



CONTENTS

Agenda item 4:

- (a) Report of the International Bank for Reconstruction and Development (*concluded*);
- (b) Report of the International Finance Corporation (*concluded*) 17

Agenda item 12:

- Establishment by the Secretary-General of a list of national parks and equivalent reserves 19

Agenda item 14:

- Non-governmental organizations
- Report of the Council Committee on Non-governmental Organizations on applications and re-applications for consultative status 20

President: Mr. Foss SHANAHAN (New Zealand).

Present:

Representatives of the following States: Afghanistan, Brazil, Bulgaria, Denmark, El Salvador, Ethiopia, France, Italy, Japan, Jordan, New Zealand, Poland, Spain, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Venezuela.

Observers for the following Member States: Argentina, Canada, Czechoslovakia, Hungary, Peru, Philippines, Thailand, Yugoslavia.

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

AGENDA ITEM 4

- (a) Report of the International Bank for Reconstruction and Development (E/3432 and Add.1) (*concluded*)
- (b) Report of the International Finance Corporation (E/3433 and Add.1) (*concluded*)

1. Mr. MANUECO (Spain) paid tribute to the International Bank for Reconstruction and Development, on behalf of his delegation, for the very varied services it had offered its members for a number of years, services whose extreme diversity was brought out by the Bank's report (E/3432 and Add.1).

2. Most of the Bank's loans during the past financial year had been granted to countries of the Asia and the Far East region, and to the Ibero-American group of countries, a group which ought to receive still more assistance. The loan for the development of the Indus Basin deserved special mention. The granting of those loans necessitated very extensive study of the economic, administrative and financial aspects of the projects concerned, as well as of the situation in the receiving countries and of investment conditions.

3. The economic surveys carried out by the Bank's survey missions had largely concerned the African continent. However, at its request, Spain was to receive an economic mission to study the various sectors of its economy, determine the resources at its disposal and draw up a long-term plan of economic expansion.

4. One of the most valuable aspects of the Bank's activity during the period under consideration had been the financial measures it had taken to set up a kind of working capital fund. It had resorted to borrowing only to a very limited extent, and had been able to ensure the financing of the fund through the increasing participation of third parties in the loans it had made and through sales from its portfolio, a fact which bore witness to its prestige and to the confidence it had won.

5. Spain had supported the creation of the International Development Association and had been one of the first countries to become a member and to pay its assessment. It had been extremely wise to entrust the administration of IDA to the staff of the Bank, and Spain hoped that geographical representation in the latter would be speedily broadened.

6. While some countries no longer needed the Bank's assistance, there were new ones, still unfamiliar with the strict financing methods of the Bank, which urgently needed to develop their economy without at the same time endangering their stability. In respect of those countries, the Bank might limit the extent of its operations to begin with, so as to enable them to assess their international financial commitments while working out the essential rules for steady and ordered growth.

7. He thanked the President of the Bank for the statement he had made to the Council. However, the problem of the birth rate was entirely irrelevant to the issue before the Council, and Spain would be opposed to any United Nations action to limit the population increase by artificial means. Better distribution of wealth and access to production were the only cures for current economic problems.

8. Mr. KLUTZNICK (United States of America) congratulated the President of the Bank as well as the associated agencies on their very essential contribution to the economic development of member countries, particularly the less developed countries and, what was even more important, to the easing of international tension. The Bank's success had surpassed all expectations and it was clear that more and more States were recognizing its value, since its membership was now sixty-eight.

9. The Economic and Social Council attached particular importance to the excellent co-ordination which existed between the Bank and other United Nations organs such as the Special Fund, the Technical Assistance Board and the Secretariat.

10. There was a tendency to under-estimate the importance of the technical services provided by the Bank to its members through its survey missions, its Economic Development Institute and its resident representatives. The most significant task it had yet undertaken was probably the one relating to the development of the

Indus Basin; that programme was the largest of its kind ever undertaken and illustrated dramatically the fact that Governments could collaborate effectively when they decided to approach problems from a purely practical standpoint. The Bank was to be congratulated on its accomplishments in that area.

11. The Bank had also been successful in associating private lending with world economic development through sales from its portfolio and through joint operations with private lenders and investors. That was further proof of the fact that private capital was available for infrastructure and industrial development in developing countries on the basis of reasonable returns and in circumstances which permitted no hint of interference in the internal affairs of the countries concerned. In that field, the Bank could play a most important role as an intermediary between new nations which did not yet enjoy sufficient credit in world financial markets and with the private investor.

12. The United States delegation was delighted to learn that the membership of the International Development Association had increased to forty-five. The projects under consideration for direct financing by that body would fill a great gap in the development of less developed countries. The first of the fifty-year no-interest loans, with a ten-year period of grace, announced by IDA would mark the launching of a multilateral attack on the chronic shortage of development capital for the less developed countries. That policy might prove to be the most significant multilateral action on behalf of the less developed countries between 1960 and 1970.

13. Finally, his delegation noted with satisfaction that the International Finance Corporation had greatly intensified and expanded its activities and that its membership was steadily increasing. IFC performed a most useful function by encouraging collaboration between local investors and foreign private investors. If the proposed amendment to its charter, mentioned in document E/3433/Add.1, was approved, the Corporation would be able to expand its activities still further and increase their effectiveness.

14. Mr. REGO MONTEIRO (Brazil) said that in spite of the important contribution made by the Bank to the economic development of less developed countries, the problem of loan redemption had not been satisfactorily solved; it was important to provide the countries concerned with development capital on conditions which burdened their balance of payments much less than those attached to commercial loans, and the practice of accepting repayments in local currency would be a step in the right direction. The Brazilian delegation hoped that the setting up of the United Nations capital development fund, as envisaged in General Assembly resolution 1521 (XV), would receive the support of all countries.

15. The establishment of a whole network of agencies working in close co-operation—the Bank, the International Finance Corporation, the International Development Association, the Inter-American Development Bank and the capital development fund—showed how many varied aspects there were to the international financing of economic development.

16. His delegation had noted with particular interest the loan granted to Italy for setting up nuclear power stations. While the industrialized countries could only gradually replace their traditional methods of power production, because of the very large investment tied up in them, the less developed countries could profit directly from the technical progress achieved. Italy's experience would therefore be extremely useful.

17. In the field of international technical assistance, new forms of co-operation were being put into effect by United Nations agencies. The Committee for Industrial Development had been asked to study, in particular, the problems relating to the financing of industrial development, and the co-operation of the institutions associated with the Bank would be extremely useful to it.

18. The Bank's role should be viewed in relation to that of the various bodies which were helping to speed up the economic development of the under-developed countries; his delegation noted with satisfaction that co-operation between those bodies and the Bank was continually increasing.

19. Mr. DUDLEY (United Kingdom) congratulated the President of the Bank on his brilliant account of the activities of the Bank and the International Development Corporation. Mr. Black's remarks on the consequences of the population explosion in the under-developed countries were worthy of careful study. That was a practical question which he had rightly linked with the problems of economic development. But it was not practicable for delegates without instructions to discuss the responsibilities of governments for controlling population growth.

20. The Bank had continued to play an essential role by providing under-developed countries with development capital and by acting as an intermediary between private and public investment and the countries which most needed investment.

21. He welcomed the increase in the amount of loans granted by the Bank. He did not consider that the establishment of new institutions would reduce that agency's importance, while the establishment of the IDC, which already had a large membership, would enable United Nations bodies to increase assistance to under-developed countries and to carry out essential projects in the social field.

22. The Bank also gave the new countries, including those of the Commonwealth, valuable technical assistance which promoted their economic development and at the same time strengthened their independence.

23. The International Finance Corporation played a vital part by stimulating private investment in the under-developed countries, particularly in Africa. The United Kingdom was glad to note the new measures which would render its operations more flexible.

24. Mr. MAKEEV (Union of Soviet Socialist Republics) said that although his country was not a member of the Bank he wished to reply to certain observations made by Mr. Black.

25. Quite apart from the fact that the question of the effects of population pressures on the economic development of under-developed countries had no connexion with the activities of the Bank, he deplored Mr. Black's pessimism and his lack of faith in man's creative spirit. The view that over-population was the main cause of the economic difficulties of the under-developed countries was an echo of the neo-Malthusian theories held by certain countries which considered that population increased faster than the financial resources needed for its subsistence. In that field, however, there were no immutable laws and it had been proved that the socialist system ensured all workers a constant improvement in their level of living. That wrong approach to the problem might influence the under-developed countries in the direction of inadequate methods of development. The economic situation of those countries depended on the general state of world markets. What was needed was not to limit population growth but to fill the gap

between the prices of primary commodities and those of manufactured goods and eliminate price fluctuations.

26. The report of the Committee for Industrial Development (E/3476) rightly stressed the necessity of giving priority to the development of heavy industry in the under-developed countries. Industrial planning and the organization of trade were essential if the necessary capital was to be accumulated.

27. He hoped that the President of the Bank would be able to tell the Council what steps had been taken to improve the terms of loans granted by the Bank, the IFC and the IDC.

28. The PRESIDENT invited the observer from Argentina to speak.

29. Mr. BERNARDO (observer from Argentina) said that he felt obliged to comment on certain remarks made by the President of the Bank on the subject of birth control.

30. His country had always enjoyed excellent relations with the Bank, which was shortly to finance certain projects in Argentina. The Bank's activities, however, should be confined to matters of economic development and the question of birth control was absolutely outside its terms of reference. He expressed his Government's strong reservations on that subject, as the Argentine Minister for Foreign Affairs had done in 1959 and 1960 in the General Assembly and the Second Committee. In any event, birth control, which was contrary to the moral and religious principles of the Argentine people, was not the answer to the problems of the present day and even on the strictly economic level would be a serious mistake. The Argentine Government would oppose international funds or agencies being used to propagate that error.

31. Mr. FRANZI (Italy) said that his country had, for a considerable time, benefited from the co-operation of the Bank, which had in particular participated in the reconstruction and development of southern Italy. Thanks to the improvement in its financial situation, Italy had been able to double its participation in the Bank and even to subscribe to Bank loans. Italy also participated in the International Finance Corporation. While he appreciated the Bank's assistance to under-developed countries, he regretted that Mr. Black had seen fit in discussing the economic and social problems raised by the population increase, to advocate a policy of birth control. The Italian delegation could not encourage, even indirectly, such a policy.

32. Mr. BLACK (President of the International Bank for Reconstruction and Development) thanked the members of the Council for the cordial reception they had given him. His remarks on the subject of birth control should be interpreted as evidence of the Bank's desire to find ways of achieving its objectives.

33. The PRESIDENT proposed that the Council should adopt a resolution taking note of the reports of the International Bank for Reconstruction and Development (E/3432 and Add.1) and the International Finance Corporation (E/3433 and Add.1). If there were no objections he would consider such a resolution to have been unanimously adopted.

It was so decided.

AGENDA ITEM 12

Establishment by the Secretary-General of a list of national parks and equivalent reserves (E/3436, E/L.894)

34. Mr. KLUTZNICK (United States of America) submitted the draft resolution (E/L.894) which his delegation had sponsored jointly with that of the United Kingdom. Speaking on behalf of the sponsors, he also introduced some amendments intended to clarify the text of that draft resolution. In operative paragraph 1, "fifty-two" should be replaced by "fifty-five"; the words "have already" should be inserted between "Governments" and "submitted" and the phrase "and that further replies are expected" should be added at the end of the paragraph. In paragraph 8, the word "proposed" should be inserted before "World Conference" and the phrase "by the International Union for Conservation of Nature and Natural Resources" should be added at the end of the sentence. The unexpectedly large number of replies to the Secretary-General's memorandum received from Governments showed how desirable it was to bring the task undertaken to a successful conclusion; the Secretary-General should accordingly be requested to begin consultations with the International Union without delay. He congratulated UNESCO on its contribution and expressed the hope that the draft resolution would receive unanimous support.

35. Mr. KAKITSUBO (Japan) said that the people of Japan were proud of the natural beauties of their country and wished to preserve them. The Japanese delegation therefore fully appreciated the usefulness of drawing up a list of national parks and equivalent reserves. At the same time, he considered that in view of its very heavy programme of work and its present financial situation the United Nations would not be able to undertake an additional task of the kind in question and he was therefore glad to see from paragraph 4 of draft resolution E/L.894 that the International Union for the Conservation of Nature and Natural Resources had agreed to undertake the preparation of part II of the report. His delegation would therefore support the draft resolution.

36. Mr. BIRICHEV (Union of Soviet Socialist Republics) said that the document drawn up by the United Nations Secretariat in accordance with Economic and Social Council resolution 713 (XXVII) was very useful. The USSR Academy of Sciences had sent the Secretariat full information on the Soviet Union's parks and reserves. In addition to the protection of fauna and flora, the eighty-five national parks in the USSR were used for valuable research on zoology, botany, sylviculture, etc.

37. With regard to the draft resolution, he considered that all the information that had been collected should now be returned to the International Union for Conservation of Nature and Natural Resources. The recommendations in paragraph 8 exceeded the competence of the Economic and Social Council in his view, since the Council had no authority to make recommendations concerning the World Conference on National Parks to be arranged by the Union. It would be for the Union itself to decide what to do with the information transmitted to it by the Secretariat. Paragraph 8 was thus redundant. He pointed out, moreover, that his delegation did not recognize Mr. Hammarskjöld and that it regarded any recommendation to the Secretary-General as addressed to the Secretariat.

38. Mr. AKRAV'T (United Nations Educational, Scientific and Cultural Organization) congratulated the United Nations and the International Union for Conserva-

tion of Nature and Natural Resources on the drafting of the report (E/3436). He was glad that the work had been done in close co-operation with UNESCO and FAO, and that the Union was prepared to undertake the preparation of part II of the report. He hoped that that second part would include information about a number of important countries such as Belgium, the Congo (Leopoldville), France, Switzerland, Czechoslovakia and the USSR and about the reserve created by the Government of Ecuador in the Galapagos Islands, which did not appear in part I. He also hoped that after the list had been drawn up it would be periodically brought up to date, that the terms used to distinguish between small reserves and very large parks would be defined in more precise terms and that the alphabetical classification would be revised. UNESCO's interest in the conservation of natural resources was illustrated, for example, by the journey to Africa made in the summer of 1960 by Sir Julian Huxley, the distinguished naturalist and first Director-General of UNESCO, to study the protection of wild fauna and flora and the natural habitats of that region. Moreover, a conference on the conservation of nature and natural resources in the modern African States was to be held in September under the auspices of UNESCO and FAO.

39. Mr. VIAUD (France) said that his delegation supported the draft resolution. It would like to be assured, however, that the Secretariat would take due account of the information which a number of African States had recently communicated and would utilize it in the preparation of part II of the report.

40. Mr. HILL (Secretariat) confirmed that information had been received from several countries, including some in Africa, which it had not yet been possible to collate. The information would, however, be communicated to the Union.

41. Mr. DUDLEY (United Kingdom) pointed out that the sponsors had prepared the draft resolution, because they agreed with the Japanese representative that the burden of work falling upon the United Nations should be reduced. He felt that the exchange of information between the Secretariat and the Union was quite satisfactory and that there was no need to insert a new paragraph drawing the Union's attention to the documentation. As regards paragraph 8, since the report was a United Nations document prepared by the Secretary-General at the Council's request, it was appropriate for the Organization to conclude its work by transmitting the report to the World Conference on National Parks through the Union. He hoped, therefore, that the Soviet Union representative would not press for the deletion of that paragraph, as the sponsors could not agree to such a change.

42. Mr. BIRICHEV (Union of Soviet Socialist Republics) said that if, as his delegation hoped, the Secretariat transmitted the documentation to the International Union without waiting for the 1962 Conference, paragraph 5 requesting consultations with the Union was superfluous.

43. Mr. KLUTZNICK (United States of America) said that the implementation of paragraph 8 would in no way delay the implementation of paragraphs 4 and 5. There was no question of waiting until 1962; it was understood that the information would be transmitted immediately to the Union. Nevertheless, to reassure the Soviet Union representative, the sponsors were prepared to re-word paragraph 5 as follows: "Requests the Secretary-General to transmit the documentation to the International Union and to undertake the necessary

consultations with the International Union to this end;"

44. Mr. MAÑUECO (Spain) said that his Government's list of national parks and equivalent reserves was in the final stages of preparation and should be transmitted to the Secretariat shortly. His Government also intended to co-operate closely with the United Nations with regard to the economic and scientific aspects of the matter.

45. Mr. BIRICHEV (Union of Soviet Socialist Republics) thought that the wording proposed by the United States representative was satisfactory. However, his delegation strongly favoured the deletion of paragraph 8; it would not press for a vote to be taken on its proposal, but could not support the draft resolution.

46. The PRESIDENT put to the vote the draft resolution of the United Kingdom and the United States (E/L.894), with the amendments made by the sponsors to operative paragraphs 1, 5 and 8.

The draft resolution, as amended, was adopted by 15 votes to none, with 3 abstentions.

AGENDA ITEM 14

Non-governmental organizations

REPORT OF THE COUNCIL COMMITTEE ON NON-GOVERNMENTAL ORGANIZATIONS ON APPLICATIONS AND RE-APPLICATIONS FOR CONSULTATIVE STATUS (E/3449)

47. M. BIRICHEV (Union of Soviet Socialist Republics) regretted that no African non-governmental organization was so far represented at the United Nations. Moreover, some of the 334 non-governmental organizations in consultative status with the Council were practically unknown while there was not one organization from the socialist countries, the Arab countries or even the Latin American countries among them. On the other hand, some of the many United States non-governmental organizations, in particular the Chamber of Commerce of the United States of America, did not fulfil the conditions prescribed for the grant of consultative status. The existing list of non-governmental organizations was not representative and bore witness to the discriminatory policy practised for several years by the Economic and Social Council and the Committee on Non-Governmental Organizations in regard to certain organizations. For that reason, his delegation proposed that the Economic and Social Council should request the Committee to review the list of non-governmental organizations and report back to the Council on the matter. Subject to that reservation, his delegation had no objection to the adoption of the report of the Committee (E/3449), except that it would interpret the request addressed to the Secretary-General as being addressed to the Secretariat.

48. Mr. DUDLEY (United Kingdom) was surprised by the Soviet Union representative's remarks on a matter which should give rise to no controversy, since it appeared from the Committee's report that that document had been adopted unanimously. He, too, regretted the fact that it had been necessary to make a request for additional information to an African organization, but the Committee had taken that decision unanimously in all good faith. It was possible that the African organizations were not yet quite familiar with the procedure to be followed but the Committee would be ready to act as soon as it had the necessary information. The Committee had, in fact, by the procedure it followed, made things as easy as possible for the applicant.

49. Mr. MACHOWSKI (Poland) wished to make a number of general observations, as he considered that it was time the Council undertook an over-all review of its position with regard to non-governmental organizations. For years, too many unjust and discriminatory decisions had been taken which were harmful to the prestige of the United Nations and of the organizations concerned. Under Article 71 of the Charter, the Council "may make suitable arrangements for consultation with non-governmental organizations which are concerned with matters within its competence". Despite the clarity and precision of that text, which contained the sole criteria for the admission of non-governmental organizations to consultative status, decisions on admission were not based on the competence or the real importance of the organizations concerned. Requests were too often rejected from large world organizations which were truly democratic and active. A further illustration of such unfair treatment, which was damaging to legitimate interests, was provided by the Council's report. Furthermore, his delegation considered that there were serious objections to requesting the Secretary-General to take the action proposed in operative paragraph 2, subparagraph *a*, of the draft resolution contained in the Committee's report.

50. Mr. KLUTZNICK (United States of America) said he would not defend the non-governmental organizations attacked by the Soviet Union representative solely because they were American. In his opinion, the discussion was completely irrelevant. His Government encouraged non-governmental organizations to co-operate with the Council, even though it did not always share their viewpoint, because it regarded such co-operation as a manifestation of freedom of expression. The Council should not waste time over examining a report which had been adopted unanimously and with the concurrence of the Soviet Union representative. The Soviet position was particularly incomprehensible to his delegation, since it was not a matter of rejecting the request from the General Union of Workers of Black Africa but simply of inviting the organization to supply additional information needed.

51. Mr. BIRICHEV (Union of Soviet Socialist Republics) explained that he had not requested a revision of the Committee's report, for which he would vote, but a review of the list of non-governmental organizations in consultative status.

52. Mr. SERAFIMOV (Bulgaria) had no objection in principle to the report; however, he regarded the request made to Mr. Hammarskjöld as made to the Secretariat. He too felt that the list of non-governmental organizations should be reviewed since some of them had lost their importance while others, which were particularly well qualified, had been waiting for years; moreover, the list was drawn up in the interests of the western countries and neglected those of the socialist and the under-developed countries.

53. The PRESIDENT pointed out that rule 56 of the rules of procedure required draft resolutions to be submitted in writing. In the absence of any objection, however, he would be willing to put an oral proposal to the Council. He suggested that the Council should first adopt the report of the Council Committee on Non-Governmental Organizations (E/3449).

It was so decided.

54. The PRESIDENT said he would now put to the vote the Soviet Union representative's proposal to refer the question of reviewing the list of non-governmental organizations to the Council Committee on Non-Governmental Organizations.

55. Mr. BIRICHEV (Union of Soviet Socialist Republics) said he did not think it necessary for his proposal to be put to the vote immediately; he would prefer Council members to have time to think the matter over and consider the arrangements for consultation with non-governmental organizations.

56. The PRESIDENT said that discussion of the item remained open and that the Soviet Union's proposal would be put to the vote at the following meeting.

The meeting rose at 5.30 p.m.