



ECONOMIC AND SOCIAL COUNCIL

Resumed Thirty-ninth Session
OFFICIAL RECORDS

Tuesday, 23 November 1965,
at 11.5 a.m.

NEW YORK

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President: Mr. Akira MATSUI (Japan).

Present:

Representatives of the following States, members of the Council: Algeria, Argentina, Austria, Canada, Chile, Czechoslovakia, Ecuador, France, Gabon, Iraq, Japan, Luxembourg, Pakistan, Peru, Romania, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

Representatives of the following States, additional members of the sessional committees: Cameroon, Denmark, Ghana, India, Iran, Madagascar, Mexico, United Arab Republic, United Republic of Tanzania.

Observers for the following Member States: Afghanistan, Australia, Belgium, Bulgaria, China, Cuba, Finland, Greece, Ireland, Italy, Jordan, Kuwait, Liberia, Mali, Morocco, Nepal, Norway, Philippines, Poland, Senegal, Somalia, Spain, Sudan, Sweden, Togo, Tunisia, Turkey, Ukrainian Soviet Socialist Republic, Yugoslavia.

Observers for the following non-member States: Federal Republic of Germany, Switzerland.

Representatives of the following specialized agencies: Food and Agriculture Organization of the United Nations; United Nations Educational, Scientific and Cultural Organization; World Health Organization; International Bank for Reconstruction and Development; International Monetary Fund.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 7

Elections:

(b) Election of the members of the Governing Council of the United Nations Development Programme (E/L.1095)

1. The PRESIDENT said that, the General Assembly having adopted the draft resolution recommended to it by the Second Committee on the consolidation of the Special Fund and the Expanded Programme of Technical Assistance in a United Nations Develop-

ment Programme (resolution 2029 (XX) of 22 November 1965), the Council was now required to elect the thirty-seven members of the newly created Governing Council.

2. The note by the Secretary-General (E/L.1095) contained suggestions regarding the voting procedure. He suggested a minor change in the procedure, according to which the Council would elect all thirty-seven members on the same ballot, the ballot paper being divided into two parts—one concerned with the election to fill the nineteen seats allocated to developing countries of Africa, Asia and Latin America and to Yugoslavia as specified in paragraph 1 (a) of the annex to the General Assembly resolution, and the other with the eighteen seats allocated to the economically more developed countries, including three from Eastern Europe and fifteen from Western European and other countries.

3. Once the election was completed, he proposed that the Council should determine by drawing lots which twelve members should serve for three years, which thirteen for two years and which twelve for one year.

It was so decided.

4. The PRESIDENT asked the representatives of the various groups to nominate their candidates.

5. Sir Keith UNWIN (United Kingdom), speaking as representative of the Western European and other countries' group, nominated the following countries: Australia, Belgium, Canada, Denmark, Federal Republic of Germany, Finland, France, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, Turkey, United Kingdom of Great Britain and Northern Ireland and United States of America. The group left it to the Council to choose fifteen out of those sixteen candidates.

6. Mr. HASEGANU (Romania), speaking on behalf of the socialist countries' group, nominated the following countries: Bulgaria, Poland and Union of Soviet Socialist Republics.

7. Mr. PITHER (Gabon), speaking on behalf of the African countries' group, nominated the following countries: Algeria, Congo (Democratic Republic of), Kenya, Liberia, Rwanda, Senegal and Tunisia. He expressed the hope that the Council would elect those seven candidates.

8. Mr. FIGUEROA (Chile), speaking on behalf of the Latin American countries' group, nominated the following countries: Brazil, Jamaica, Paraguay, Peru and Venezuela.

9. Mr. FERNANDINI (Peru) said that Yugoslavia was associated with the Latin American nominations in accordance with the arrangement agreed upon in paragraph 1 (a) of the annex to General Assembly resolution 2029 (XX).

10. Mr. PACHACHI (Iraq), speaking on behalf of the Asian countries' group, nominated the following countries: Burma, Ceylon, Iraq, Jordan, Malaysia and Nepal.

At the invitation of the President, Mr. Muraoka (Japan) and Mr. MacLaren (Canada) acted as tellers.

A vote was taken by secret ballot.

Number of ballot papers: 18

Number of valid ballots: 18

Required majority: 10

Number of votes obtained:

Latin America and Yugoslavia

Jamaica 18

Paraguay 18

Venezuela 18

Brazil 17

Peru 17

Yugoslavia 17

Asia

Ceylon 18

Iraq 18

Jordan 18

Malaysia 18

Nepal 18

Burma 17

Africa

Algeria 18

Kenya 18

Rwanda 18

Senegal 18

Liberia 17

Tunisia 17

Congo (Democratic Republic of) 16

United Arab Republic 1

Eastern Europe

Bulgaria 18

Poland 18

Union of Soviet Socialist Republics 18

Western European and other countries

Canada 18

Denmark 18

France 18

Italy 18

Norway 18

Sweden 18

Switzerland 18

United Kingdom of Great Britain and

Northern Ireland 18

United States of America 18

Belgium 17

Japan 17

Netherlands 17

Federal Republic of Germany 16

Australia 14

Turkey 11

Finland 7

Austria 2

Having obtained the required majority, the following countries were elected to the Governing Council of the United Nations Development Programme: Latin America and Yugoslavia: Brazil, Jamaica, Paraguay, Peru, Venezuela and Yugoslavia; Asia: Burma, Ceylon,

Iraq, Jordan, Malaysia and Nepal; Africa: Algeria, Congo (Democratic Republic of), Kenya, Liberia, Rwanda, Senegal and Tunisia; Eastern Europe: Bulgaria, Poland and Union of Soviet Socialist Republics; Western European and other countries: Australia, Belgium, Canada, Denmark, Federal Republic of Germany, France, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, Turkey, United Kingdom of Great Britain and Northern Ireland and United States of America.

11. The PRESIDENT first drew lots to determine which member of the Western European and other countries' group was to occupy the thirty-seventh seat for the first two years in accordance with the provisions of paragraph 2 of the annex to General Assembly resolution 2029 (XX).

Turkey was drawn by lot to serve for a term of two years.

The following countries were drawn by lot to serve for a term of three years: Bulgaria, Congo (Democratic Republic of), Denmark, Federal Republic of Germany, Iraq, Jamaica, Jordan, Liberia, Netherlands, Peru, Switzerland and Tunisia.

The following countries were drawn by lot to serve for a term of two years: Algeria, Australia, Belgium, Burma, Canada, Ceylon, France, Kenya, Poland, Sweden and Venezuela, on the understanding that Yugoslavia would also serve for two years.

The following countries were drawn by lot to serve for a term of one year: Brazil, Italy, Japan, Malaysia, Nepal, Norway, Paraguay, Rwanda, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland and United States of America.

AGENDA ITEM 1

Report of the Trade and Development Board (continued) (E/4128 and Add.1-3)

12. Miss MEAGHER (Canada) welcomed the opportunity afforded the Council to indicate how it viewed the relationship between the activities of the United Nations Conference on Trade and Development (UNCTAD) and those of other members of the United Nations family. As the representative of Canada had indicated at the Council's thirty-eighth session (1357th meeting), the Council should not become engaged in any way in substantive operations. Its role must be rather to see that the machinery worked smoothly, that the individual components worked together, and that the end products met the needs of the international community. The Council should therefore leave the detailed work on economic development to its subsidiary organs and to other bodies active in that field.

13. As several speakers had already pointed out, the Trade and Development Board's report (E/4128 and Add.1-3) dealt mainly with organizational arrangements. It showed clearly that the Conference had not yet been able to turn to detailed discussion of the trading problems of the less developed countries. Indeed, not all the major committees of the Board had yet had their initial meetings, and therefore the Council could not be expected to make specific observations at that stage.

14. It was agreed that a major role of the Council should be to co-ordinate the economic, social and human rights activities of the United Nations family of organizations and to act as a forum for the discussion and formulation of broad international economic and social policy. That co-ordinating function would come fully into play vis-à-vis the Trade and Development Board when it began its substantial work. The Council would then be able to play a significant role in examining the calendar of meetings or in relating, for example, the work of its own Committee for Industrial Development to that of the Committee on Manufactures. It might in time suggest ways in which the Trade and Development Board's work and the relevant work of the International Bank for Reconstruction and Development group could best complement each other. The Council might also wish to oversee co-operation between UNCTAD and the regional economic commissions in the wider setting of world economic development.

15. All those possibilities for the Council to play a useful role were of course still in the future. For the time being, it would be enough for the Council to adopt a simple resolution transmitting the report to the General Assembly and stating that, in accordance with paragraph 23 of General Assembly resolution 1995 (XIX) of 30 December 1964, it had examined the terms of reference of the Committee on Manufactures and the Committee on Invisibles and Financing related to Trade, as set forth in paragraphs 64 to 96 of the report, and had found that they did not duplicate those of other organizations. The Council might also recall, with reference to its resolution 1011 (XXXVII) of 24 July 1964, that it had invited the specialized agencies "to take into account the recommendations of the Conference in preparing their work programmes". In that connexion, her delegation noted with satisfaction from the last report of the Administrative Committee on Co-ordination^{1/} that the specialized agencies had endorsed the suggestions made for discussions to take place at an early date between the executive heads of the various specialized agencies concerned and the General Agreement on Tariffs and Trade (GATT) and the Secretary-General of UNCTAD regarding the mutual working relationships which should exist in the field of trade and development. The Council might also wish to note in its resolution that useful talks had already been held between the UNCTAD staff and the staffs of the regional economic commissions, and to refer in that connexion to its resolution 1000 (XXXVII) of 20 July 1964.

16. Canada too hoped that increasingly strong relations would develop between the Conference and the organizations previously established by the Council, and between the Conference secretariat, the Department of Economic and Social Affairs and the specialized agencies. The annual transmittal of the Trade and Development Board's report to the General Assembly should provide the Council with opportunities for meaningful suggestions and contributions in the future.

17. She joined in the tribute already paid to the President and Rapporteur of the Trade and Development Board, and also expressed her gratitude to Mr. Fleming, the Vice-President, on his splendid work.

18. Mr. ROOSEVELT (United States of America) said that the permanent machinery set up by the United Nations Conference on Trade and Development appeared to be a promising vehicle for international consideration of the trade problems of the developing countries in their relation to economic development. His Government had welcomed the establishment of UNCTAD and would continue to take an active part in its deliberations. Admittedly, the year that had passed since the General Assembly's approval of the agreement reached at Geneva had been devoted almost exclusively to organizational and procedural matters. However, unless the organization created by the Conference was soundly conceived and soundly built, it would be unable to perform the tasks assigned to it.

19. As the representative of Iraq had pointed out at the previous meeting, the Economic and Social Council's primary interest in the Conference related to matters of substance. Trade was but one aspect of the process by which mankind was trying to attain a higher level of living for everyone. The Council could not ignore the influence which UNCTAD brought to bear on the decision of trade issues of general interest. In particular, when it came to consider the world economic situation at its summer session, the Council should take account of that influence over the emerging and continuing patterns of trade as they were depicted in UNCTAD publications.

20. However, the organs of the Conference had adopted a number of important substantive decisions. In particular, the Committee on Commodities, despite its concern with organizational matters, had found time to consider those commodity problems which were causing the greatest concern. In that connexion, the decision to convene cocoa and sugar conferences was important in view of the situation of the markets in those products. The fact that the United Nations Sugar Conference had not resulted in a new agreement and that short-term measures had not been found to deal with the cocoa situation should not discourage the world community from continuing to seek solutions to the longer-term problems presented by those basic agricultural commodities.

21. Many decisions of the Trade and Development Board, while organizational in form, were substantive in effect. The work programme of the Board and its committees, by giving definition to the substantive work to be undertaken by the Secretary-General of UNCTAD, had focussed the attention of the world community on substantive problems of the highest importance.

22. His delegation had been pleased to note the spirit of conciliation and compromise that had motivated all the decisions of the Trade and Development Board and of the two Committees which had held their first sessions during the past year. The fact that all those decisions had been adopted by consensus augured well for the future usefulness of UNCTAD.

^{1/} Official Records of the Economic and Social Council, Thirty-ninth Session, Annexes, agenda item 4, document E/4029.

23. His delegation had been somewhat surprised by certain issues raised at the previous meeting. His Government accepted without reservation the compromise decision by which the Conference had been set up. It recognized that UNCTAD was an organ of the General Assembly and that its report was addressed to the Assembly, although it was transmitted through the Economic and Social Council and the latter was entitled to add its own comments. On those matters there could be no dispute; they had been settled by General Assembly resolution 1995 (XIX) of 30 December 1964.

24. His delegation also welcomed the establishment of links for the Conference with the Secretariat and with such subsidiary organs of the Economic and Social Council as the regional economic commissions and the Committee for Industrial Development. That Committee, having examined the terms of reference of the Committee on Manufactures, had found them satisfactory from the standpoint of co-operation between the two bodies.

25. The Conference had also been busy establishing what promised to be mutually advantageous working arrangements with the specialized agencies and GATT.

26. In conclusion he stressed the importance of collaboration between the Secretary-General of the Conference and the Department of Economic and Social Affairs; moreover, under General Assembly resolution 1995 (XIX), the Secretary-General of the Conference could call upon the services of the Statistical Office and the Bureau of General Economic Research and Policies.

27. Sir Keith UNWIN (United Kingdom) agreed with some of the speakers who had preceded him that the Trade and Development Board's report on its first year of activity, during which the Board had done little beyond organizing its work and establishing its procedures, called for no substantive comment on the part of the Economic and Social Council. That would not always be the case in the future; for although the establishment of a specialized trade body relieved the Council of certain practical duties, it only increased the Council's main responsibility, which was to stimulate the activity of the United Nations and its Member States in matters of economic development. The major problems of development and their solutions, which each specialized body examined from a particular point of view, should be considered as a whole by the Economic and Social Council. How the additional income derived from commodity price increases could be transformed into industrial investment capital; how industrialization was related to the growth of agricultural productivity; how the resources produced by economic development should be divided up in order to meet various needs: such were some of the questions on which the Council would be called upon to make constructive suggestions and criticisms relating to the Trade and Development Board's recommendations. Those suggestions and criticisms would be prompted, not by differences in interest or membership between the two organs—for when the Council had twenty-seven members most of them would also be members of the Trade and Development Board, and the developing countries would have a slightly larger majority

on the Council than on the Board—but by the requirements for the Council to approach the same problems from a higher position and in a wider setting.

28. Furthermore the Council had not merely to comment on the Board's report. It had also to draw conclusions from it and, in the light of those conclusions, to take decisions in its three main fields of activity: co-ordination, co-operation and consultation. While it was the duty of the Board and UNCTAD—under their statutes—to facilitate co-ordination of other institutions, it was the Council's duty to institute such co-ordination. Since the Board's work would depend upon the co-operation it received from various organs, some of which were subsidiary to the Council, the Council must see to it that such co-operation was forthcoming. Paragraph 23 of General Assembly resolution 1995 (XIX) provided that the terms of reference of the Committee on Manufactures and the Committee on Invisibles and Financing related to Trade, and of any other subsidiary organs of the Board, were to be adopted after consultation with the appropriate organs of the United Nations. The terms of reference of the Committee on Manufactures had accordingly been submitted to the Committee for Industrial Development which, finding no danger that they would overlap its own terms of reference, had recommended to the Council^{2/} the adoption of resolution 1081 C (XXXIX) of 30 July 1965. The Council had no subsidiary organ with special competence to consult on the terms of reference of the Committee on Invisibles and Financing related to Trade or on those of the Committee on Shipping, but the terms of reference proposed for the latter Committee, in paragraph 88 of the report of the Trade and Development Board provided that it should co-operate with appropriate bodies with regard to technical assistance, and the Council might have to take decisions in order to institute such co-operation.

29. He therefore expressed the hope that the Secretary-General would be able to report to the Council in 1966 on the co-operation instituted between the organs of UNCTAD and those of the United Nations and on such measures as might be necessary to strengthen the co-ordination of their work. In addition the Trade and Development Board might in future be able, on submitting its report to the Council, to draw the latter's attention to those questions which required particular study and to those, if any, which called for a Council decision.

30. He paid a tribute to the officers of the Trade and Development Board, who had performed a difficult task remarkably well during the Board's first year of existence.

31. Mr. ABE (Japan) associated himself with those speakers who had expressed the view that it would be inappropriate for the Council to embark on a detailed discussion of the report. Under General Assembly resolution 1995 (XIX), the Council was to be consulted by the Board with regard to the terms of reference of the Board's subsidiary bodies, and it could, if necessary, comment upon that aspect of

^{2/} See Official Records of the General Assembly, Twentieth Session, Supplement No. 3, paras. 140 and 141.

the Board's work. In drawing up the terms of reference of its main committees, the Board had done its utmost to avoid duplication, though it might have fallen short of perfection in establishing a clear division of work between UNCTAD and other organs such as the Centre for Industrial Development, the regional economic commissions and the specialized agencies. The Council, however, should refrain from making any hasty judgement at the present stage in the activity of the Board's main committees.

32. The fact that the Council had not substantive comments to make to the General Assembly in 1965 on the report of the Trade and Development Board did not mean that the Council was relinquishing its role as the central co-ordinator of economic activities within the United Nations system. When the Council reviewed its own functions and enlarged its membership while the work of the Board reached a substantive stage, it would be in a better position to examine the Board's work in detail and to make

useful comments to the General Assembly. In that connexion, changes might have to be made in the Council's calendar of sessions, for it would probably be unable to play a constructive role by considering future reports of the Board as briefly as it had been obliged to do at the current session.

33. As to the form in which the Council should transmit the report of the Board, together with its own comments, to the General Assembly, his delegation did not consider that a resolution on the subject was essential. The Council might simply include in its report a factual summary of the various views expressed by its members. That procedure should not, of course, constitute a precedent. In the circumstances, however, it represented the most practical way for the Council to inform the General Assembly of its views, while reserving the right to express a more definite opinion on the Board's work in the future.

The meeting rose at 1.5 p.m.