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PROGRESSIVE DEVELOPMENT OF THE PRINCIPLES AND NORMS OF INTERNATIONAL  
LAW RELATING TO THE NEW INTERNATIONAL ECONOMIC ORDER

Report of the Secretary-General

Addendum\*

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\* The present addendum, which constitutes sect. III of the report, contains the replies received from Member States, pursuant to para. 2 of General Assembly resolution 37/103, as at 30 September 1983. Sects. I and II of the report appear in document A/38/366. Additional replies which might be received from Member States will be issued in further addenda.

REPLIES RECEIVED FROM MEMBER STATES

BULGARIA

[Original: English]

[5 September 1983]

A. On the principle of preferential treatment  
of developing countries in the field of  
international trade

1. A factual mistake has been made on page 57 of the report by UNITAR on the progressive development of the principles and norms of international law relating to the new international economic order: analytical papers and analysis of relevant instruments (UNITAR/DS/5), in which it is noted that the systems of preferential customs treatment in favour of developing countries have been introduced by the countries - members of the Council for Mutual Economic Assistance during the period 1973-1978. The preferential system of the People's Republic of Bulgaria was introduced on 1 April 1972.

2. The Government of the People's Republic of Bulgaria does not share the assertion on page 57 of the report that the growth of trade among socialist countries from Eastern Europe and developing countries is not due also to the improved application of the preferential customs systems of the former. As far as Bulgaria is concerned, its preferential system, without being the only factor of the growth of its trade with developing countries during recent years, plays a definite role in this respect.

3. A differentiation is not clearly made in the report between the preferential customs systems of the countries with a market economy and those of the socialist countries of Eastern Europe. A basic difference between them is that the preferential systems of the latter abide by the requirements of resolution 21 (II) of the second session of the United Nations Conference on Trade and Development 1/ on non-reciprocity and non-discrimination and that they do not contain restrictive elements like quotas, ceilings, etc. Moreover, the preferential system of Bulgaria covers almost the whole range of agricultural goods and the so-called "sensitive" goods which as a rule are excluded from the range of preferential systems of the countries of market economy.

4. In the investigation of UNITAR, the principle of "self-selection" is wrongly interpreted as the right of donor countries to determine the countries to which customs preference should be granted. This principle represents the right of each country to be determined as a country of a level of development requiring preferential treatment of its exports. In the investigation, the understanding of developed capitalist countries is reflected by the interpretation of the above principle as a right, enabling them to exclude one country or another from their preferential systems in violation of the principle of non-discrimination.

5. In the investigation, it is noted that the introduction of the so-called "gradation" has led to the application of different forms of discrimination. It

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is not noted, however, that the introduction of "gradation" is characteristic of the developed capitalist countries. Bulgaria does not apply in its preferential system in favour of the developing countries this so-called "gradation".

B. On the principle of permanent sovereignty over natural resources

6. The Government of Bulgaria considers unacceptable the view expressed in the report that, in the case of an argument concerning the amount of compensation because of nationalization, it should be settled not by a national court or other competent body in accordance with the local legislation, but by an international arbitral tribunal.

7. The Government of the People's Republic of Bulgaria thinks it is necessary that the facts and positions enumerated in its information submitted herewith should be reflected in the final variant of the investigation of UNITAR.

MADAGASCAR

[Original: French]

[7 June 1983]

1. The Government of the Democratic Republic of Madagascar, like other Governments of developing countries, has repeatedly reaffirmed the need to promote the restructuring of the world economy as part of the general struggle of peoples to liberate themselves from all forms of domination and occupation. It is well known that the critical situation currently faced by the developing countries at the economic level is the product of the existing international economic system, characterized by the absence of effective and equitable legal principles. In order to prevent further deterioration, it is therefore urgently necessary to accelerate the establishment of the new international economic order and to give the question the priority which it deserves.

2. UNITAR is undoubtedly making considerable progress in its work. But much still remains to be done, as can be seen from the Institute's heavy workload. This being so, a detailed review of the work already done by UNITAR would be premature, and we can only await the outcome of the last phase, which promises a more exhaustive study.

3. It is already apparent that the compendium prepared by UNITAR has not devoted much attention to the important declarations adopted outside the United Nations. It would be regrettable if the Institute, in search of relevant information, did not include in its analysis the declarations adopted at the ministerial meetings of the Group of 77, which is considered as the negotiating body of the developing countries for the establishment of a new international economic order. Due importance should also be attached to the declarations adopted by the Co-ordinating Bureau of the non-aligned countries, which met at Havana from 31 May to 4 June 1982 at the level of Ministers for Foreign Affairs. This meeting was

noteworthy because it enabled Ministers from several countries with different economic, social and political systems to take stock of the world economic situation and to advocate the measures or the principles and norms of international law relating to the new international economic order. In addition, it should be mentioned that the list of elements of the principles analysed is incomplete. It does not include the analysis of the norms affecting the international monetary and financial system. The new international economic order, which envisages preferential treatment for the developing countries, can be effective only if it encompasses new measures to correct the existing international monetary system.

Notes

1/ See Proceedings of the United Nations Conference on Trade and Development, Second Session, vol. I and Corr.1 and 3 and Add.1 and 2, Report and Annexes (United Nations publication, Sales No. E.68.II.D.14), annex I, p. 38.

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