



SUMMARY RECORD OF THE 24th MEETING

Chairman: Mr. VERCELES (Philippines)

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- (b) UNITED NATIONS UNIVERSITY

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The meeting was called to order at 3.15 p.m.

AGENDA ITEM 69: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)  
(A/36/Add.2, Add.4, Add.14 and Add.29, A/36/15, A/36/37 (Parts I, II and III), A/36/39, A/36/45, A/36/47 (Parts I and II), A/36/116 and Corr.1, A/36/240, 333, 356, 380, 419 and Add.1, 421, 477, 483, 497, 528, 536, 538, 566, 573, 576, 577, 584 and 605; A/CN.11/21; A/CONF.100/11; A/CONF.104/22; A/C.2/36/L.2 and L.3)

(c) TRADE AND DEVELOPMENT

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(o) UNITED NATIONS CONFERENCE ON NEW AND RENEWABLE SOURCES OF ENERGY

(p) UNITED NATIONS CONFERENCE ON THE LEAST-DEVELOPED COUNTRIES

1. Mr. COT (France) drew attention to the difficulties inherent in the concept of "least developed countries," which had been more precisely defined at the fifth United Nations Conference on Trade and Development, held in Manila in 1979. The Paris Conference on the Least Developed Countries, over which he had presided, and the results of which he would describe to the Second Committee, had achieved some degree of success despite the unfavourable international climate in which it had taken place. Despite the setback to the launching of global negotiations in the United Nations, the many statements made by certain major donor countries on the adverse effects of resource transfers, and the standstill in the North-South dialogue at the beginning of 1981, there had been a growing feeling at the beginning of the summer that the North-South dialogue should be resumed. The desire of the least developed countries for the adoption of practical decisions was, in his view, the main reason for the relative success of the Conference, which had produced substantive decisions, although its Substantial Programme of Action had fallen far short of meeting the needs of the least developed countries. He attached particular importance to the unilateral pledges made at the Conference by States, groups of States and international financial or other institutions and to the fact that certain countries, and certain international organizations with world-wide or regional responsibilities, had announced that they had made specific budgetary provisions for official development assistance, in some cases over a number of years.

2. The Substantial Programme of Action, adopted by consensus, set forth certain specific, useful and coherent priorities, particularly with respect to official development assistance, which was to double by 1985. The multilateral institutions had been invited to provide a substantial and growing volume of concessional assistance to the least developed countries and to study the possibilities of increasing the share of such assistance in their programmes.

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(Mr. Cot, France)

3. He then referred to some of the forms of assistance prescribed in the Substantial Programme of Action, and in particular to the need for such assistance to be provided principally in the form of grants and, as far as possible, untied aid; such assistance should also be diversified and should, in particular, take the form of assistance to projects or programmes, or of budgetary assistance. The financing of local costs should be taken over, together with the financing of "recurrent" costs. The Programme also emphasized the need for a system of stabilization of export earnings, which might be based on the STABEX system of the European Economic Community.

4. Lastly, he drew attention to the follow-up system which the Conference had endeavoured to evolve with a view to ensuring respect for the commitments made at the Conference. The system, which was both a technical convenience and a political lever for the 31 least developed countries, should help each of those countries, within a framework which they themselves would define, aid consultative groups and under the auspices of a selected institution, to establish the necessary periodic contacts and co-ordination among donor countries or trade partners, international organizations, neighbouring countries and recipient countries. In his view, that unprecedented follow-up system was a great asset for promoting the development policies of the least developed countries.

4a. He hoped that the movement favouring the North-South dialogue would continue, as the summit discussions between the Heads of State and Government, who had met the previous week at Cancún, gave reason to believe. The problems dividing North and South admittedly persisted, but genuine exchanges had taken place at the Cancún Summit, particularly in the fundamental area of agriculture, which was of primary interest for the least developed countries. In addition, progress had been made in important projects such as the Energy affiliate of the World Bank and, above all, the 22 participants had agreed to take action for the resumption of the global negotiation process in the United Nations.

5. Mr. SOBHAN (Bangladesh) expressed his appreciation to the French Minister for Co-operation and Development for having come to address the Second Committee on the results of the Paris Conference on the Least Developed Countries. Mr. Cot's chairmanship had contributed a great deal to the success of the Conference, which represented an important step forward in efforts to further international co-operation for development, particularly the development of the least developed countries. A special effort should be made to ensure the implementation of the Substantial Programme of Action adopted at the Conference.

6. Mr. COREA (Secretary-General of the United Nations Conference on Trade and Development) said that he fully shared the opinion expressed by the representative of Bangladesh concerning the central role played by Mr. Cot at the Paris Conference on the Least Developed Countries, organized by UNCTAD following a decision adopted at the fifth session of the United Nations Conference on Trade and Development. He expressed particular appreciation to all Governments which had participated in financing the Conference, and to United Nations organizations and bodies, particularly the Office of the Director-General for Development and International Economic Co-operation, the regional commissions, UNDP and the Department of Technical Co-operation for Development. He praised the intensive preparatory work which had preceded the Conference, and which had included meetings

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(Mr. Corea, UNCTAD)

between each of the least developed countries and their trade and aid partners, with a view to defining specific development programmes and giving a practical bias to the Conference.

7. He fully endorsed the views expressed by Mr. Cot concerning the Paris Conference. In his view, the Conference had produced four extremely important results: firstly, it had succeeded in drawing attention to the poorest countries in the international community. Secondly, at a more specific level, it had led to the definition of a strategy and of certain priority areas of development for the least developed countries. Thirdly, it had led to a programme of measures to be taken by the world community in favour of the least developed countries. Since many Governments had indicated their intention of attaining certain relatively precise objectives concerning their assistance to the least developed countries, UNCTAD had been able to make a very approximate estimate of what the increase in resources provided to those countries might be by 1985: 30 per cent according to the most pessimistic estimates, and 60 per cent according to the most optimistic. Fourthly, the Conference had defined the follow-up process in great detail, providing in particular for the organization at regular intervals, for each of the least developed countries, of meetings with donor countries or trade partners and international organizations with a view to evaluating the development process, redefining the country's particular needs, etc.

8. The Paris Conference had been one of the most important events of 1981 inasmuch as, while focusing attention on the problems of countries which required priority assistance, it had linked the situation of those countries with the development of the world economy and with international co-operation for development.

8a. In the same spirit, UNCTAD was also concerned with certain problems more or less directly affecting the least developed countries, in which connexion it had, since the previous year, obtained some positive results. For example, in the commodities sector, it had continued its preparatory work on the Common Fund for Commodities at the secretariat level, it had also continued its work on the question of marketing and processing of commodities, as well as on the question of compensatory financing for shortfalls in export earnings. UNCTAD had also succeeded in bringing about a satisfactory conclusion to the negotiations on two commodity agreements—those on cocoa and tin—though that was only a beginning, since the participation in those agreements was still far from universal.

9. In the field of protectionism and structural adjustment, the Trade and Development Board had decided by its resolution 226 (XXII) to establish a sessional committee each year which would be exclusively responsible for considering those questions.

10. With regard to trade, UNCTAD had pursued its activities in the fields of shipping, of trade among countries having different economic and social systems, and of the transfer of technology. On the subject of technology transfer, he pointed out that the negotiating committee had not been able to conclude its work and had referred that question to the General Assembly itself. He was awaiting with interest the measures which the Assembly would take in pursuance of the negotiating process on the transfer of technology.

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(Mr. Corea, UNCTAD)

11. Having regard to financial and monetary questions, UNCTAD had continued its work in certain essential fields, in particular on the problem of the developing countries' indebtedness, the problem of inflation and the introduction of an export credit guarantee facility. He regretted that the developed market-economy countries had still not agreed to send experts to the Ad Hoc Intergovernmental High-Level Group of Experts charged with studying the relationship between the monetary system and the progress of trade and development.

12. Finally, he welcomed the fact that work in the field of economic co-operation among developing countries had gained particular impetus since the Caracas meeting. He pointed out that account had to be taken of the difficult context in which those questions were being examined. UNCTAD had tried to contribute to a better understanding of that context in the publication entitled "Trade and Development Report, 1981". That report, which gave a general analysis of the current economic situation and of its effect on the development of the developing countries, concentrated particularly on questions considered within UNCTAD. It was intended to supplement reports prepared by other organs and agencies in their particular fields of interest. It dealt essentially with certain immediate aspects of the world economic crisis, on the one hand, and with its deeper nature and long-term effects, on the other. With regard to the present time, the report analysed the effects of the current crisis in all groups of countries and tried to bring out the scale of the crisis. It also analysed the difficulties encountered by the industrialized countries in their struggle against such phenomena as inflation, recession or unemployment. Finally, it dealt with the measures taken to solve those problems from the point of view of their positive and negative effects and their impact on developing countries.

13. He underlined the seriousness of the situation for the developing countries. Those countries had to face a deficit in their balance of payments caused by the increase in the prices of their imports. They were seriously affected by the continuing fall in the prices of the commodities which they exported and which in real terms were cheaper than they had been thirty years previously; they were also suffering from the measures taken by the industrialized countries to solve their problems, in particular their protectionist measures and the dizzy rise in interest rates. The UNCTAD report showed that 75 per cent of the least developed countries might well have a negative rate of growth for 1980-1981.

14. There was no doubt that the current situation called for immediate action in many fields. In that regard, he welcomed the measures taken by IMF and the World Bank to increase the flow of resources to the developing countries. Unfortunately, those measures were still far from sufficient.

15. He emphasized, however, that the current crisis was in many respects only the reflection of more fundamental problems. It was clear from the analysis of long-term prospects contained in the trade and development report that there was no hope of vigorous growth in the industrialized countries; their growth would at best be 2 to 3 per cent a year for the rest of the decade. That state of affairs could not fail to impede the development of the developing countries, which would not be able to benefit from the impetus of a dynamic world economy; in addition, it was to be expected that inflation would continue and that the price of certain essential products would continue to increase.

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(Mr. Corea, UNCTAD)

16. The basic problem therefore was how the developing countries could achieve growth rates which would enable them to solve their problem in circumstances less favourable than those of the 1960s and 1970s. A World Bank report indicated that, after taking account of the international situation and assuming that certain positive measures were adopted, an optimistic forecast would show the developing countries enjoying growth of 4.5 to 5.5 per cent for the rest of the decade. While agreeing with those forecasts, UNCTAD thought it necessary to determine what conditions were necessary for the development process to advance and for the rates of growth of the developing countries to be higher, taking those discouraging and even unfavourable prospects into account.

17. The trade and development report provided four answers to that question. For the developing countries to experience high rates of development in the 1980s, it was necessary first of all to improve the terms of trade and, in that connexion, he welcomed the emphasis placed at the Cancún Summit on the need to speed up progress in the negotiations on commodity agreements and to ratify speedily the statutes of the Common Fund. It was also necessary to increase the flow of resources not only from international organizations but also from the money markets. It was necessary for the industrialized countries to open their markets more widely to the products of developing countries, which implied a reversal of current protectionist trends. Finally, the developing countries must strengthen their co-operation.

18. Mr. ADEDEJI (Executive Secretary of the Economic Commission for Africa), recalling that the General Assembly had designated the Economic Commission for Africa as the lead agency for the preparation and monitoring of the programme of action for the Transport and Communications Decade in Africa, said that he wished to recapitulate some of the activities undertaken within the framework of the Decade and to give an idea of the difficulties encountered.

19. The ECA had adopted a global strategy for the Decade as well as a set of priorities and a programme of action (whose cost amounted to \$9 billion at 1979 prices) for the first phase of the Decade. In addition, the Secretary-General of the United Nations had convened a pledging conference in November 1979, in accordance with General Assembly resolution 32/160, in order to mobilize the resources necessary for financing the 771 projects in the programme of action. Given the disappointing results of that conference, the Secretary-General had decided that contributions to the Decade would be announced in the framework of the annual pledging conference for United Nations trust funds, but that initiative had scarcely been crowned with success. The Commission had finally made greater efforts to mobilize additional resources to finance the projects and had established an information mechanism to monitor the progress of the programme for the Decade. It should also be noted that the Economic and Social Council in its resolution 1979/61 had approved the global strategy for the Decade and the programme of action for the first phase and that, in addition, the Assembly of Heads of State and Government of OAU had, in that same year, given its political support to the strategy.

20. The task entrusted to the lead agency of a programme as large and complex as that of the Transport and Communications Decade in Africa was arduous and thankless, in particular when one knew the apparently insuperable difficulties which it faced. Moreover, its role was perceived differently by different countries, some seeing it

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as only the animator, others as a magician able to conjure up the necessary funds, and yet others as a catalyst. That was why, in order not to disappoint anyone, the ECA Conference of Ministers, in its resolution 391 (XV) of April 1980, had requested ECA to organize, in the context of the search for means of financing the programme of action for the first phase of the Decade, consultative technical meetings between donors and groups of African countries or African subregions to consider projects in the fields of transport and communications. The General Assembly in its resolution 35/108 had approved the organization of four meetings and made \$250,600 available to the ECA secretariat.

21. The first meeting of that kind, organized at Lomé (Togo) in June 1981 for the benefit of the countries of the Economic Community of West African States, had been concerned with projects in the road, air transport, telecommunications and postal services sectors. That meeting had allowed a wide exchange of views between the African countries concerned and the donors and had provided an opportunity to define and clarify the projects, to obtain commitments from certain donors and to discover the focus of interest of others. However, the results of the meeting had been disappointing, in particular because of the lack of interest shown by a number of donor countries.

22. The second meeting, which had been scheduled to be held in Yaoundé (United Republic of Cameroon) from 28 to 30 September 1981 on road and inland water projects in the countries of Central Africa had unfortunately had to be postponed to March 1982 because of the poor response from donors. A third meeting would be held at Ouagadougou (Upper Volta) from 19 to 23 January 1982 for railway projects for the entire continent. The fourth meeting, for maritime transport and port projects for the 25 countries members of the Ministerial Conference of West and Central African States on Maritime Transport, would be held in Abidjan (Ivory Coast) in April 1982. Those meetings required meticulous preparation, and primarily the elaboration of programmes updated in collaboration with the countries concerned, the associated intergovernmental organizations and specialized agencies, as well as the organization of promotional missions to major potential donors. The special grant of \$250,600 given by the General Assembly would therefore be insufficient. In order to be able to complete the whole programme, ECA would need additional funds amounting to about \$150,000.

23. With regard to the special foreign trade difficulties facing Zaire because of its semi-land-locked situation, he recalled that, following resolution 293 (XIII) of the ECA Conference of Ministers and decision 249 (LXIII) of the Economic and Social Council, the Commission had in March 1978 undertaken a preliminary study on which a report had been forwarded to the Government of the Republic of Zaire. It was evident from that report that it was becoming urgent to find a solution to the transport difficulties facing Zaire. In order to do so, however, it would initially be necessary to organize a multidisciplinary mission and to have adequate financial resources for that purpose. In that connexion, the Economic and Social Council had in July 1981 adopted a resolution recommending that the General Assembly should provide ECA with resources to enable it to undertake and complete those studies.



(Mr. Adedeji, ECA)

24. With regard to the achievements of the Decade, he stated that, out of the 771 projects planned for the first phase, 298 were either being implemented or had been completed. Of the \$4.4 billion needed for those projects, 68 per cent had been provided by the African countries, which had thus demonstrated their determination to solve the continent's transport and communications problems. The international community should now provide substantial financial support to supplement that effort.

25. The second Conference of African Ministers of Transport, Communications and Planning, held in Addis Ababa from 16 to 18 March 1981, had adopted a time-table for the preparation of the programme of the second phase of the Decade. Yet the Commission's Transport, Communications and Tourism Division lacked the manpower and financial resources to discharge its responsibilities under the Decade. Despite its generosity, UNDP had not agreed to finance activities normally charged to the United Nations regular budget, so that ECA had to depend on the services of experts provided by donor countries to reinforce its staff.

26. In conclusion, he thanked the international community for its support and appealed to it to provide even more substantial assistance. The United Nations Transport and Communications Decade in Africa provided it with a unique opportunity to show its solidarity with the African peoples. He also invited all countries to participate fully and positively in the forthcoming consultative technical meetings, so that the objectives of the Decade could be fully attained.

27. Mr. KIBRIA (Executive Secretary, Economic and Social Commission for Asia and the Pacific) stressed the enormity of the task facing the Economic and Social Commission for Asia and the Pacific (ESCAP), which covered a region inhabited by 55 per cent of the world population and 89 per cent of the world's absolute poor. The developing countries of the region, as a whole, had achieved a 6 per cent growth rate during the 1970s, but the situation of the least developed countries continued to give cause for profound concern. In addition, unemployment, under-employment and low productivity had increased, despite the successes of some countries, and there were widening disparities in incomes.

28. It was true that domestic policies and natural calamities were partly at fault, but unfavourable developments in the international economy had also seriously affected the region. In addition, the North-South dialogue had remained inconclusive and there had been a noticeable reluctance on the part of some of the affluent countries to accommodate the needs of the developing countries.

29. In 1982, ESCAP would be drawing up a plan of action to assist in implementing the International Development Strategy at the regional level, in which it would take into account differences in the situation and needs of the major sub-regions. The successes achieved with regard to economic growth had often been offset by population growth and, even in countries which had experienced a growth in average per capita output, the pattern of income distribution had become even more unequal. Those developments underscored the need for the strategies adopted to stress both the pattern of growth as well as growth itself.

30. In view of the contribution of the agricultural sector to national output and employment in most countries in the region, development prospects were linked with

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(Mr. Kibria, ESCAP)

progress in that sector. In that context, the ESCAP programme for the coming biennium would place increasing stress on the integrated approach to rural development. In addition, ESCAP was the co-ordinator of an interagency committee on integrated rural development. Another concern of ESCAP was food security, and food distribution and marketing would be the theme topic at the next Commission session, in March 1982.

31. Another aim of ESCAP programmes was to promote the participation in development of the population in general and of women and youth in particular. In that effort, there would be a vital role for science and technology, which should enable people to find practical solutions to their problems. Two projects relating to agriculture were specifically geared to promoting exchanges among developing countries: the Regional Centre for Technology Transfer and the Regional Network for Agricultural Machinery.

32. It was vital to curb population growth, which was nullifying the benefits of economic growth. Demographic programmes should, however, be integrated with broader development strategies. In recognition of that need, ESCAP was organizing the Third Asian and Pacific Population Conference, to be held in Colombo in 1982.

33. Rising energy prices were a relatively new constraint affecting the development prospects of the countries in the region. The short-term solution would be to evolve supply policies which took account of the needs of developing countries and of the poorer sections of their societies and which stressed energy conservation. In the long term, new and renewable energy sources would need to be developed, as had been emphasized at the Nairobi Conference. In that connexion, ESCAP had been designated as executing agency for a \$2.5 million regional energy programme funded by UNDP and to be executed in 1982 and 1983.

34. Another problem was that of the foreign exchange earned by the countries of the region from their exports. In that connexion, the developed industrial countries had to make structural changes, along with a reduction of protectionism, and international monetary reforms had to be adopted to correct acute payments imbalances between groups of countries. In that area, ESCAP was striving to assist developing countries to strengthen their international trade positions in various ways, particularly through the activities of the Trade Co-operation Group.

35. As for the region's long-term development prospects, ESCAP would continue to maximize the returns from its modest resources, in the hope that in the future it would be given resources commensurate with its task.

36. In addition, ESCAP intended to play a catalytic role in stimulating co-operation at the subregional and regional levels among member Governments. A successful subregional grouping—ASEAN—already existed in the region; initiatives had been taken by the countries in South Asia to explore the potential for co-operation among themselves. Those initiatives should be encouraged, because they were in line with the United Nations resolutions concerning TCDC and ECDC and would lay the foundation for greater self-reliance, which was in the interest of the entire international community.

37. In its work programme ESCAP should continue to emphasize those areas to which it had accorded priority in the development of the region while constantly striving

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(Mr. Kibria, ESCAP)

to reduce and finally eradicate the blight of poverty. To that end, it should pay particular attention to programmes for the poorest countries and the poorest sectors of the population. In that connexion he was gratified by the results of the Paris Conference on the Least Developed Countries.

38. In conclusion, he stressed the need for ESCAP to be given the necessary resources to meet its growing responsibilities. The strengthening of the regional commissions would depend largely on how speedily and effectively General Assembly resolution 32/197 was implemented. In the context of restructuring the economic and social sectors of the United Nations, it was more important than ever to delegate further administrative and management responsibilities to the regional commissions so that they could discharge their added responsibilities more effectively.

39. Mr. PRADHAN (Bhutan) said that the North-South dialogue on launching the global negotiations had, in a manner of speaking, culminated in the Cancún summit meeting. It was to be hoped that it would be conducive to practical action to solve the severe economic problems of the contemporary world.

40. Although it had not yet been possible to launch the global negotiations, there had been two significant developments during the year in international economic co-operation, the Conference on the Least Developed Countries, held at Paris, and the Conference on New and Renewable Sources of Energy, held at Nairobi. It was heartening to find that the international community had focused on the situation of the poorest countries, and on the whole, there was reason to be gratified by the very constructive attitude adopted by the developed countries towards the Substantial New Programme of Action.

41. Several of the least developed countries had great potential for the development of new and renewable sources of energy and other natural resources. All they lacked were the financial and technical resources to take advantage of them. Moreover, some of the least developed countries, being land-locked or remote island countries, required expanded transport and transit facilities, together with international assistance for that purpose. Unfortunately, such assistance had so far been severely lacking, and the United Nations Special Fund for Land-locked Developing Countries had, in the five years of its existence, received only negligible support. His delegation urged developed countries and others in a position to do so to review their position and contribute to that Fund.

42. Various factors, including historical factors, had contributed to slow economic growth in the developing countries. If their development was to be accelerated, the developed countries would have to continue to transfer resources to them. Multinational corporations could, of course, in some circumstances help the progress of developing countries, but they could in no case play a major role in resource transfers, particularly to the least developed countries. In that connexion, his delegation urged the socialist countries of Eastern Europe to enhance their assistance to developing countries.

43. Co-operation among the developing countries themselves could play a significant role in their economic advancement. In that connexion, the Caracas Programme of

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(Mr. Pradhan, Bhutan)

Action, adopted in May 1981, provided basic guidelines and a structure for strengthening existing co-operation. It should be remembered, however, that economic and technical co-operation among developing countries was not a replacement for North-South co-operation; the two forms of co-operation were complementary.

44. In conclusion his delegation expressed its alarm at the magnitude of the resources—\$500 billion, according to some estimates—being wasted on the arms race and urged that those resources should be diverted to solving the problems of world hunger and poverty.

45. Mrs. NICHOLSON (Canada) said that one of the major challenges for the international community in recent years had been sharply rising energy costs, particularly for petroleum, the effects of which on many developing countries had been severe. Many of them had been compelled to devote a substantial part of their foreign exchange earnings to oil imports and had thereby seriously jeopardized their economic progress.

46. It was in order to remedy that situation that Canada had decided on special measures, which included the establishment of Petro-Canada International which, with a four-year budget of \$250 million, would be able to mobilize Canadian expertise in energy to assist countries with a good potential for hydrocarbon development. That measure underlined the importance which Canada attached to North-South relations.

47. Her Government had participated in the United Nations Conference on New and Renewable Sources of Energy at Nairobi and was gratified that the Conference had adopted a programme of action by consensus. It was important to sustain the impetus in the period leading up to the forthcoming meeting of the Ad Hoc Intergovernmental Committee, the establishment of which had been recommended by the Conference and in which her Government would be happy to participate.

48. At the Nairobi Conference, Mr. Trudeau, the Canadian Prime Minister, had announced a number of specific initiatives which would contribute to achieving the objectives of the Programme of Action, among them an additional \$25-million programme to assist the Sahelian countries to develop new energy resources. In addition the Canadian International Development Agency (CIDA) was to intensify its programmes to assist countries that needed help in developing national energy plans.

49. On the multilateral front, her Government held that structured adaptation was required and, bearing in mind the agreement reached at Ottawa concerning the strengthening of the role of the World Bank in energy lending, was supporting the creation of a new energy affiliate. Her Government was prepared to provide funds to such an affiliate.

50. Turning to trade and development, she said that her country was an active participant in the work of the United Nations Conference on Trade and Development (UNCTAD). Although her delegation did not agree with all of the conclusions in the most recent report of the Trade and Development Board, it had found a good basis for a thorough exchange of views.

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(Mrs. Nicholson, Canada)

51. An important aspect of UNCTAD's work was that concerning the international regulation of commodity markets, in which Canada was an active participant. In that sphere, problems affecting individual commodities should be examined on a case-by-case basis in producer-consumer groups.

52. A number of delegations had emphasized the importance of reducing international barriers to trade and resisting protectionist pressures. Her delegation believed that GATT constituted an effective means of ensuring the operation of an open multilateral trading system. She reminded the Committee of the results already obtained at the recent Tokyo round of negotiations, and noted that discussions were under way with a view to convening a ministerial-level meeting in 1982 of Contracting Parties to the GATT in connexion with the launching of a forward-looking trade policy work programme for the 1980s. Many developing countries were not members of the GATT; but the system was sufficiently flexible and pragmatic to adapt itself to their needs, and it would in fact be strengthened by the participation of more developing countries.

53. Canada welcomed the results of the Conference on Economic Co-operation among Developing Countries held at Caracas in May 1981; and it was ready, through appropriate bilateral and multilateral means, to assist the efforts to realize the Caracas Plan.

54. Referring to the United Nations Conference on the Least Developed Countries, she said that Mr. Trudeau, Prime Minister of Canada, had stressed that aid to the least developed countries was a responsibility of the entire international community. Canada welcomed the results achieved at the Paris Conference. The Substantial New Programme of Action was a well-balanced document; and the establishment, as appropriate, of consultative group meetings between individual recipient countries and donors would do much to ensure a successful follow-up to the Conference.

55. At the Conference, Canada had been particularly active in working out key compromises, particularly on the financial assistance requirements section of the Substantial New Programme of Action. Those important conclusions demonstrated that constructive agreement could be reached on a subject of vital importance to developing countries. Canada, for its part, intended to devote 0.15 per cent of its GNP as ODA to the least developed countries. It would increase its total ODA to 0.5 per cent of GNP by 1985, and would try to reach 0.7 per cent by 1990. It would also take steps to apply to the least developed countries the GATT Agreement on Government Procurement.

56. With regard to the restructuring of the economic and social sectors of the United Nations system, she said that her delegation was aware of the need to improve and streamline the functioning of the Economic and Social Council. However, a more fundamental and complex question concerned the revitalization of the Council. Though a number of steps had been taken under resolution 32/197, it was apparent that additional measures were required. In particular, it was essential to solve the question of ways and means of making the Council fully representative; and, in that connexion, Canada viewed with considerable sympathy the proposal to enlarge the membership of the Economic and Social Council to include all Members

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(Mrs. Nicholson, Canada)

of the United Nations. One further area requiring attention was the rationalization of the Council's subsidiary bodies. All possible measures must be taken to devise procedures which would facilitate the realization of the objectives of development and the strengthening of international co-operation.

57. Mr. BA-ISSA (Democratic Yemen) said that he had listened with interest to the statements by representatives of the specialized agencies and of Member States. He regretted, however, that speakers had confined themselves to repeating generalities and clichés about the need to develop international economic co-operation, while the world economic situation was deteriorating and the gap between developed and developing countries was constantly widening. While the economic situation of the developing countries was worsening and their living standards were declining, countries which had the means to act had not done anything. It was not surprising, therefore, that the developing countries were disappointed. The food security of those countries was far from being guaranteed. Countless obstacles had been placed in the way of the implementation of the Lima Declaration and Programme of Action. Official development assistance had declined in real value. International trade problems were becoming more acute, and developed countries were adopting a more protectionist attitude to exports from the developing countries.

58. The target fixed for the United Nations Interim Fund for Science and Technology for Development had not been achieved, and the policies of the capitalist countries were preventing the establishment of a long-term financing system for science and technology for development. All those difficulties were slowing down progress in the developing countries, particularly the least developed among them.

59. His delegation wished to stress that, for the developing countries, the establishment of a new international economic order was still only a far distant prospect. To establish the new order, it would be essential first to abolish the monopolies of the developed countries and their adverse effects on developing countries, to set up an appropriate financing system and to develop national scientific and technological capabilities in developing countries. Expressions of pious hopes and compassion were of no value whatsoever. What was needed was political will and practical measures. Developing countries attempting to mobilize their human and material resources to promote their development were faced with countless obstacles, such as inflation, fluctuations in exchange rates and protectionist policies by the developed countries, which wanted to keep their outlets for their manufactured goods and preferred to divert their resources to the manufacture of weapons of mass destruction, rather than increase their assistance to development.

60. The plans and programmes of action adopted at many international conferences were still a dead letter. It was regrettable, inter alia, that the Conference on New and Renewable Sources of Energy had not reached agreement on the role of developed countries in mobilizing the resources needed for the implementation of the Nairobi Programme of Action.

61. In the efforts to overcome the world economic crisis and the deterioration of the developing countries' terms of trade, there was the same absence of tangible results. However, it was essential to remain optimistic and to make every effort

(Mr. Ba-Issa, Democratic Yemen)

to promote a restructuring of the world economy which, since the Cancún Conference, appeared to be more urgent than ever. His delegation thought that the Cancún Conference should have been preceded by appropriate preparation; and it hoped that it would lead to negotiations, under United Nations auspices, on the establishment of the new economic order. It was too easy for countries to find pretexts for shirking their responsibilities and refusing to seek practical ways of strengthening the autonomy of developing countries, on the basis of the interdependence of all countries. It was unacceptable that the private sector and the free play of market forces should be regarded as a panacea, that certain States should dictate the conditions for the dialogue between groups of countries and that food products should be used as a political weapon. What was needed was not the elaboration of a new Marshall Plan nor charity handouts to developing countries, but concrete assistance to enable them to overcome their own problems and also the adverse effects of unjust international structures which reduced their competitiveness and jeopardized their development.

62. The Paris Conference on the Least Developed Countries had focused on the difficulties of developing countries and on the need to improve the quantity and quality of the assistance given to them. In that connexion, he thanked the French Government for its considerable contribution to the success of the Conference and its response to the aspirations of the developing countries. He drew attention to the Substantial New Programme of Action for the 1980s for the Least Developed Countries, whose aim was to bring about the economic growth of developing countries on sound foundations avoiding the mistakes of earlier past decades and eliminating their negative impact, making developing countries self-sufficient by changing their structures and developing their scientific and technical capabilities, training their manpower, increasing their food production and establishing processing industries. The developed countries should provide financial support to the developing countries in order to help them to change their structures and diversify their economies; they should also open up their markets to the exports of developing countries. He thanked those States which had already committed themselves to that goal and called upon the other countries to follow their example. He pointed out that the figures available did not accurately reflect the appalling situation of those countries, whose gross national product was very low and a majority of whose populations could not even satisfy their basic needs. Unless international co-operation expanded, their situation would only get worse.

63. The importance of the collective self-reliance of developing countries as a basis for world economic growth should not be overlooked; he referred, in that connexion, to the guidelines laid down at the Caracas Conference. However, economic co-operation among developing countries should not become a substitute for international co-operation among all countries, which was a prerequisite for world prosperity and international peace and security.

64. Mr. ARAPI (Albania) reaffirmed his delegation's full support for the just demands of developing countries for a new world economic order which would put an end, once and for all, to the injustices and capitalist exploitation which still characterized international economic relations. Experience had shown that, although the imperialist countries proclaimed their desire to establish a new international

(Mr. Arapi, Albania)

economic order, they were in fact only seeking to perpetuate neo-colonialism, and the oppression and exploitation of peoples by advising them to opt for submission, concessions and dependence, involvement in the mechanisms of economic integration and the neo-colonialist division of labour.

65. His delegation shared the view of many progressive and peace-loving countries that international economic relations were definitely not improving, as was shown by the deepening inequality in the terms of trade and the strengthening of protectionist measures and other trade barriers against the exports of developing countries, and by the glaring disproportion between the prices of raw materials and those of industrial goods. He stressed the harmful effects of the installation in developing countries of multinational companies, which served as instruments for the hegemonistic policies of imperialist Powers, especially the United States of America and the Soviet Union, and threatened the national sovereignty and independence of the countries in which they operated.

66. At international conferences on economic problems, developing countries had repeatedly called for a reduction in the great discrepancies between the prices of the industrial goods of industrialized countries and the prices of the raw materials of the developing countries. The ever-growing balance-of-payments deficits of developing countries were another indication of how they were being exploited and discriminated against. When they tried to increase their exports, especially of finished products, they were confronted with the protectionism of the capitalist countries which, indeed, were doing their utmost to entrench themselves as deeply as possible in developing countries in order to sell their goods. Moreover, ever-growing inflation in Western countries reduced the real value of the developing countries' exports and their foreign exchange deposits in Western banks.

67. His delegation stressed the importance of science and technology in the development of all countries, especially the developing countries, which had inherited severe economic backwardness from colonialism. In the face of the efforts being made by the developing countries to develop their scientific and technological capabilities, the imperialist powers were doing their utmost to preserve their monopoly of that sphere and to use it as a political weapon for the achievement of their expansionist aims. Moreover, they were increasingly using their scientific capability for armaments production. Although the imperialist and revisionist powers claimed that scientific and technological progress was the only way to eliminate under-development, starvation, and poverty, his delegation held that economic development could not be divorced from socio-political factors. The strengthening of the national sovereignty of developing countries and the establishment of just international relations would create favourable conditions for general economic growth and for the development of science and technology which would, in turn, promote economic development.

68. Albania had been successfully developed and diversified trade with many countries on the basis of the principles of equality, non-interference in the internal affairs of States and mutual advantage that was proof of the soundness of his country's economic orientation, its stability and its dynamic progress. Under its seventh five-year development plan, Albania hoped to increase even further its exports and to produce a new range of goods for export by exploiting all existing

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(Mr. Arapi, Albania)

domestic resources. The development of its economy had nothing in common with autarky. Albania was fully aware of the need to develop its trade with other countries on a just and equal basis and without any political strings attached.

69. Mr. BALASUBRAMANIAM (Sri Lanka) said, with reference to the United Nations Conference on New and Renewable Sources of Energy, held at Nairobi, that it was the responsibility of the General Assembly at the current session to devise the necessary machinery to implement the Nairobi Programme of Action. His delegation attached particular importance to the recommendations of the Conference on the establishment of an Intergovernmental Committee, modelled on the Preparatory Committee for the United Nations Conference on New and Renewable Sources of Energy, and to the possibility of establishing a separate secretariat to assist the Intergovernmental Committee.

70. The Intergovernmental Committee, in order to carry out its functions, as outlined in paragraph 60 of the report of the Nairobi Conference, should have adequate information on a number of questions, such as the demand for action-oriented plans and programmes in each of the priority areas identified in the Plan of Action, the scope for technical and economic co-operation among developing countries, the current plans and programmes in each of the four main priority areas, the plans and programmes of bilateral aid agencies and other multilateral aid arrangements not under the United Nations system, and the involvement of the private sector in each of the areas identified for priority action. The collection and processing of such data should properly be the task of the Secretariat unit set up for the purpose, which should also be responsible for co-ordinating the activities of the Intergovernmental Committee and preparing the final document for the proposed meeting of the Intergovernmental Committee in 1982.

71. Sri Lanka, which had set great store by the Nairobi Conference, had taken the initiative at the Conference of convening a meeting of the Asian countries to consider a regional plan of action relating to new and renewable sources of energy. His delegation was also encouraged to learn that at the Cancún Summit the proposal to set up an energy affiliate of the World Bank had been favourably received.

72. Referring to the question of science and technology for development, he said that the recommendations of the Intergovernmental Group of Experts on the United Nations Financing System for Science and Technology for Development provided a basis for translating the Vienna Programme of Action into reality. His delegation hoped that agreement would be reached on the financing system recommended, since it was eminently practical and sought to ensure that maximum use was made of the existing expertise within the United Nations system by emphasizing projects which would expand the scientific and technological infrastructure of the developing countries.

73. His Government had been among those participating in the recent ministerial mission on science and technology which had led to the formulation of the Caracas Declaration and the Caracas concerted strategy on science and technology for development.

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(Mr. Balasubramaniam, Sri Lanka)

74. With reference to the report of the Secretary-General on the establishment of an international labour compensatory facility (A/36/483), he said that the effects of large-scale migration of workers on the development efforts of the developing countries called for international, as well as national, action. The guidelines for the establishment of a compensatory facility contained in the Secretary-General's report appeared to provide a sound basis for formulating detailed proposals and arrangements.

AGENDA ITEM 72: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)  
(A/36/3/Add.28, Add.31 and Add.32 (Part I and Corr.1-2 and Part II), A/36/38, 73 and Add.1, 183, 208 and Add.1, 259, 261-278, 599; E/1981/16 and Corr.1, 37 and Corr.1, 86; A/C.2/36/L.4)

75. Mr. EHRMAN (United Kingdom), speaking on behalf of the member States of the European Economic Community, said that official development assistance remained an essential condition for improving the standard of livelihood of the poorest countries, especially the least developed among them, for which the special economic assistance programmes were generally designed. The member States of the Community would therefore continue to accord high priority to the economic problems of that group of countries in both their bilateral and their multilateral assistance programmes.

76. The needs of people in distress as a result of disaster, whether man-made or natural, aroused the conscience of mankind. No issue could be closer to the heart of the United Nations Charter, and the Community was especially glad that in 1981 the Nobel Peace Prize had again been awarded to the Office of the United Nations High Commissioner for Refugees. The Community and its member States had in many cases assisted the victims of disasters through bilateral channels, but that was not to say that they did not recognize the importance of multilateral assistance programmes such as UNRWA, UNHCR, UNDRO and the World Food Programme, through which they had channelled some \$683 million in 1979.

77. Whether assistance was bilateral or multilateral, the importance of a co-ordinated response could not be exaggerated. Although it had not been possible to reach consensus on the question at the second regular session of the Economic and Social Council, he hoped that the General Assembly would achieve results at the current session. Bearing in mind the need to assure the speed and efficiency of relief delivery, the Secretary-General should, under the authority of the General Assembly and the Economic and Social Council, guide co-operative efforts in that field, effective contact should be established not only between the various United Nations agencies but also between them and the numerous voluntary agencies and, at the administrative level, between the agencies and representatives of interested Governments and the relief effort on the ground should be co-ordinated, in co-operation with the Government or Governments affected and with full respect for their sovereignty.

78. Draft resolution A/C.2/36/L.4 provided a good basis for discussions with a view to further narrowing differences, and he hoped all members of the Committee would collaborate to that end. The member States of the Community were willing to work towards arrangements to ensure speedy and effective disaster relief.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

Draft resolution A/C.2/36/L.6

79. Mr. WATTERSON (Secretary of the Committee) announced that Botswana and the Syrian Arab Republic had become sponsors of draft resolution A/C.2/36/L.6.

Draft resolution A/C.2/36/L.1

80. Mr. WATTERSON (Secretary of the Committee) announced that the Congo had become a sponsor of draft resolution A/C.2/36/L.1.

AGENDA ITEM 71: TRAINING AND RESEARCH (continued)

(a) UNITED NATIONS INSTITUTE FOR TRAINING AND RESEARCH

(b) UNITED NATIONS UNIVERSITY

Draft resolution A/C.2/36/L.10

81. Mr. WATTERSON (Secretary of the Committee) announced that the Syrian Arab Republic had become a sponsor of draft resolution A/C.2/36/L.10.

Draft resolution A/C.2/36/L.11

82. Mr. WATTERSON (Secretary of the Committee) announced that Bangladesh, the Philippines and the Syrian Arab Republic had become sponsors of draft resolution A/C.2/36/L.11.

The meeting rose at 6.15 p.m.