



ECONOMIC AND SOCIAL COUNCIL

Fiftieth Session

OFFICIAL RECORDS

Monday, 17 May 1971,
at 10.50 a.m.

NEW YORK

President: Mr. Rachid DRISS (Tunisia).

AGENDA ITEM 8

Natural resources (*continued*):(a) Report of the Committee on Natural Resources (*continued*)* (E/4969, E/4989, chap. VI, sect. C; E/L.1399, E/L.1411)

1. Mr. BUTLER (Observer for Australia), speaking at the President's invitation, said that his Government had welcomed the establishment of the Committee on Natural Resources because it recognized that the rational development by countries of their natural resources was fundamental both to their economic and social development and to the proper management of their natural and human environment. The rational utilization of natural resources was basic to the process of economic development and therefore of great importance to the developing countries. His delegation's view of the Committee and its work programme was guided by the Council's resolution 1535 (XLIX). The clear terms of reference established in that text would permit the Committee to provide precise and valuable guidance to the Council on the important issues of natural resources development. It had been inevitable that, at its first session, the Committee should have had to consider how best to fulfil those terms of reference. However, his delegation shared the view of the French representative that there seemed to have been some confusion at that first session on the role of the Committee in relation to the Resources and Transport Division. Under its terms of reference, the Committee was to provide advice to the Council. Therefore, it should not find itself acting as a policy-making body for the Division. The Committee should bear in mind at all times its direct relationship to the Council and should regard the Division as the unit of the Secretariat responsible for providing it with necessary technical advice and documentation.

2. As to the substantive work of the Committee, the discussion during its first session had served to identify the main areas of concern in natural resources development. Much of that discussion had been at a technical level and had therefore been constructive; while on occasions it had moved a little too far into political issues, the consensus of the Committee had been that future discussions should remain, as far as possible, at a technical level.

3. The tentative consensus reached by the Working Group (see E/4969, annex V) on guidelines for action in the field of natural resources was a considerable achievement. Subject to further study by Governments, it should

facilitate the Committee's future work. It covered extremely complex issues which deserved the most detailed study. His delegation did not expect that the Committee would be asked to make a final pronouncement on the consensus for some time. Nevertheless, it was a useful framework for the future conduct of the Committee's work. Australia's delegation to the Committee had attached considerable importance to the discussion of the collection and dissemination of natural resources data and to the need for a consolidation of the legislative basis for further United Nations activities in the field of natural resources.

4. A number of delegations had clearly attached importance to the preparation of a further report on the question of permanent sovereignty over natural resources. His delegation had doubts as to the usefulness of a periodic report on the subject; the importance of the exercise of permanent sovereignty was self-evident and many past studies of the subject had confused the question of permanent sovereignty with the issues involved in foreign investment for developmental purposes. A further study of the question would have little value unless it recognized, first, the fact that if natural resources were not utilized they would be of no use to the country that owned them, secondly, the crucial relationship between the need for capital and the development of natural resources, and, thirdly, the importance of encouraging investment in developing countries and establishing a fruitful and equitable basis for such investment.

5. The Committee had acted positively in its consideration of the question of establishing special natural resources advisory services and his delegation looked forward to the results of the study of the question of a revolving fund by a working group of the Committee.

6. He emphasized that his delegation had viewed the Committee's first session as a formative one. It had revealed that the Committee must narrow its sights so as to be able to fulfil precisely its terms of reference and to give detailed technical consideration to the very important issues before it. That would in no way impose a limitation upon the Committee, which, if it was to provide effective advice to the Council, to Governments and to the United Nations system, must produce considered technical guidelines on the practical questions of natural resources development.

7. Mr. NDUNG'U (Kenya), speaking on behalf of the delegations of the Democratic Republic of the Congo, Pakistan, Sudan and Yugoslavia as well as his own, introduced the draft resolution in document E/L.1411 and announced that the delegation of Jamaica had also agreed to sponsor it.

8. The most important provisions in part A were those in operative paragraphs 2 and 3, which reflected the agree-

* Resumed from the 1762nd meeting.

ment reached in the Committee on Natural Resources and should therefore occasion no argument.

9. As to part B, the sponsors had felt that the Council should formally approve, in operative paragraph 1, the establishment of special natural resources advisory services, having regard to the consensus to that effect. Operative paragraphs 3 and 4 were the core of the whole issue and had been drafted after laborious negotiations between the sponsors. Operative paragraph 5 involved no new departure.

10. The operative paragraph in part C reproduced the general views expressed by most delegations in the Committee concerning the establishment of an intergovernmental working group to consider the question of the revolving fund and should therefore not cause extensive debate.

11. The quotation in the first preambular paragraph of part D was from paragraph 16 of annex V of the report (E/4969), which listed fundamental objectives in water resources development. A number of delegations had suggested the addition of WHO to the organizations listed in operative paragraph 1. Provided there was no objection from the other sponsors, he could accept that addition especially in view of WHO's role in connexion with the quality of water supplies. The sponsors attached particular importance to the latter part of operative paragraph 2 because it was largely true that most developing countries had not had the opportunity to participate fully in the type of technical meeting described. Operative paragraph 3 had been drafted in the light of the second preambular paragraph and the fact that there were some countries where a lack of water or distribution difficulties hindered development. He pointed out that the sponsors had not recommended that the Committee should consider water resource development as its highest priority item.

12. The provisions of part E were self-explanatory. With regard to part F, he said that although a number of delegations had expressed concern or regret at the Committee's failure to formulate an integrated work programme, the sponsors had felt that the second preambular paragraph should be moderate in tone. Operative paragraph 1 reflected the sponsors' feeling that the formulation of short-term and medium-term work programmes should be given special importance.

13. As to part G, the sponsors had felt that it would not suffice merely to note paragraphs 131 to 134 of the Committee's report. In that connexion, he read out paragraph 131 (a) to (e), which was particularly significant.

14. Mr. DE AZEVEDO BRITO (Brazil) said that his delegation had no special comment to make on parts A and E of draft resolution E/L.1411. With regard to part B, he stressed that his delegation fully supported the concept of special natural resources advisory services on the understanding that appropriate arrangements would be made with UNDP. It had made its position clear in that connexion during the Committee's debates.

15. Turning to part C, he said that his delegation had expressed reservations with regard to the idea of the revolving fund in the form proposed by the Secretary-

General. Further discussion at the expert level was unlikely to be fruitful. It was for the Council, with the assistance of UNDP, to continue examination of the subject in order to work out suitable alternative proposals to achieve the same objectives without the disadvantages of the proposal as presently formulated. He asked for a separate vote on part C and said that he would abstain in that vote because he believed that the convening of a working group by the Committee on Natural Resources was not the best way to proceed and would result in unnecessary delay.

16. His delegation had already indicated, in the Committee on Natural Resources, during the eighth session of CPC and in the current debate, the reasons for its disapproval of the suggestion that an international water conference should be convened in 1975. A number of delegations had serious doubts as to the advisability of such a step or had not found the issues clear enough to make it possible to reach a decision. In operative paragraphs 1 and 2 of part D an attempt was made to clarify the issues. Rather than request a report from the Secretary-General at the current stage, however, it would be preferable to ask him to prepare a consolidated document giving the views of Member States, UNESCO, FAO, regional bodies and other interested organizations within the United Nations system as to the desirability of and possible topics for such a conference. That would provide a better basis for discussion at the second session of the Committee on Natural Resources. Speaking on behalf of the USSR delegation as well as his own, he proposed that operative paragraphs 1 and 2 should be replaced by the following text:

"Requests the Secretary-General to prepare, after ascertaining the views of Governments of Member States, UNESCO, FAO, regional bodies and other interested organizations within the United Nations system, a consolidated document with the views expressed on the desirability and possible topics for the conference, such a document to be submitted to the second session of the Committee on Natural Resources."

The question of the conference had reached a stage where it was essential to know the wishes of Governments. Secretariat work should follow and not precede the definition of policies. He also proposed the deletion of operative paragraph 3 on the ground that other resources deserved the same priority as water resources.

17. In part F, the sponsors had ably reflected the main lines of thought expressed by CPC with respect to the programming aspects of natural resources. To make the draft more complete, however, he proposed, speaking also on behalf of the USSR delegation, the addition of the following operative paragraph:

"Endorses the wish expressed by the Committee for Programme and Co-ordination in paragraph 67 of the report on its eighth session (E/4989) in relation to the drafting of the work programme for 1972 in the field of natural resources."

He read out paragraph 67 of the CPC report, noting that the text was specifically concerned with the immediate future. Comments, views and criticisms had been put forward concerning the different proposals brought before

the first session of the Committee on Natural Resources. It was important to make certain that the Secretary-General would take such comments and criticisms into account in the work programme for 1972 which was to be submitted to the General Assembly at its twenty-sixth session.

18. Mr. PRAGUE (France) said that part F of draft resolution E/L.1411, which sought to define the role of the Committee on Natural Resources, was misplaced and should follow immediately after part A. There appeared to be two schools of thought on the role of the Committee: one was that it should be responsible for providing broad guidelines for natural resources activities throughout the United Nations system, while according to the other it should give the Resources and Transport Division detailed directives on its work programme. His delegation felt that both views were correct and that the second followed logically from the first. As it stood, however, part F was ambiguous. It would be better to recommend in the operative part that the Secretary-General should take account of the primary role of the Committee on Natural Resources when preparing for the second session. After that, it would be appropriate to say that the Committee should give its views on the detailed work programme of the Resources and Transport Division.

19. Mr. DUNN (United States of America) said that operative paragraph 2 of part A of the draft resolution should include the words "not more frequently than once every other year", in accordance with the usual procedure for the Council's subsidiary organs. With regard to part B, his delegation considered that the Council should not take a position on special natural resources advisory services until the Governing Council of UNDP had stated its views on the subject. The Brazilian amendment to part D was appropriate, since the need for an international water conference was indeed doubtful. In any event, WMO, which was doing useful work in operative hydrology, should be added to the bodies listed in operative paragraph 1. The proposals in part E would overburden the Committee on Natural Resources and lead to duplication with the work of other bodies. His delegation agreed with the French delegation that part F should be placed immediately after part A, and he proposed the addition of the words "with a full explanation of the financial implications" after the words "work programme" in operative paragraph 2. He could also support the Brazilian amendment to that part of the draft. With regard to part G, he reminded the Council that the United States had voted against General Assembly resolution 2692 (XXV) and it did not feel that the Committee, which was a technical body, should take up matters of a political nature. He assumed that the Council intended to vote on the resolution section by section; if not, he would have to request such a procedure.

20. Mr. LISOV (Union of Soviet Socialist Republics) said that operative paragraphs 2 and 3 of part A of the draft resolution were unclear. All that was needed was a straightforward reference to the fact that the Committee on Natural Resources would, as a subsidiary body of the Economic and Social Council, hold its sessions in accordance with the latter's rules of procedure.

21. His delegation disagreed with the proposal to establish special natural resources advisory services. The Council

would do better to decide how to obtain the maximum benefit from the 2,000 United Nations experts working in the developing countries rather than making a declaration which would merely give a new label to an existing system that was perfectly satisfactory. As it stood, part B might do more harm than good and he hoped that the sponsors would confine themselves to reaffirming the existing practice, under which experts did in fact offer advice on projects other than the ones on which they were working.

22. His delegation was in favour of a revolving fund for natural resources exploration but felt that the reference to alternative proposals in the operative paragraph of part C cast doubt on the idea. It did not wish to participate in the proposed intergovernmental working group and would vote against part C in its present form.

23. His delegation believed that water problems should be solved on a national or regional basis and doubted whether an international water conference was necessary in the immediate future. The role of such a conference should be to formulate clear-cut recommendations after the groundwork had been laid at the national and regional levels. His delegation did not think that any special emphasis should be placed on water problems, and it had consequently co-sponsored the Brazilian amendment. Nor could his delegation support part E, since many of the seven points listed in paragraph 94 of the Committee's report (E/4969) were vague. He hoped that the sponsors would redraft that section.

24. Mr. McCARTHY (United Kingdom) said that the operative paragraphs of part A of draft resolution E/L.1411 were in conflict with the Council's decision that its subsidiary bodies should meet every other year. He agreed with the French proposal that part F should be placed earlier in the draft resolution. He had serious reservations with regard to part B and felt that a sectoral approach was inadvisable. No decision should be taken until far more information was available and until the Administrator of UNDP had given his views. Part C placed emphasis on one sector at the expense of others and ran counter to the system of country priorities. There again, the Council should not take a decision before hearing the Administrator's views. The proposal for an international water conference in 1975 was misconceived: there had been a world conference on water only four years ago, and water, in any case, was a problem to be dealt with nationally or regionally. The case for a conference had not been made out; a decision on one in 1975 would therefore be premature, and his delegation therefore supported the Brazilian amendment to part D. Neither part E nor part G was acceptable in its present form; he noted in that connexion that the United Kingdom had voted against General Assembly resolution 2692 (XXV). He felt that the various proposals contained in the draft resolution approached the question of natural resources at the wrong level. A country and regional approach rather than a global one was needed.

25. Mr. AYOUB (Tunisia) said that the provisions embodied in draft resolution E/L.1411 were of two types: those which required a definite decision by the Council and those which related to comparatively minor matters. He

supported part A, on which the Council should take a decision since it was within its competence to decide when its subsidiary bodies should meet. He was whole-heartedly in favour of part B for reasons which his delegation had already expressed in its general statement. However, he doubted whether the Council needed to endorse the decision of the Committee on Natural Resources referred to in part C. Irrespective of any decision taken by the Council on that question, the working group referred to in the operative paragraph would be established and would report to the Committee. He therefore suggested that part C should be deleted, although, in view of the importance of the question, he was prepared to support the existing text if necessary. Part D was consistent with views which his delegation had already expressed and was acceptable in its present form. There was no need for the Council to take a decision on part E. The Committee on Natural Resources had already requested the studies referred to in paragraphs 94 and 98 of its report and the Secretary-General would take appropriate action. Part F reflected views which had been expressed in the Committee on Natural Resources and CPC. He would, however, have no objection to the French amendment. He had certain reservations concerning part G, even though Tunisia had been a sponsor of General Assembly resolution 2692 (XXV). Paragraph 131 of the report of the Committee on Natural Resources contained a list of points which, although important, had been mentioned only in the statement made by the Director of the Division of Public Finance and Financial Institutions to the Committee and should not form the basis for a decision by the Council. The other paragraphs of the report regarding permanent sovereignty over natural resources of developing countries dealt with purely procedural matters and did not require a decision by the Council. The Committee on Natural Resources had already received clarification concerning the report to be submitted to the General Assembly in accordance with paragraph 5 of the Assembly's resolution 2692 (XXV). His delegation therefore opposed further action on the question and hoped that part G would be reworded.

26. Mr. GATES (New Zealand) said that his delegation in general supported the reservations expressed by the United Kingdom delegation, particularly those relating to parts B and F of the draft resolution. In its general statement, his delegation had welcomed the concept of special natural resources advisory services. However, in order to ensure the harmonious functioning of such services, the Governing Council of UNDP should be given an opportunity to consider the question, and in particular the arrangements under which experts would be withdrawn from ongoing projects. Unless such arrangements were fully satisfactory to UNDP, the establishment of advisory services would lead to inefficiency and friction between UNDP, the executing agencies and the Resources and Transport Division. A decision on part B should therefore be deferred until after the forthcoming session of the Governing Council. His delegation proposed that the words "in principle" should be inserted after the word "Approves" in operative paragraph 1 of part B and that a new paragraph on the following lines should be inserted after operative paragraph 2:

"Requests the Governing Council of the United Nations Development Fund to consider these arrangements at its

twelfth session with a view to offering comments to the fifty-first session of the Economic and Social Council."

27. His delegation supported the amendments to part F proposed by the Brazilian and United States delegations. It proposed that the word "first" should be inserted before the word "priority" in operative paragraph 1.

28. Mr. GHORRA (Lebanon) said that his delegation in general supported the draft resolution. However, the first preambular paragraph of part D was somewhat obscure. No one would disagree with the general principle set forth in the paragraph, but in that context it might give rise to conflicting interpretations and might have the effect of predetermining the approach to be taken by the international water conference referred to in the third preambular paragraph. Considerations such as those outlined in the second and third preambular paragraphs would form a more appropriate basis for the conference. If part D was put to a vote, his delegation would express reservations concerning the first preambular paragraph.

29. Mr. PATAKI (Hungary) said that his delegation had reservations concerning parts B, C and D of the draft resolution and supported the observations made by the USSR and the United Kingdom delegations with regard to part A.

30. He supported the concept and purpose of the special natural resources advisory services referred to in part B of the draft resolution, but considered that the measures envisaged in the draft were excessively complicated. A decision on the establishment of such services would therefore be premature. He had serious reservations concerning part C: he felt that a revolving fund for natural resources exploration would be extremely desirable, but that to call for the establishment of an intergovernmental working group to conduct further studies might simply distract attention from the primary objective. He supported in principle the convening of an international water conference as referred to in part D, subject to further clarification of its scope. Such clarification could be obtained in the manner indicated in the Brazilian amendment, which his delegation supported.

31. In view of the controversial nature of most parts of the draft resolution, he hoped that it would be voted on paragraph by paragraph.

32. Mr. CARANICAS (Greece) said that the draft resolution had the disadvantage of attempting to cover too many problems and failing to devote sufficient attention to each one of them. His delegation was somewhat confused about the real function and purpose of the Committee on Natural Resources. Was it responsible for co-ordinating the activities of all the United Nations bodies concerned? Was it an intergovernmental body responsible for reviewing the activities of the Secretariat? Was it supposed to deal with world-wide problems? Was it action-orientated? The crux of the matter was that the economic development of the less developed of the developing countries required the establishment of priorities. When certain resources were limited, they assumed a high priority; however, it was difficult to establish clear priorities for other resources. Given the limited financial resources available at both the

international and national levels, the Committee on Natural Resources and the Secretariat would have to select specific areas for action. It was impossible for the Committee and the Secretariat to cover the wide range of activities referred to in the draft resolution. The Council should instruct the Committee to establish priorities and to concentrate on particular sectors, such as the formulation of a water resources policy or the transfer of modern technologies to the developing countries.

33. Part A of the draft resolution was confusing because it was not clear whether the work programme of the Resources and Transport Division would be formulated by the Committee on Natural Resources or the Division itself. In the past, the work programme had not been approved by any intergovernmental body. In general terms, the Committee should follow the directives laid down in the International Development Strategy for the Second United Nations Development Decade (General Assembly resolution 2626 (XXV)) by providing assistance to the developing countries in the exploration, utilization and exploitation of natural resources, the application of science and technology to natural resources development, the training of qualified personnel, and the establishment of inventories of natural resources with a view to their rational utilization. In connexion with the Committee's work programme, he observed that paragraph 61 of the report of CPC on its eighth session was somewhat unorthodox in that it contained a recommendation to the Council: it was not customary for CPC to make recommendations to the Council concerning action by subsidiary bodies of the

Council or other United Nations bodies. In any event, part A of the draft resolution should be reworded and operative paragraph 3 should be deleted.

34. He supported the new paragraph proposed by the New Zealand delegation for inclusion in part B, since he agreed that no action should be taken on the question without eliciting the views of the Governing Council of UNDP. He had certain doubts concerning the establishment at the present time of the revolving fund referred to in part C. He was, however, prepared to support the establishment of an intergovernmental working group to consider the question. He agreed that the international water conference, which formed the subject of part D, should be considered as a matter of priority at the forthcoming session of the Governing Council of UNDP. He supported the Brazilian amendments to parts D and E. He doubted the advisability of including part G in the draft resolution, since it raised a political question that could not appropriately be considered by the Committee on Natural Resources, which was composed of experts. In any case, the Committee was attempting to tackle an extremely broad range of problems relating to natural resources and could scarcely be expected also to consider political questions, even if it held annual sessions. As was stated in paragraph 150 of the Committee's report, it might be more convenient to consider each of the specialized sectors of the Committee's extensive terms of reference at a given session.

The meeting rose at 1 p.m.