

Recalling the resolution concerning measures to promote employment and action against unemployment unanimously adopted by the International Labour Conference on 21 June 1958,⁹

Recognizing that the development of national economic policies for dealing effectively with unemployment can be facilitated by international exchange of views and experience on economic problems,

1. *Concurs* in the recommendations to Member States and employers' and workers' organizations contained in the above-mentioned resolution of the International Labour Conference ;

2. *Invites* States Members of the United Nations to take full advantage of existing opportunities for discussing the current economic situation both on a regional and on a world-wide basis.

1043rd plenary meeting,
31 July 1958.

691 (XXVI). International commodity problems

A

RECONSTITUTION OF THE COMMISSION ON INTERNATIONAL COMMODITY TRADE

The Economic and Social Council,

Recalling its resolutions 512 A (XVII) of 30 April 1954, 557 F (XVIII) of 5 August 1954, 620 (XXII) of 9 August 1956, 656 (XXIV) of 30 July 1957, and 674 B (XXV) of 1 May 1958,

Having examined the report of the Commission on International Commodity Trade on its sixth session,¹⁰ which, *inter alia*, refers to the Council the reconsideration of the terms of reference of the Commission,

Bearing in mind the desirability of making the work of the Commission on International Commodity Trade more effective,

Having noted the responsibilities which have been assigned to the Interim Co-ordinating Committee for International Commodity Arrangements under existing Council resolutions,

Having in mind the special competence of the Committee on Commodity Problems of the Food and Agriculture Organization of the United Nations with respect to agricultural commodities,

Considering that the development of specific proposals for possible action by Governments with respect to particular commodities continues to be the responsibility mainly of commodity study groups,

1. *Notes with approval* the report of the Commission on International Commodity Trade ;

2. *Decides* to reconstitute the Commission with the following terms of reference, functions and responsibilities :

⁹ E/3151.

¹⁰ *Official Records of the Economic and Social Council, Twenty-sixth Session, Supplement No. 6 (E/3124).*

(a) The basic task of the Commission shall be to study and analyse developments and trends in international commodity trade, including excessive fluctuations in the prices and volume of commodity trade and movements in the terms of trade and the effect of such developments on both the international and domestic economic position of countries participating in international commodity trade, especially on the economic developments of less developed countries ; in this connexion the Commission shall bring to the attention of the Council or Governments Members of the United Nations its views and recommendations as to the need for governmental or intergovernmental action to deal with problems or emerging problems which its studies may disclose ;

(b) The Commission shall also have the following functions :

(i) To keep constantly under review the movements of world primary commodity markets by the assembly and analysis of appropriate data ;

(ii) To submit periodic reports to the Council on its work ;

(iii) To publish studies and statistical reports on prices, terms of trade and other matters relating to international trade in primary commodities ;

(c) Any Member of the United Nations not represented on the Commission may bring to the Commission's attention any development with respect to commodity markets or particular commodities affecting it and may take part in the Commission's discussion of the problem.

3. *Decides, therefore*, having reconstituted the Commission, to proceed with the election of its members at the present session ;¹¹

4. *Decides further* that resolution 557 F (XVIII) of the Council shall remain in effect and shall apply to the reconstituted Commission except to the extent that it may be inconsistent with the provisions of this resolution, or with other Council decisions.

1043rd plenary meeting,
31 July 1958.

B

NEXT MEETING OF THE COMMISSION ON INTERNATIONAL COMMODITY TRADE

The Economic and Social Council,

Considering that it is more than ever necessary to develop economic co-operation between the nations, to expand markets, to increase employment of the population and to raise the standard of living of the peoples,

Considering that, as a contribution to overcoming the difficulties which hamper world trade and as a contribution to expediting the balanced economic development of the under-developed countries, it is highly desirable to avoid excessive fluctuation in commodity prices

¹¹ See " Other decisions taken by the Council at its twenty-sixth session ", p. 30.

1. *Decides* to convene the reconstituted Commission on International Commodity Trade within the first three months of 1959 ;

2. *Recommends* that the Commission examine particularly, at that session, within the framework of its new terms of reference :

(a) Fluctuations in commodity prices and in the volume of commodity trade, including changes in terms of trade, and the measures applied or proposed for the solution of problems connected with primary commodity trade ;

(b) The medium- and long-term prospects for consumption and production in the main commodities with reference, *inter alia*, to developments in the consumption and production of synthetic and substitute materials ;

3. *Invites*, on the one hand, States Members of the United Nations or members of specialized agencies directly interested in commodity problems, especially the States members of the Committee on Commodity Problems of the Food and Agriculture Organization of the United Nations, and, on the other hand, the Food and Agriculture Organization of the United Nations, the Interim Co-ordinating Committee on International Commodity Arrangements, the contracting parties to the General Agreement on Tariffs and Trade, and the other specialized agencies, to take part in the work of the proposed session under the rules of procedure in force ;

4. *Requests* States who will participate in that session to be represented by highly qualified experts ;

5. *Requests* the Secretary-General to grant the necessary priority for preparations for this session, if necessary with the aid of consultants and in consultation with the intergovernmental bodies concerned with particular commodities, to assemble or prepare the necessary documentation, including documents relating to the discussions of the present session of the Council ;

6. *Decides* that the report of the Commission, including the conclusions it may reach, shall be examined at the twenty-eighth session of the Council.

*1043rd plenary meeting,
31 July 1958.*

692 (XXVI). Economic development of under-developed countries

A

The Economic and Social Council,

Noting the decision of the General Assembly contained in resolution 1219 (XII) of 14 December 1957 to establish a Special Fund which would provide systematic and sustained assistance in fields essential to the integrated technical, economic and social development of the less developed countries,

Noting the conditions envisaged in section III of General Assembly resolution 1219 (XII), under which the Assembly shall review the scope and future activities of the Special Fund and take such action as it may deem appropriate,

1. *Concurs* with the recommendations contained in the report of the Preparatory Committee,¹² and transmits it herewith to the General Assembly ;

2. *Recommends* that the General Assembly adopt the draft resolution annexed hereto, setting forth the provisions governing the Special Fund ;

3. *Draws the attention* of the General Assembly to the comments on the report of the Preparatory Committee made during the twenty-sixth session of the Council.

*1043rd plenary meeting,
31 July 1958.*

ANNEX

DRAFT RESOLUTION RECOMMENDED FOR ADOPTION BY THE GENERAL ASSEMBLY

The General Assembly,

Recalling its resolution 1219 (XII) of 14 December 1957,

1. *Commends* the Preparatory Committee on its work ;

2. *Establishes* a Special Fund in accordance with the provisions set forth below :

I. Guiding principles and criteria

1. Pursuant to the provisions of General Assembly resolution 1219 (XII) and pending a possible review by the Assembly of the scope and future activities of the Special Fund, as envisaged in section III of that resolution, the Special Fund shall :

(a) Be a separate fund ;

(b) Provide systematic and sustained assistance in fields essential to the integrated technical, economic and social development of the less developed countries ;

(c) In view of the resources prospectively available at this time, which are not likely to exceed \$100 million annually, direct its operations towards enlarging the scope of the United Nations programmes of technical assistance so as to include special projects in certain basic fields as outlined hereunder.

The Special Fund is thus envisaged as a constructive advance in United Nations assistance to the less developed countries which should be of immediate significance in accelerating their economic development by, *inter alia*, facilitating new capital investments of all types by creating conditions which would make such investments either feasible or more effective.

2. In establishing programmes, the Managing Director and the Governing Council of the Special Fund shall be guided by the following principles and criteria :

(a) The Special Fund shall concentrate, as far as practicable, on relatively large projects and avoid allocation of its resources over a great number of small projects ;

(b) Due consideration shall be given to the urgency of the needs of the requesting countries ;

(c) Projects shall be undertaken which will lead to early results and have the widest possible impact in advancing the economic, social or technical development of the country or countries concerned, in particular by facilitating new capital investment ;

(d) Due consideration shall be given to a wide geographical distribution in allocations over a period of years ;

(e) Due consideration shall be given to technical, organizational and financial problems likely to be encountered in executing a proposed project ;

¹² *Official Records of the Economic and Social Council, Twenty-sixth Session, Annexes, agenda item 4, document E/3098, part III.*