonia had used an improper designation for that country under the terms of Security Council resolution 817 (1993). He would not provide a detailed account of the reasons for the economic embargo imposed by Greece against that country, as the matter had been discussed in other forums.

73. Mr. DZUNDEV (Former Yugoslav Republic of Macedonia), speaking in exercise of the right of reply, said that the representative of Greece had incorrectly

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interpreted Security Council resolution 817 (1993). No United Nations resolution obliged his country not to use the name "Macedonia". His country, which was land-locked, was being denied its right to access to the sea. It was to the mutual economic benefit of both countries to lift the embargo.

The meeting rose at 12.50 p.m.