

Economic and Social Council and the General Assembly might have before them a report covering activities during the current year. Since the addendum would be considered by the Second Committee, he would take it, if there were no objection, that the Council wished to

take note of it and transmit it to the General Assembly at its thirty-first session.

It was so decided (decision 201 (LXI)).

The meeting rose at 4.45 p.m.

2037th meeting

Wednesday, 17 November 1976, at 11.10 a.m.

President: Mr. Siméon AKE (Ivory Coast).

E/SR.2037

AGENDA ITEM 24

Trade and development (A/31/15 and Corr.1)

1. Mr. COREA (Secretary-General of the United Nations Conference on Trade and Development), introducing the report of the Trade and Development Board on the first part of its sixteenth session (A/31/15, vol. II), said it was the first time that the Board was meeting in its enlarged form since the decision to permit all members of UNCTAD to become members of it.¹ It was also the first meeting of the Board since the fourth session of UNCTAD, held at Nairobi from 5 to 31 May 1976, and its work had therefore been almost exclusively devoted to implementing the decisions taken at Nairobi, particularly to the necessary institutional and organizational arrangements.

2. The decisions adopted at Nairobi (see TD/217, part one, sect. A) could be divided into two categories: the first comprised decisions of a long-term character aimed at drawing up a programme of work for UNCTAD in such fields as the export of manufactured goods from the developing countries, strengthening of the technological capacity of those countries, the promotion of trade among countries with differing economic and social systems, measures to be taken in favour of the disadvantaged countries and economic co-operation among developing countries. In all those fields, the Conference had laid a foundation upon which it was now necessary to build. The second category comprised decisions having a more immediate effect and aimed at initiating three processes of negotiation on the integrated programme for commodities, an international code of conduct for the transfer of technology and the formulation of a series of principles on restrictive trade practices. In those fields, the aim of the work was the preparation of a series of texts acceptable to all.

3. Consequently, all the decisions taken at Nairobi had added considerably to the task of the Conference and had placed a heavier burden on its programme of action and calendar of meetings. It must therefore organize itself very efficiently, and that was the aim of the majority of the decisions adopted by the Trade and Development Board at its sixteenth session (see A/31/15, vol. II, annex I).

4. First, the Board had established, pursuant to UNCTAD resolution 93 (IV), an *Ad Hoc* Intergovernmental Committee for the Integrated Programme for Commodities (decision 140 (XVI)) which would serve as the central element of the integrated programme for

commodities. In the past, UNCTAD had initiated negotiations on various commodities, but those negotiations had been piecemeal and separate in nature. The objective of the integrated programme was to remedy that weakness, and the *Ad Hoc* Committee's role would therefore consist primarily in following the process of negotiation on all commodities, a process which would probably take between 18 months and two years. That Committee, which would be open to all States members of UNCTAD, would co-ordinate the work of the various meetings on each commodity and supervise the common fund; it would concern itself with all the overall policy problems that might arise, including the determination of the commodities covered; and it would co-ordinate the implementation of the measures embodied in the integrated programme. At its first session, it would draw up its schedule of meetings and would submit periodic reports to the Board at its regular sessions. It was difficult to foresee at the current stage how that Committee's work would evolve; everything depended on progress made in the negotiations themselves.

5. The Board had also established a Committee on Economic Co-operation among Developing Countries (decision 142 (XVI)); the question of the expansion of trade among developing countries had long been of concern to UNCTAD, but it was the first time a permanent body had been assigned the task of dealing with it. That Committee, which would also be open to all members of UNCTAD, would have the primary task of preparing and recommending measures to support the efforts of developing countries to promote co-operation, although the question of the scope of that co-operation would of course be dealt with by the developing countries themselves. The Board had requested the Secretary-General of UNCTAD to study the sections of the report² of the Conference on Economic Co-operation among Developing Countries, held at Mexico City from 13 to 22 September 1976, which dealt with the supportive measures that UNCTAD had been invited to take, and to report to it on that question, as well as on the financial and administrative implications of the measures. In view of the importance on the political scene of the question of economic co-operation among developing countries, UNCTAD naturally showed interest in it, and the Secretary-General felt sure that it could make a very constructive contribution.

6. Pursuant to UNCTAD resolution 95 (IV), on trade relations among countries having different economic

¹ General Assembly resolution 31/2 of 29 September 1976.

² TD/B/628 and Add.1; transmitted also to the General Assembly as document A/C.2/31/7 and Add.1.

and social systems, the Board had defined the terms of reference of the two intergovernmental groups of experts (decisions 138 (XVI) and 139 (XVI)), one of which would be assigned the task of examining the opportunities for trade between developing countries and countries members of the Council for Mutual Economic Assistance, and the other would study particularly the issue of a multilateral system of payments between the socialist countries of Eastern Europe and the developing countries.

7. In its decision 144 (XVI) on the interdependence of problems of trade, development finance and the international monetary system, the Board had decided that the question should be maintained on the agenda of its regular sessions and that the Secretary-General of UNCTAD should keep such problems under continuous review, with the assistance of high-level experts when necessary. It had also decided that the Secretary-General could call its attention to problems which, in his view, required urgent attention, and that it would convene special sessions to consider them. The Secretary-General felt that such an innovative approach would strengthen the effectiveness of UNCTAD action in that field.

8. In accordance with UNCTAD resolution 79 (III), the Board held special sessions for the review and appraisal of the implementation of the International Development Strategy. In its decision 146 (XVI), the Board had decided that, at its special sessions, it should also review the implementation of the Programme of Action on the Establishment of a New International Economic Order,⁸ the Charter of Economic Rights and Duties of States⁴ and the resolutions which the General Assembly had adopted at its seventh special session. The Secretary-General of UNCTAD had been requested to convene special sessions of the Board so that it could report to the Economic and Social Council at its summer sessions.

9. UNCTAD had decided at its fourth session, in its resolution 90 (IV), that the Board would meet at the ministerial level every two years. It had at the same time, in its resolution 94 (IV), requested the Board at its 1977 ministerial session to review the measures taken in pursuance of that resolution on the debt problems of developing countries. Pursuant to those two decisions, the Board had decided, in its decision 149 (XVI), that at its 1977 ministerial session it should review the debt problems of the developing countries and the measures designed to alleviate the debt of the least developed and the geographically disadvantaged countries. The Secretary-General of UNCTAD had been requested to determine, in consultation with the regional groups, the dates and provisional agenda of that session (decision 151 (XVI)).

10. In order to give UNCTAD greater flexibility in its method of work and enable it to accomplish more efficiently the task expected of it, the Board had requested the Secretary-General to review every three months the programme of work of the Conference, in consultation with the regional groups (decision 143 (XVI)). That very useful procedure would make it possible to keep Governments better informed of the work of the secretariat. In addition, the Board had decided to consider at its seventeenth session the Secretary-General's suggestions with regard to the changes to be made in the permanent machinery of UNCTAD (*ibid.*).

11. Finally, recognizing that the resolutions adopted by UNCTAD at its fourth session had resulted in an expansion of the programme of work, the Board had recommended an increase in the proportion of resources allocated to the UNCTAD secretariat (decision 147 (XVI)).

12. In addition to the decisions that it had taken on organizational questions, the Board had adopted by consensus resolution 150 (XVI), relating to the transfer of real resources to developing countries, which dealt with all the main aspects of the question — the volume, quality and flexibility of the transfer. Finally, it had referred to the Committee on Invisibles and Financing related to Trade various questions of substance, including the exceptional balance-of-payments deficits of the developing countries, international monetary reform and compensation for damage caused by a realignment of the major currencies.

13. Thus, UNCTAD faced a formidable task, especially since it must also conduct work on questions not included in the agenda of its fourth session, such as marine transport and insurance. Consequently, the support and guidelines with which the members of the Economic and Social Council could provide it would be of valuable assistance, as they had already been in the past.

14. Mr. CHEREDNIK (Union of Soviet Socialist Republics) said that, in the Second Committee, his delegation would make much more detailed comments on the questions considered at the fourth session of UNCTAD and on the work of the Board at the first part of its sixteenth session. At the current stage, it merely wished to examine an issue about which it was deeply concerned: how to find the \$14 million, including \$5 million for the current financial year, required for the implementation of the very extensive programme recommended by UNCTAD at its fourth session. Neither the United Nations Secretariat nor the UNCTAD secretariat had made any specific proposal in that respect, yet the UNCTAD recommendations must not remain a dead letter.

15. One solution would be to establish an order of priority in the programme of work and to concentrate efforts and resources on the principal courses chosen. That was certainly a difficult task, in view of the extent of the competence of UNCTAD and the interdependence of international economic problems. Furthermore, United Nations resources were not unlimited. In order to be able to implement the basic decisions of UNCTAD, the aim of which was to institute a progressive and democratic restructuring of international relations, and if the corresponding resources could not be found within the framework of UNCTAD itself, it would be necessary to carry out a redistribution of the funds allocated to the whole of the economic activities of the United Nations and to cancel, for example, certain world conferences to be held under United Nations auspices.

16. The Economic and Social Council should take account of that very important aspect of the question when it performed its key role of co-ordinating the United Nations system.

17. Mr. MARSHALL (United Kingdom) thanked the Secretary-General of UNCTAD for his statement. He was glad to note that the Secretary-General of UNCTAD intended to submit to the Economic and Social Council, at its summer sessions, the results of reviews carried out by UNCTAD on questions relating to the Interna-

⁸ General Assembly resolution 3202 (S-VI).

⁴ General Assembly resolution 3281 (XXIX).

tional Development Strategy and the implementation of resolutions adopted at the sixth and seventh special sessions. The work of UNCTAD was closely linked with that of the Economic and Social Council. The Council was ready, as it had already indicated, to give practical expression to its desire to support the work of UNCTAD. The Council and the General Assembly themselves were under no misapprehension about either the importance of the task facing UNCTAD following its fourth session or their own responsibilities in that field.

18. The PRESIDENT suggested that the Council should take note of the report of the Trade and Development Board on the work of its seventh special session and of the first part of its sixteenth session (A/31/15 and Corr.1) and transmit it to the General Assembly at its thirty-first session, together with the comments made thereon.

It was so decided (decision 202 (LXI)).

The meeting rose at 11.55 a.m.

2038th meeting

Thursday, 9 December 1976, at 11 a.m.

President: Mr. Siméon AKE (Ivory Coast).

E/SR.2038

AGENDA ITEM 27

Restructuring of the economic and social sectors of the United Nations system (A/31/34 and Add.1 and 2)

1. Mr. DADZIE (Ghana), Chairman of the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System, said that the report under consideration (A/31/34 and Add.1 and 2) was the outcome of the first phase of the restructuring process which the *Ad Hoc* Committee had been asked to set in motion with a view to achieving two objectives: to make the United Nations system more fully capable of dealing with problems of international economic co-operation and development in a comprehensive and effective manner and to make it more responsive to the requirements of the provisions of the Declaration and the Programme of Action on the Establishment of a New International Economic Order¹ as well as those of the Charter of Economic Rights and Duties of States.² That was an enormously broad and complex task, the more so since the restructuring process had been regarded by the General Assembly as an integral element in the establishment of the new international economic order and that both should be pursued in a fully concerted manner.

2. In discharging that mandate, the primary objective of the *Ad Hoc* Committee had been to develop an agreed set of interrelated guidelines and recommendations on the basis of which it would then prepare detailed action proposals as called for by the General Assembly. To that end, it had defined eight "problem areas" on which it had decided to focus priority attention and, after long and arduous negotiations, it had reached a very wide measure of agreement on five of those areas: the General Assembly, the Economic and Social Council, other United Nations forums for negotiations, structures for regional and interregional co-operation, and planning, programming, budgeting and evaluation. It had agreed, subject to directives which the General Assembly might formulate, to continue its work in 1977 on the basis of the revised version of the

consolidated text prepared by the Chairman, contained in annex I to the report. Finally, with regard to the three problem areas which had not yet been considered, it had agreed to base its work on the original version of the consolidated text, reproduced in annex II sections V, VII and VIII.

3. Some of the matters on which a consensus seemed to have emerged in the *Ad Hoc* Committee were of particular interest to the Council. For instance, members of the *Ad Hoc* Committee had on the whole felt that the revitalization of the Council was an important condition for achieving the two objectives set forth in General Assembly resolution 3362 (S-VII). To that end, there was a wide measure of agreement that the Council should concentrate on its responsibilities, under the authority of the General Assembly, to serve as the central forum for policy formulation on economic and social issues of a global or interdisciplinary nature; to oversee the implementation of the general strategies, policies and priorities established by the General Assembly in the economic, social and related fields; to ensure the over-all co-ordination of the activities of the United Nations system in those fields and, to that end, to articulate priorities, within the framework established by the General Assembly, for the system as a whole; and, lastly, to carry out comprehensive policy reviews of, and formulate appropriate recommendations regarding, operational activities throughout the system. A consensus had begun to emerge on a number of measures that would enable the Council to carry out its role: the Council should organize its work on a biennial basis and plan to hold shorter but more frequent subject-oriented sessions spread throughout the year; it should convene periodic meetings at a high policy-making level to review major issues relating to the world economic and social situation; and it should streamline its subsidiary machinery and strengthen its consultative relationships with non-governmental organizations. There were under other "problem areas" points on which a consensus had emerged which also came within the competence of the Council.

4. The importance of the results obtained by the *Ad Hoc* Committee during the year should not therefore be underestimated; nor should one minimize the large degree of consensus which it had succeeded in working out with respect to some of the fundamental issues with

¹ General Assembly resolutions 3201 (S-VI) and 3202 (S-VI).

² General Assembly resolution 3281 (XXIX).