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DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: INDUSTRIALIZATION

Report of the Second Committee (Part V)

Rapporteur: Mr. Ahmed OULD SID'AHMED (Mauritania)

I. INTRODUCTION

1. The Second Committee held a substantive debate on item 69 (see A/36/694, para. 2). Action to be taken on subitem (d) was considered at the 42nd to 46th meetings of the Committee on 29 November and 7 December 1981. An account of the Committee's discussion is contained in the relevant summary records (see A/C.2/36/SR.42 and 46).

II. CONSIDERATION OF DRAFT RESOLUTIONS

A. Draft resolution A/C.2/36/L.76

- 2. At the 42nd meeting, on 20 November 1981, the Committee had before it a draft resolution (A/C.2/36/L.76) submitted by Mr. Gerben Ringnalda, Vice-Chairman of the Committee, entitled "Revision of the lists of States eligible for membership in the Industrial Development Board".
- 3. At the same meeting the Committee adopted the draft resolution without a vote (see para. 9, draft resolution I).

B. Draft resolution A/C.2/36/L.82 and A/C.2/36/L.141

4. At the 42nd meeting, on 20 November 1981, the representative of Algeria, on behalf of the States Members of the United Nations which are members of the Group of 77, introduced a draft resolution (A/C.2/36/L.82) entitled "Industrial development co-operation", which read as follows:

"The General Assembly,

"Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation,

"Recalling also its resolution 35/56 of 5 December 1980, containing the International Development Strategy for the Third United Nations Development Decade in which, inter alia, it stressed the importance of industrialization in the development of developing countries,

"Recalling further the Lima Declaration and Plan of Action on Industrial Development and Co-operation, 1/ adopted at the Second General Conference of the United Nations Industrial Development Organization, which laid down the main measures and principles for industrial development and co-operation within the framework of the establishment of the new international economic order,

"Recalling also the New Delhi Declaration and Plan of Action on Industrialization of Developing Countries and International Co-operation for their Industrial Development, 2/ adopted at the Third General Conference of the United Nations Industrial Development Organization, in which a strategy was spelt out for the further industrialization of developing countries for the 1980s and beyond, as well as a plan of action for the restructuring of world industry within the framework of the establishment of the new international economic order,

"Recalling further General Assembly resolution 35/66 of 5 December 1980 and Economic and Social Council resolution 1981/75 of 24 July 1981 on industrial development co-operation,

"Bearing in mind the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa, 3/

"Conscious of the role of the United Nations Industrial Development
Organization as the central co-ordinating organ within the United Nations
system for the promotion of industrial development co-operation and for the
fulfilment of the agreed measures and the attainment of the agreed targets in
both the Lima Declaration and Plan of Action and the New Delhi Declaration and
Plan of Action,

^{1/} See A/10112, chap. IV.

^{2/} ID/CONF.4/22 and Corr. 1, chap. VI.

^{3/} A/S-11/14, annex I.

"Bearing in mind that, within the framework of the new international economic order, far-reaching changes in the structure of the world economy involve the restructuring of world industry, taking fully into account the capacities and potential of the developing countries,

"Reiterating the need for a substantially increased transfer of financial and technical resources to developing countries for their accelerated industrialization,

"Welcoming the efforts made by the United Nations Industrial Development Organization in the field of technical assistance and stressing the need for a further increase in the flow of such assistance to developing countries,

"Having considered the report of the Industrial Development Board on its fifteenth session, 4/

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"Report of the Industrial Development Board at its fifteenth session

- "l. <u>Takes note</u> of the report of the Industrial Development Board on its fifteenth session; 4/
- "2. <u>Urges</u> the early implementation of all the decisions contained in Economic and Social Council resolution 1981/75 of 24 July 1975 on industrial development co-operation;
- "3. Reiterates the importance of the redeployment of and an increase in operational programmes on industrial redeployment in the sectors already identified for examination in the system of consultations, and requests the secretariat of the United Nations Industrial Development Organization to continue studies in that field;
- "4. Strongly urges the strengthening and expansion of the System of Consultations with a view to increasing the industrial capacities of developing countries;
- "5. <u>Urges further</u> all States that have not yet done so to ratify the new Constitution of the United Nations Industrial Development Organization as soon as possible in order to allow the conversion of the organization into a new specialized agency in 1982;
- "6. Reiterates also the importance of facilitating the restructuring of world industrial production through, inter alia, the full implementation of

^{4/} Official Records of the General Assembly, Thirty-sixth Session Supplement No. 16 (A/36/1).

its resolution 35/66 of 5 December 1980 on industrial development co-operation, and of resolution 131 (V) of 3 June 1979 of the United Nations Conference on Trade and Development; 5/

- "7. <u>Decides</u> that additional resources should be provided at the current session of the General Assembly to the secretariat of the United Nations Industrial Development Organization so that adequate funds will be available for the priority activities on the basis of consensus reflected in recent sessions of the Permanent Committee and the Industrial Development Board;
- "8. <u>Urges also</u> all States, in particular the developed countries, to contribute to the United Nations Industrial Development Fund or to raise their contributions with a view to reaching the agreed desirable funding level of \$50 million annually;
- "9. Endorses the decision of the Industrial Development Board 6/ inviting the Permanent Committee to consider carefully at its sixteenth session, from 16 to 20 November 1981, the proposal of the Executive Director for an international bank for industrial development 7/ with a view to taking a positive decision on the proposal for further work by the secretariat;
- "10. Requests the Executive Director of the United Nations Industrial Development Organization to increase technical co-operation and programmes and projects in energy-related technology on the basis, inter alia, of agreements reached at the United Nations Conference on New and Renewable Sources of Energy, held at Nairobi in August 1981;
- "11. Requests also the Executive Director of the United Nations
 Industrial Development Organization to increase technical co-operation and the
 programmes and projects for the least developed countries on the basis of
 their requests and as envisaged in the Substantial New Programme of Action for
 the 1980s for the Least Developed Countries; 8/
- "12. <u>Decides further</u> to provide the United Nations Industrial Development Organization with additional resources to continue to assist developing countries in the preparation of industrial programmes and projects;

^{5/} See Proceedings of the United Nations Conference on Trade and Development, Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

^{6/} Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 16 (A/36/16), para. 99.

^{7/} See ID/B/261/Add.7.

⁸/ See "Report of the United Nations Conference on the Least Developed Countries", Paris, 1-14 September 1981 (A/CONF.104/22).

- "13. Requests the Industrial Development Board, at its sixteenth session, in May 1982, to begin functioning as the Preparatory Committee for the Fourth Conference of the United Nations Industrial Development Organization, to be convened in 1984, and accordingly to formulate an agenda and other proposals and submit recommendations to the General Assembly at its thirty-seventh session;
- "14. Welcomes the offer of the Government of Kenya to act as host to the Fourth General Conference of the United Nations Industrial Development Organization;

"II"

"Industrial Development Decade in Africa

- "1. Takes note of the note by the Secretary-General dated 5 October 1981, on the implementation of the Industrial Development Decade for Africa; 9/
- "2. <u>Declares</u> the Industrial Development Decade for Africa to be one of of the most important programmes of the United Nations Industrial Development Organization;
- "3. Requests the Executive Director of the United Nations Industrial Development Organization to provide adequate resources, including human resources, for the co-ordination unit for the Industrial Development Decade for Africa;
- "4. Decides to allocate adequate financial resources to assist in the rapid industrialization of Africa within the time-frame and scope of the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa, 10/ with particular reference to the least developed countries, as from the 1982-1983 biennium;
- "5. Requests also the Executive Director of the United Nations Industrial Development Organization and the Executive Secretary of the Economic Commission for Africa to continue and intensify contacts with the organs, organizations and bodies of the United Nations system in order to contribute to the success of the Industrial Development Decade for Africa and to submit a comprehensive report on the Industrial Development Decade for Africa to the General Assembly at its thirty-seventh session, through the Industrial Development Board at its sixteenth session and the Economic and Social Council at its second regular session of 1982."

^{9/} A/36/466.

^{10/} A/S-11/14, annex I.

- 5. A statement by the Secretary-General on the administrative and financial implications of draft resolution A/C.2/36/L.82 was circulated in document A/C.2/36/L.138. The Committee was subsequently informed that the statement applied also to draft resolution A/C.2/36/L.141 (see para. 6).
- 6. At the 46th meeting, on 7 December 1981, the Committee had before it a draft resolution (A/C.2/36/L.141), submitted by Mr. Gerben Ringnalda, Vice-Chairman of the Committee, on the basis of informal consultations held on draft resolution A/C.2/36/L.82. In introducing draft resolution A/C.2/36/L.141, the Vice-Chairman, as a result of further informal consultations, orally revised the text as follows:
- (a) In the sixth preambular paragraph of section I the words "Recalling further" were replaced by the word "Reaffirming" and the words "as adopted" were added at the end of the paragraph;
- (b) Operative paragraph 2 was deleted and the subsequent paragraphs were renumbered accordingly.
- 7. At the same meeting, draft resolution A/C.2/36/L.82 was withdrawn by the sponsors. The Committee then adopted draft resolution A/C.2/36/L.141, as orally revised, without a vote (see para. 9, draft resolution II).
- 8. After the adoption of the draft resolution, statements were made by the representatives of the United Kingdom of Great Britain and Northern Ireland (on behalf of the States members of the European Community), Poland (on behalf also of Bulgaria, the Byelorussian Soviet Socialist Republic, Czechoslovakia, the German Democratic Republic, Hungary, Mongolia, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics), the United States of America and Israel.

III. RECOMMENDATIONS OF THE SECOND COMMITTEE

9. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

DRAFT RESOLUTION I

Revision of the lists of States eligible for membership in the Industrial Development Board

The General Assembly,

Recalling section II, paragraph 4, of its resolution 2152 (XXI) of 17 November 1966 on the United Nations Industrial Development Organization,

Decides to include Vanuatu in list A and Antigua and Barbuda and Belize in list C of the annex to resolution 2152 (XXI).

DRAFT RESOLUTION II

Industrial development co-operation

The General Assembly,

Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation,

Recalling also its resolution 35/56 of 5 December 1980, containing the International Development Strategy for the Third United Nations Development Decade, in which, inter alia, it stressed the importance of industrialization in the development of developing countries,

Recalling further the Lima Declaration and Plan of Action on Industrial Development and Co-operation, $\underline{11}$ / adopted at the Second General Conference of the United Nations Industrial Development Organization, in which were laid down the main measures and principles for industrial development and co-operation within the framework of the establishment of the new international economic order,

Recalling also the New Delhi Declaration and Plan of Action on Industrialization of Developing Countries and International Co-operation for their Industrial Development 12/ adopted at the Third General Conference of the United Nations Industrial Development Organization, in which a strategy was spelt out for the further industrialization of developing countries for the 1980s and beyond, as well as a plan of action for the restructuring of world industry within the framework of the establishment of the new international economic order,

Endorsing the consensus reached at the fourteenth session of the Industrial Development Board on the follow-up to the Third General Conference of the United Nations Industrial Development Organization,

Reaffirming General Assembly resolution 35/66 of 5 December 1980 and Economic and Social Council resolution 1981/75 of 24 July 1981 on industrial development co-operation as adopted,

Bearing in mind the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa, 13/

^{11/} See A/10112, chap. IV.

^{12/} ID/CONF/4/22 and Corr.1, chap. VI.

^{13/} A/S-11/14, annex I.

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Conscious of the role of the United Nations Industrial Development
Organization as the central co-ordinating organ within the United Nations system
for the promotion of industrial development co-operation and for the fulfilment of
the agreed measures and the attainment of the agreed targets in both the Lima
Declaration and Plan of Action and the New Delhi Declaration and Plan of Action,

Bearing in mind that, within the framework of the new international economic order, far-reaching changes in the structure of the world economy involve the restructuring of world industry, taking fully into account the capacities and potential of the developing countries,

Reiterating the need for a substantially increased transfer of financial and technical resources to developing countries for their accelerated industrialization,

Welcoming the efforts made by the United Nations Industrial Development Organization in the field of technical assistance and stressing the need for a further increase in the flow of such assistance to developing countries,

Having considered the report of the Industrial Development Board on its fifteenth session, 14/

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REPORT OF THE INDUSTRIAL DEVELOPMENT BOARD AT ITS FIFTEENTH SESSION

- 1. Takes note of the report of the Industrial Development Board on its fifteenth session; 14/
- 2. Reiterates the importance of redeployment of industrial capacities as described in paragraph 73 of the International Development Strategy for the Third United Nations Development Decade set forth in the annex to the General Assembly resolution 35/56 of 5 December 1980 and considers that the secretariat of the United Nations Industrial Development Organization should undertake to continue studies in this field;
- 3. Requests the secretariat of the United Nations Industrial Development Organization to continue to improve and further develop its programme on industrial redeployment along the lines approved by the Industrial Development Board at its thirteenth and fifteenth sessions, as well as by the General Assembly in resolution 34/98 of 15 December 1979, entitled "Industrial development co-operation and Third General Conference of the United Nations Industrial Development Organization", and in resolutions 35/56, on the International Development Strategy for the Third United Nations Development Decade and 35/66 of 5 December 1980 on industrial development co-operation;

 $[\]underline{14}$ / Official Records of the General Assembly, Thirty-sixth Session, Supplement No. 16 (A/36/16).

^{15/} Ibid., chap. VIII in particular.

- 4. Strongly supports the strengthening of the System of Consultations, in the light of experience gained and of the relevant decisions of the Industrial Development Board, 15/ giving particular attention to measures that could increase the industrial capacities of developing countries, and requests the Board to consider, at its sixteenth session, the possibility of including consultation meetings in the biennium 1982-1983 in addition to those listed in paragraph 171 of the report of the Board on the work of its fifteenth session;
- 5. <u>Urges further</u> all States that have not yet done so to ratify the new Constitution of the United Nations Industrial Development Organization as soon as possible in order to allow the conversion of the organization into a new specialized agency in 1982;
- 6. Reiterates also the importance of facilitating the restructuring of world industrial production through, inter alia, the implementation of its resolution 5/66 and of resolution 131 (V) of 3 June 1979 of the United Nations Conference on Trade and Development; 16/
- 7. <u>Decides</u> to ensure that adequate resources are made available to the United Nations Industrial Development Organization for priority activities on the basis of the consensus reflected in recent sessions of the Permanent Committee of the Industrial Development Board and of the Board itself;
- 8. Also urges all States, in particular the developed countries, to contribute to the United Nations Industrial Development Fund or to raise their contributions, taking into account the need for maximum flexibility, with a view to reaching the agreed desirable funding level of \$50 million annually;
- 9. Requests the Industrial Development Board at its sixteenth session to continue to consider carefully the proposal of the Executive Director for an international bank for industrial development 17/ with a view to taking a decision on it, and requests the Executive Director to continue his efforts on the subject in accordance with the relevant decision of the Permanent Committee at its sixteenth session;
- Development Organization, at the request of the developing countries, to increase technical co-operation and programmes and projects in energy-related industrial technology on the basis, inter alia, of agreements reached at the United Nations Conference on New and Renewable Sources of Energy, held at Nairobi from 10 to 21 August 1981;

^{16/} See Proceedings of the United Nations Conference on Trade and Development, Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

^{17/} ID/B/261/Add.7.

- 11. Also requests the Executive Director of the United Nations Industrial Development Organization to increase technical co-operation and the programmes and projects for the least developed countries on the basis of their requests and as envisaged in the Substantial New Programme of Action for the 1980s for the Least Developed Countries; 18/
- 12. <u>Decides</u> to ensure that adequate resources shall be made available to the United Nations Industrial Development Organization to assist developing countries in the preparation of the industrial programmes and projects referred to in paragraphs 10 and 11 above;
- 13. Requests the Industrial Development Board at its sixteenth session to be held in May 1982, to begin functioning as the Preparatory Committee for the Fourth General Conference of the United Nations Industrial Development Organization, to be convened in 1984, and accordingly to formulate an agenda and other proposals and submit recommendations to the General Assembly at its thirty-seventh session;
- 14. Welcomes the offer of the Government of Kenya to act as host to the Fourth General Conference of the United Nations Industrial Development Organization;

II

INDUSTRIAL DEVELOPMENT DECADE FOR AFRICA

- 1. Takes note of the note by the Secretary-General dated 5 October 1981 on the implementation of the Industrial Development Decade for Africa; 19/
- 2. <u>Declares</u> the Industrial Development Decade for Africa to be one of the most important programmes of the United Nations Industrial Development Organization;
- 3. Requests the Executive Director of the United Nations Industrial Development Organization to provide adequate resources, including human resources for the co-ordination unit for the Industrial Development Decade for Africa;
- 4. <u>Decides</u> to allocate adequate financial resources to assist in the rapid industrialization of Africa within the time-frame and scope of the Lagos Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa, 20/ with particular reference to the least developed countries, as from the 1982-1983 biennium;

¹⁸/ See "Report of the United Nations Conference on the Least Developed Countries", Paris, 1-14 September 1981 (A/CONF.104/22).

^{19/} A/36/466.

^{20/} A/S-11/14, annex I.

5. Also requests the Executive Director of the United Nations Industrial Development Organization and the Executive Secretary of the Economic Commission for Africa to continue and intensify contacts with the organs, organizations and bodies of the United Nations system in order to contribute to the success of the Industrial Development Decade for Africa, and to submit a comprehensive report on the Industrial Development Decade for Africa to the General Assembly at its thirty-seventh session, through the Industrial Development Board at its sixteenth session and the Economic and Social Council at its second regular session of 1982.