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PREPARATIONS FOR THE UNITED NATIONS CONFERENCE ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT

Letter dated 18 April 1979 from the Permanent Representative of Brazil to the United Nations addressed to the Secretary-General of the United Nations Conference on Science and Technology for Development

I have the honour to request the distribution as an official document of the fourth session of the Preparatory Committee for the United Nations Conference on Science and Technology for Development the conclusions and recommendations (sect. III) of the report of the Ad Hoc Working Group on Financial Machinery for Scientific and Technical Development, held at Lima on 26 and 27 March 1979.

(Signed) Sergio CORRÊA DA COSTA

Permanent Representative of Brazil
to the United Nations

<sup>\*</sup> A/CONF.81/PC/27.

## ANNEX

Excerpt from the report of the Ad Hoc Working Group on Financial Machinery for Scientific and Technical Development, held at Lima on 26 and 27 March 1979

## III. CONCLUSIONS AND RECOMMENDATIONS

27. The Meeting of the Ad Hoc Working Group on Financial Machinery for Scientific and Technical Development, taking into account the elements considered in chapters I and II of document E/CEPAL/L.189, entitled "International Machinery for the Financing of Scientific and Technological Development - Discussion Guidelines for its Analysis and Design", prepared by the Executive Secretariat of the Economic Commission for Latin America (ECLA), which appears as annex III to this report, agreed to adopt the following basic principles for the implementation of international machinery for the financing of scientific and technological activities in the developing countries:

BASIC PRINCIPLES OF INTERNATIONAL MACHINERY FOR THE FINANCING OF THE SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT OF THE DEVELOPING COUNTRIES

- (a) The United Nations Conference on Science and Technology for Development should envisage, as its main objectives, the strengthening of the scientific and technological capacity of the developing countries and the restructuring of international scientific and technological relations as an indispensable prerequisite for the effective application of science and technology in the development processes of those countries in the context of their national and collective self-sufficiency.
- (b) The establishment of international financial machinery is essential for the scientific and technological development of the developing countries in order to complement national efforts in this field.

This machinery must be viewed as a means of concerting the efforts of developed and developing countries to promote a greater level of scientific and technological development in the latter.

- (c) The international machinery established should be part of the United Nations system and should be included in the framework of collective efforts to achieve a new international economic order; accordingly, it should be one of the objectives attained by the developing countries as a result of the United Nations Conference on Science and Technology for Development.
- (d) As one way of eliminating the dependence stemming from the scientific and technological underdevelopment of the countries of the third world, the machinery should have more financial resources than does existing machinery, and such resources should be predictable so that programmes of action can be planned.

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- (e) The financial machinery established should be designed specifically to develop the scientific and technological capacity of the developing countries.
- (f) In accordance with one of the purposes set forth in the Charter of the United Nations, namely, to harmonize the actions of nations in the attainment of common ends, the international financial machinery should be controlled and managed by the United Nations system or by other international organizations, thus assuring the developing countries a decisive role in it.
- (g) The international financial machinery should result in a substantial increase in the resources needed for the scientific and technological development of the countries of the third world. The main functions of this machinery would be to transfer effectively untied funds from the developed to the developing countries and to increase the financial capacity of the latter.
- (h) The financial machinery should be established, taking into account the solidarity of the countries of the third world as well as the differences that exist between regions and countries.
- (i) The financial machinery should be automatic in nature, should provide funds continuously and should be predictable.
- (j) The financial machinery should be based on and linked to international economic parameters that reflect the asymmetry of technologial capacities, and should result in a larger real contribution from the developed countries to the third world.
- (k) The provision of resources under this machinery should take into account each country's scientific and technological development programme, as well as its current situation and its medium- and long-term prospects.
- (1) The work of existing organizations or agencies should be based on the principles of flexibility, co-ordination and the provision of untied resources, and on the scientific and technological priorities of the developing countries.
- 28. The Meeting of the Ad Hoc Working Group on Financial Machinery for Scientific and Technical Development also adopted the following conclusions and recommendations:
- (a) The discussions revealed that one objective was to increase resources for the financing of the scientific and technological development of the countries of the third world. In this context, previous experiences should be reviewed and new ideas should be sought for the establishment and/or adjustment of internal and external financial machinery. In both cases, quantitative goals must be set so that a firm and objective commitment on the generation of additional resources may be obtained from the countries involved.
- (b) During the Meeting of the Ad Hoc Working Group, agreement was reached on the principles on which the international financial machinery should be based. In

addition to proposals that may be presented from within the Latin American region or from without, consideration should be given to the proposal made by the Andean Group  $\underline{1}$ / and to the national experiences that have proved useful in various countries.

- (c) Accordingly, the Ad Hoc Working Group recommends that, at the eighteenth session of ECLA, the Latin American and Caribbean countries should agree to request the Secretary-General of the Conference to convene an international working group specifically for this purpose, entrusted with the task of preparing a report prior to the convening of the Conference.
- 29. The Ad Hoc Working Group on Financial Machinery for Scientific and Technical Development also agreed:

To request the Executive Secretariat of ECLA to draw up a list of national and international machinery for the financing of scientific and technological development and to make it available to the countries of the region and to the working group mentioned in paragraph 28 (c) for their consideration.

 $<sup>\</sup>underline{1}$ / The proposal of the Andean Group is included as annex IV to this report.