



# **COMMITTEE ON NATURAL RESOURCES**

## **REPORT ON THE THIRD SESSION**

(6 - 17 February 1973)

**ECONOMIC AND SOCIAL COUNCIL  
OFFICIAL RECORDS: FIFTY-FOURTH SESSION**

**SUPPLEMENT No. 4**

**UNITED NATIONS**

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**NOTE**

**Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.**

E/5247  
E/C.7/43

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## I. ORGANIZATION OF THE SESSION

### Opening and duration of the session

1. The Committee on Natural Resources, at the invitation of the Government of India, held its third session at New Delhi, from 6 to 17 February 1973. The summary records of the meetings of the session are contained in documents E/C.7/SR.53-72.
2. The session was opened by the Acting Chairman, Mr. Leszek Kasprzyk (Poland). His Excellency the High Commissioner of Kenya read out a statement from the out-going Chairman of the Committee, His Excellency Mr. J. Odera-Jowi. The Honourable Mr. Swaran Singh, Union Minister for External Affairs of India, addressed the Committee. The Secretary-General of the United Nations, Mr. Kurt Waldheim, made a statement. Representatives of the regional groups made statements thanking the Government of India. The statements are recorded in the summary record of the 53rd meeting.

### Membership and attendance

3. By Economic and Social Council resolution 1621 A (LI), the membership of the Committee was enlarged to 54 as from 1 January 1972. One seat remains to be filled.
4. The following States members of the Committee were represented: Algeria, Argentina, Australia, Austria, Brazil, Canada, Chile, Egypt, France, Ghana, Greece, Hungary, Iceland, India, Indonesia, Iran, Iraq, Italy, Jamaica, Japan, Kenya, Kuwait, Libyan Arab Republic, Malaysia, Netherlands, Norway, Peru, Philippines, Poland, Romania, Sri Lanka, Sudan, Sweden, Trinidad and Tobago, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, Uruguay, Venezuela, Yugoslavia and Zaire.
5. The following States Members of the United Nations participated in the session as observers: Colombia, Finland, Guyana, New Zealand, Spain and the United States of America.
6. Representatives of Bangladesh and the German Democratic Republic attended the session as observers at the invitation of the Secretariat of the United Nations. 1/

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1/ Note by the Secretariat: Requests to participate as observers in the session of the Committee on Natural Resources were received from Bangladesh and the German Democratic Republic. However, the granting of observer status to States not Members of the United Nations requires prior authorization of the Economic and Social Council, which was not then in session. The Secretariat extended facilities in accordance with established practice to enable representatives of these States to follow the proceedings at the public meetings of the Committee.

7. The Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Health Organization (WHO), the International Bank for Reconstruction and Development (IBRD), the World Meteorological Organization (WMO) and the International Atomic Energy Agency (IAEA) were represented at the session. The United Nations Development Programme (UNDP), the United Nations Industrial Development Organization (UNIDO) and the Economic Commission for Asia and the Far East (ECAFE) were also represented.

#### Election of officers

8. At the 53rd meeting, the Committee, by acclamation, elected Mr. K. L. Rao (India), as Chairman of the Committee. At the 55th meeting, Mr. Richard Butler (Australia), Mr. Leszek Kasprzyk (Poland) and Mr. Hamid Mohammed (Trinidad and Tobago) were elected as Vice-Chairmen, and Mr. K. O. Kumi (Ghana) as Rapporteur.

#### Agenda

9. The text of the agenda adopted by the Committee at its 54th meeting is reproduced as annex I of the present report.

#### Method of work

10. At the 54th meeting, the Committee agreed to take decisions through the method of consensus, as at its first and second sessions, taking into account that in the event decisions could not be reached by consensus on some matters, they would, if a majority was readily discernible, be considered as having been decided by the Committee and the fact that some or a few members were not in agreement would be recorded in the report, together with the reasons for their disagreement.

11. The Committee's attention was drawn to a note by the Secretary-General (E/C.7/L.7) on the form of presentation of the United Nations budget and duration of the budget cycle, pursuant to a decision taken by the Economic and Social Council at the organizational meetings of its fifty-fourth session. The Committee similarly took note of the decisions taken by the Council at its fifty-first and fifty-third sessions regarding the rationalization of the work of the Council and its subsidiary bodies (E/INF/130).

II. CO-ORDINATION OF THE WORK OF THE UNITED NATIONS SYSTEM IN THE  
NATURAL RESOURCES FIELD AND PROGRESS IN THE IMPLEMENTATION BY  
THE UNITED NATIONS SYSTEM OF THE GUIDELINES FOR ACTION IN THE  
DEVELOPMENT OF NATURAL RESOURCES

12. The Committee considered item 4 at its 55th to 59th meetings. It had before it a report entitled "Work programmes, spheres of competence, division of responsibilities and co-ordination measures" (E/C.7/38 and Add.1-3) which had been prepared by the Secretary-General with the assistance and close co-operation of the regional economic commissions, UNCTAD, UNIDO, the specialized agencies concerned and IAEA. The preparation of the report had been co-ordinated by the Office for Inter-Agency Affairs. The representative of that Office introduced the report to the Committee.

13. A number of representatives considered that the report, which had been prepared in response to Economic and Social Council resolution 1673 C (LII), represented a considerable improvement on the material concerning the activities of the United Nations system that had been available at the Committee's second session. On the other hand, a number of representatives felt that the report did not constitute an adequate response to the Council resolution, nor did it provide a basis on which the Committee could formulate confident recommendations for better co-ordination among the various United Nations organizations active in the field of natural resources. A number of suggestions for improvements were made during the course of the discussion.

14. Some representatives felt that if the Committee were to be in a position to advise the Economic and Social Council and the Committee for Programme and Co-ordination (CPC) on activities and work programmes in the field of natural resources, it should not merely be informed of those activities and work programmes which were already being carried out. Rather it should be presented with alternative courses of action, on the basis of which it could make recommendations to the Council regarding those activities and programmes, while taking fully into account the decisions of the intergovernmental bodies of the different organizations of the system. It was noted with satisfaction that the new procedures for medium-term planning which were being developed by the various organizations of the United Nations system might help to place the Committee in such a position at its future sessions. During the discussion a number of suggestions were made along the same lines, i.e. that at future sessions the Secretary-General in co-operation with the Administrative Committee on Co-ordination (ACC) should submit to the Committee on Natural Resources and the Economic and Social Council a joint action programme or summary plan which would indicate the main programme objectives and activities.

15. Some representatives also suggested that future reports should contain more consistent information on the cost and staffing requirements of the various major programmes and activities, and one representative suggested that there should be a precise indication of the technical expertise available to the various organizations for carrying out those programmes and activities.



16. Many representatives noted that the summaries of the work of the regional economic commissions in the field of natural resources were uneven and somewhat inconsistent in form with the other parts of chapter I (E/C.7/38) of the Secretary-General's report. The Secretariat explained that that would be taken care of in future reports.

17. Some representatives suggested that chapter II (E/C.7/38/Add.1) of the report disclosed only part, perhaps only a small part, of the interagency difficulties in the field of natural resources. They were assured, however, by the representative of the Office for Inter-Agency Affairs that the report contained a full disclosure of the main difficulties known to his office.

18. Several representatives suggested that the United Nations substantive and operational activities in the natural resources sector should be complementary to those of the agencies. On the other hand, several representatives pointed out that the United Nations responsibilities derived directly from the various resolutions and decisions of the Economic and Social Council. It was also pointed out that interagency consultations at an early stage in the formulation of draft work programmes and of draft decisions to be enacted by the intergovernmental bodies concerned, would promote better co-ordination. It was also stressed that action in certain specific fields of natural resources utilization must be guided by the appropriate intergovernmental organs of UNCTAD and UNIDO.

19. A number of delegations noted that the content of the documentation prepared by the Secretariat in connexion with item 4 did not reflect many substantive and important aspects of the subject. The documentation failed to give a comprehensive description of the activities of the organizations and agencies of the United Nations system in the natural resources field; it contained no in-depth analysis of the many instances of redundancy and overlapping within those activities; it did not provide the effective recommendations required to improve co-ordination among United Nations bodies in the natural resources field.

20. Some delegations suggested that the Secretary-General should be requested, in preparing the documentation for the next session of the Committee on Natural Resources on problems relating to co-ordination among United Nations organizations active in the natural resources field, to take the following considerations into account:

(a) The documentation should reflect as fully as possible the practical activity and views of all organs, organizations and agencies of the United Nations system in the field of natural resources development;

(b) The documentation should contain an analysis and evaluation of the degree of co-ordination among the work programmes of the organs, organizations and agencies of the United Nations system in the field of natural resources development, and also proposals to improve co-ordination of the activity of international organizations in the natural resources development field, both at the international level and at the national level;

(c) The documentation should thoroughly analyse the many instances of redundancy and overlapping among the organizations and agencies of the United Nations system and make appropriate recommendations to improve the organization and co-ordination of the work of United Nations bodies in the field of natural resources development;

(d) The documentation should give a description of the technical aspects of natural resources development, and also of promising directions of technological progress in this field.

21. The Committee discussed the question of the division of responsibilities in mineral exploration between the United Nations and IAEA. This question had been raised by the Secretary-General in paragraph 88 of document E/C.7/38/Add.1. The United Nations indicated that it favoured the multi-mineral approach to regional mineral exploration, since it considered that this approach achieved the optimum use of limited equipment and professional resources. IAEA indicated that it considered that if the general geological information was adequate, the selective in-depth (mono-mineral) survey for radio-active minerals was the optimum way of prospecting for and developing those minerals. While the Committee agreed that both multi-mineral and mono-mineral surveys had their place in mineral exploration, it stressed the extreme importance of the role of IAEA in undertaking surveys for nuclear metals pursuant to the terms of Economic and Social Council resolution 1550 (XLIX) and thus agreed that the resolution continued to provide a satisfactory basis for the division of responsibility between the United Nations and IAEA. It was emphasized that that was a policy choice for the Government of the country in which the project was to be carried out.

22. Some representatives pointed out that the economics of mining and processing were closely interlinked. A number of representatives considered that mineral processing when undertaken in conjunction with mining fell within the field of competence of the Department of Economic and Social Affairs. However, some other representatives felt that processing of minerals should be associated with the activities of UNIDO when the mineral concentrates were transported to a consuming area and their processing formed an integral part of fabrication.

23. The Committee noted that the three main problems of interagency co-operation in the field of water resources concerned the application of the end-use principle, desalination and water management, administration, law and policy.

24. Several representatives stated that the Committee was not supposed to take decisions on those questions, while other representatives felt that the Committee should play a more active role in those co-ordination matters. Existing co-ordination mechanisms must be effectively used and overlapping kept to a minimum. It was stressed that programmes must be responsive to the needs of developing countries. The necessary interagency co-ordination, on a project-by-project basis, must therefore be ensured at an early stage to avoid interagency problems.

25. The end-use principle especially in relation to groundwater projects had proved to be controversial with respect to allocation of projects. A number of delegations indicated the difficulties of arriving at a definite opinion on the matter, and suggestions were made that it could be dealt with more easily at the ACC level. It was noted that in future, owing to the introduction of the new country programming procedures, that may be less of a problem.

26. On the subject of desalination one representative pointed out that there should in practice be no difficulty since economic factors would determine the advisability of undertaking any project. Any country which planned to embark on a desalination project could consult both the United Nations and IAEA, and then decide on whether it should develop a conventional or a nuclear desalination

project. The type and scale of the project would obviously be decided by cost, demand and other economic considerations.

27. Many representatives stated that a more integrated approach to water resources development and utilization of water was needed. Some representatives recounted their national experience and said that in the light of growing scarcity it was important to co-ordinate water uses through special ministries or organizations. It was also necessary to have in-depth studies of long-term and short-term projections of demand for various uses.

28. Some representatives expressed concern at the progress of implementation of the guidelines adopted at the second session of the Committee, held in Nairobi, for this purpose. They stressed that the guidelines should also be followed by the ACC Sub-Committee on Water Resources Development and by the United Nations system of organizations, both collectively and individually. Such an approach would help to secure the better co-ordination that was being sought by the Economic and Social Council. One representative also urged the need for the better preservation of the natural environment and a total integration of efforts towards that end.

29. A number of representatives stressed the importance of the policy co-ordinating responsibility of the Economic and Social Council and the role of the Committee on Natural Resources in providing advice to the Council as required under its terms of reference. They hoped that in future the Committee would be able to provide more concrete advice to the Council on the basis of documentation that would facilitate that objective, always with the close co-operation of the Secretary-General and ACC.

30. Many members of the Committee referred to the proposals that the Secretary-General had drawn up in consultation with ACC which were set forth in chapter III (E/C.7/38/Add.3) of his report. The Committee concurred with the Secretary-General's suggestion that the existing machinery, that is ACC, the ACC Preparatory Committee, the ACC Sub-Committee on Water Resources Development, and the Office for Inter-Agency Affairs should be utilized to the fullest possible extent to solve the problems in the water sector that had been described in chapter II (E/C.7/38/Add.1) of the report. Several representatives urged that the possibility of establishing interagency joint divisions or joint working groups should receive due attention for the study of problems on which several organizations might bring to bear their experience and competence.

31. Some representatives pointed out that the terms of reference of the Committee on Natural Resources and the Governing Council for the United Nations Environment Programme might be overlapping in certain respects. They suggested, therefore, that the attention of the Economic and Social Council should be drawn to the need to clarify the division of work and responsibilities between the two bodies.

32. Some representatives suggested that since natural resources were essential to the process of industrialization of developing countries, it would be logical for UNIDO - the organization in the United Nations system which bears primary responsibility for promoting industrialization of the developing countries - to engage in mineral and energy activities, particularly operational project activities, and that the Committee should recommend that such activities should be transferred from United Nations Headquarters to UNIDO. The majority of the

representatives who spoke on this question, however, were firmly opposed to the suggestion. Some representatives stated that UNIDO had not in the past operated substantively in those fields, while the Department of Economic and Social Affairs of the United Nations Secretariat had established a good record for the effective conduct of project activities in them for more than a decade.

33. The Committee decided to appoint a working group to draw up conclusions on the item. It consisted of the representatives of Argentina, Canada, India, Japan, Kenya, the Netherlands, Peru, Romania, Uganda and the Ukrainian Soviet Socialist Republic. The representative of Australia served as chairman of the Working Group. It submitted a consensus to the Committee (E/C.7/L.11). The Committee considered the consensus at its 70th meeting and agreed on the conclusions recorded in paragraph 34 below.

34. The Committee:

(a) Considers it essential for the execution of its task that a report on co-ordination of the work of the United Nations system in the natural resources field drawn up by the Secretary-General in consultation with ACC be submitted to it before its future sessions;

(b) Considers it further of great importance that the Secretary-General in co-operation, as appropriate, with the other members of ACC, the Administrator of UNDP, the Executive Director of UNIDO, the Secretary-General of UNCTAD and the Under-Secretary-General for Economic and Social Affairs, also representing the regional economic commissions, taking into account the points of view expressed at the third session of the Committee, work out an appropriate and practicable division of responsibilities in the United Nations system on the activities on natural resources, where such a division of responsibility could not yet be obtained. This would be with a view particularly to evolving practical solutions to the problems outlined in chapter II (E/C.7/38/Add.1) of the report of the Secretary-General;

(c) Recommends that the Economic and Social Council draw the special attention of the relevant intergovernmental bodies of the various organizations of the United Nations system to the conclusions on interagency co-ordination reached by the Committee on Natural Resources, and that the Council request these bodies to report to it on their viewpoints regarding these matters;

(d) Considers that it is essential for the further implementation of the guidelines for action in the development of natural resources that the programmes of the various components of the United Nations system in this field should be based on comprehensive and co-ordinated action for the development of natural resources within the framework of the competence of the activities of the United Nations and the agencies within the system, with special emphasis on the needs and interests of developing countries in accordance with their national development priorities;

(e) Proposes therefore that the Economic and Social Council request the Secretary-General to draw up once in every two years, in consultation with ACC, a comprehensive plan of action for the development of natural resources, encompassing the co-ordinated work programmes of all organizations belonging to the United Nations system and giving for each programme an estimate of its budgetary consequences;

(f) Stresses that the regional economic commissions and UNESOB should play an important role in the preparation of the action plan by monitoring, when requested, the needs and the requirements of Governments and by participating fully in the preparation of the plan referred to in subparagraph (e) above for development of natural resources;

(g) Considers that the UNDP country programming procedure presents a most useful framework for helping to achieve the required interagency co-ordination with regard to operational activities of the United Nations system at the country level in the field of natural resources;

(h) Considers also that due account must be taken of the right of each country to choose, in consultation with the Administrator of UNDP, the executing agency of its own UNDP projects;

(i) Considers further that the assistance to developing countries in water resources development could be considerably improved if joint expert missions composed of experts in the various aspects of water resources development and representative of the corresponding components of the United Nations system would be made available to countries at their request;

(j) Recommends that the Economic and Social Council request ACC to recommend to the Council ways of strengthening existing arrangements within the United Nations system for providing advice on integrated water use planning and development which would be drawn upon in the preparation of major water development projects. In particular such arrangements should cover advice on broader water use implications of the execution of the proposed projects so that the alternative or additional uses of the water in question will be taken into account, particularly from the economic and social point of view;

(k) Requests that ACC should report fully on the progress made in carrying out all of the foregoing tasks in its next annual report to the Economic and Social Council.

### III. PROJECTIONS OF NATURAL RESOURCES RESERVES, SUPPLY AND FUTURE DEMAND

35. The Committee considered item 5 at its 59th, 60th and 61st meetings. Under this item, it had before it a note by the Secretary-General (E/C.7/40) supplemented by addenda on energy (E/C.7/40/Add.1), minerals (E/C.7/40/Add.2 and Corr.1) and water (E/C.7/40/Add.3).
36. The item was introduced by the Director of the Resources and Transport Division, who emphasized the necessity for long-term projections in the context of development of projects spread over long periods of time, and in relation to long-term supply agreements for mineral and other raw materials. He suggested that it was appropriate for the Committee to examine the question of long-term projections and to consider the functions of the United Nations system in that connexion. The report of the Secretary-General before the Committee indicated possible studies or actions which might be undertaken through recommendations of the Committee to the Economic and Social Council.
37. In discussing the note by the Secretary-General some delegations, while appreciating the documentation submitted by the Secretariat, indicated that they would have wished to have a more detailed exposition of the problems. Several other delegations, while recognizing the utility of long-term projections in providing general guidelines for long-term planning, drew attention to the dangers inherent in the formulation of concrete short- and medium-term policy objectives on the basis of long-term projections, which may be founded on inadequate data. There was widespread agreement among the delegations that the item was of fundamental importance, since projections, especially at the national and regional levels, were essential prerequisites for the planning and management of natural resources development. Some delegations expressed the view that in the preparation of the documentation the Secretary-General did not take sufficiently into account the unlimited possibilities of substitution of some mineral resources by others or by synthetic products, which proved that preoccupation regarding the depletion of non-renewable natural resources was practically unnecessary. In like manner, those delegations expressed the view that the so-called problem of limits to growth or of the use of natural resources inputs was connected to the existing and available level of technology and that technological progress also demonstrated that the so-called problem of limits to growth was approached in a static manner, which should be avoided in order not to arrive at erroneous conclusions for policy formulation.
38. There was general support for the proposal that the item should be inscribed as a regular item on the agenda of the Committee on Natural Resources, and that the Secretary-General should report on the question of natural resources projections to the Committee at regular intervals. However, some delegations pointed out that the Committee on Natural Resources was the first Committee of the Economic and Social Council to deal with the question of the ecological approach of production and consumption of natural resources or the multidisciplinary study of development, and that the Committee on Science and Technology for Development and the Governing Council of the United Nations Environment Programme would also treat the

question. Therefore, those delegations were of the opinion that it was necessary to avoid overlapping and duplication of programmes and activities that would be carried out, among the subsidiary organs of the Economic and Social Council, the organs of the United Nations, the specialized agencies and IAEA.

39. Many delegations concurred with the findings of the Secretary-General's note that in view of the vast potential reserves of mineral and energy resources that were yet to be developed, especially in developing countries, and taking into account also the prospects of technological development, the fears expressed in such reports as that of the Club of Rome were unfounded. They objected moreover, to the concepts of equilibrium or stagnation of development and equally rejected the idea of global control through global policies. Some delegations expressed the view that the Secretary-General, rather than entering into a dialogue between "optimists" and "pessimists", should confine himself to submitting the factual information available and leave it to the Committee and to Governments to draw their own conclusions. However, some delegations expressed the view that the matter should be realistically approached. One delegation, with regard to the report of the Club of Rome, was of the opinion that the preoccupation expressed in the documentation of the Secretary-General was unnecessary particularly taking into account that the author of the report, prepared at the Massachusetts Institute of Technology, had been relieved of his functions at the Institute due to the scarce scientific value of that proposed report. At the same time, it was generally agreed that the Secretary-General's apprehension regarding a growing water shortage was valid.

40. Several delegations expressed the view that it would be desirable for the United Nations Secretariat to undertake studies on projections of reserves, supply and demand for energy, minerals and water, although some made that recommendation conditional upon the availability of the necessary funds. One representative suggested that financing of such studies could perhaps be provided out of the funds of the United Nations Environment Programme. Other delegations took the view that there was no point in the United Nations Secretariat undertaking such global studies, as many already existed through the efforts of a great variety of organizations. Those delegations took the view that it would be desirable for the Secretariat to make a survey of the existing studies, both global and regional in scope, and to report to the Committee at its next session on the results of the studies and on the methods used in order that the Committee might make the necessary recommendations, through the Economic and Social Council, with a view to rationalization of the various utilizable methods, and to report back on the matter at the Committee's next session. Some delegations supported the proposal that detailed resource studies of specified commodities, similar to the Survey of World Iron Ore Resources, be undertaken. Some other delegations expressed reservations on the matter. Several delegations expressed opposition to the idea of carrying out over-all surveys in the field of natural resources. They felt that surveys, correlation of data and projections based on inadequate data, beyond being costly, could lead to erroneous choice of policies to the detriment of the interests of the developing countries. One delegation stressed the need for international co-operation to take account also of the rising pressure for the more efficient use of energy and, consequently, the need to encourage studies on energy-saving measures.

41. In connexion with the concept of the limits to growth, the majority of the members of the Committee expressed total disapproval of the concept. Several delegations referred to the highly political context involved in the so-called premises which were the basis for that concept which might be used against the interests of developing countries. One delegation stated that the concept was

totally unacceptable due to the lack of scientific value of the premises on which it was based. Finally the same delegation stated that it was inappropriate to speak about limits to growth particularly if based on assumptions of the physical volume of resources and in any case if mention was to be made, it should be of socio-economic limits of the capacity to growth.

42. With regard to paragraph 30 of document E/C.7/40/Add.1, in which an apparent selection of alternatives was mentioned among priority areas for investment of developing countries instead of energy areas, some delegations were of the opinion that the apparent alternative character was fictitious. In the opinion of those delegations, all productive activity required, as indispensable basic in-put, the production and consumption of energy. Therefore, the same delegations recommended that the United Nations system should give maximum priority, when carrying out its studies and programmes, to the growth of the energy sector in developing countries, thus enabling them to achieve their development objectives. In like manner, with regard to the consumption of non-renewable natural resources, those delegations were of the opinion that given the fact that 25 per cent of mankind - or the developed countries - consumed between 80 and 85 per cent of the total exploitation of non-renewable natural resources, any policy decision with regard to production and consumption of non-renewable natural resources and of energy which did not seek to reduce the existing gap between developed and developing countries was unacceptable.

43. The proposal to establish an international service for the analysis and evaluation of data on natural resources was supported by a number of delegations, some of which requested cost estimates of such a service. Other delegations, however, were not convinced of the utility of such a service, claiming that it would duplicate already existing bodies. A number of delegations were unable to support the proposal because of its financial implications.

44. A number of delegations emphasized the desirability of projections being made on a sectoral, regional and national basis, while others emphasized that global projections were also important. In that connexion, it was suggested that the collaboration of the specialized agencies and the regional economic commissions should be sought in the work to be undertaken on projections. Some delegations stressed the importance of co-operation among developing countries in the field of natural resources, especially in the energy and water sectors, at a regional level, to carry out medium- and long-term projection studies, and to consider other problems in relation to the demand for and supply of energy and water resources.

45. In conclusion, the Committee agreed to recommend to the Economic and Social Council that it request the Secretary-General:

(a) To prepare a report, in consultation with the specialized agencies, on the activities of all other organizations, both within and outside the United Nations system, which undertake medium- and long-term projections on the supply of and demand for energy, mineral and water resources, indicating the methodologies used by each of them, and the concepts and definitions of the variables used and to submit the report to the Committee at its next session in good time for the Committee to make recommendations to the Secretary-General through the Economic and Social Council on the acceptable methods to be standardized to carry out such projections on an internationally comparable basis;



(b) To submit to the Committee on a regular two-year basis studies on medium- and long-term projections, based on available data, on the supply of and demand for energy, mineral and water resources on a global, regional and national basis;

(c) To take appropriate measures, within the budgetary limitations, to improve the existing services for the analysis, evaluation and dissemination of world-wide data on natural resources.

46. Five delegations submitted proposals, which are contained in annex II of the present report.

#### IV. THE UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION

47. The Committee considered item 6 at its 62nd and 63rd meetings. It had before it the note by the Secretary-General (E/C.7/42 and Corr.1), which traced the development of the concept through various stages and provided a brief account of the current status. The Committee noted that the Economic and Social Council would resume consideration of the item at its fifty-fourth session in the spring of 1973.

48. The majority of delegations felt that even though the question of the establishment of the revolving fund had already been debated in various forums, it could still further be clarified at the present session. A few delegations expressed the view that since the Economic and Social Council was seized of the question and no advice was called for from the Committee at this stage, no useful purpose would be served by a debate in the Committee at its current session except to hear the familiar arguments for and against the fund or on some features of it. One delegation believed that the appropriate course of action would be for the Council to reconvene at its next session the Intergovernmental Working Group to finalize the draft statute, while another delegation suggested that the Committee should appoint a sessional working group to give attention to the gaps that were still prominent in the draft statute and make concrete recommendations. The majority of delegations stated that the Committee should reaffirm its earlier decision, taken at its second session, on the principle of establishing such a fund and proceed to make positive recommendations to the Economic and Social Council on the matter. Many delegations expressed their concern at the delay in the establishment of the fund. However, some other delegations expressed the view that prior to final recommendation by the Economic and Social Council all the remaining questions related to the statute of the fund should be resolved.

49. One delegation expressed the view that in the event the revolving fund should be established, IBRD should play an appropriate role and be asked to participate in the projects financed by the fund and in the follow-up action to develop the resources found by such projects.

50. A large majority of delegations urged that the Economic and Social Council, at its fifty-fourth session, positively recommend to the General Assembly at its twenty-eighth session that the statute be adopted in 1973. Many delegations believed that the Committee had a duty at the current session to clearly demonstrate that it was fully committed to the establishment of the fund. One delegation pointed out that the obstacles were not substantive in nature but that the political will was lacking on the part of some countries.

51. The discussion on the proposed fund encompassed a wide spectrum of views and helped further to eliminate and clarify some features of it. Many delegations considered it essential that the resources made available to the fund be additional to financial contributions to the United Nations system in general, and in particular to UNDP, and must in no way affect the agreed desirable rate of growth of contributions to UNDP. One delegation said that his country was prepared to

make a contribution to the fund if it was established in the appropriate form. Most delegations recognized that the viability of the proposal depended upon its revolving feature. It was therefore incumbent on the part of the fund to invest in such a way as to maximize exploration success and secure many sources of repayments to obtain a broader financial basis. Repayments had to compensate for the expenditure incurred in projects which were unsuccessful.

52. The principle of repayment elicited some discussion. The majority of the delegations welcomed and placed much emphasis on the self-help principle incorporated in the fund. Certain delegations stressed that the repayments as envisaged in the draft statute could not constitute a burden on developing countries, since they would be called for only after the exploitation of the newly found resources would have commenced; it was noted, furthermore, that, in view of the high risks involved, the problem of financing natural resources exploration had to be solved by specific methods, as envisaged in the fund.

53. Some delegations believed that the repayment nature of the fund in the draft statute gave it a commercial character incompatible with the assistance normally provided by United Nations organizations. Many other delegations, however, did not subscribe to that view and emphasized the importance of the concept of self-help involved in the fund. Some delegations expressed the fear that once the principle was accepted in one sector, it might be extended to other areas. Such an extension was unacceptable to other areas of assistance.

54. One delegation suggested how the repayment article in the draft statute should be finalized. It was proposed that repayments be for a maximum period of 20 years or the period of the life of the exploitation of the resource after its discovery, whichever was shorter. The maximum payment was to be 2 per cent and the minimum 0.5 per cent of gross production in proportion to the fund's share of the expenditure in the project concerned.

55. Another delegation introduced the concept of lump-sum payments mutually agreed to in advance to be paid over a specified number of years.

56. A sliding scale of repayment was also suggested by another delegation. One delegation suggested that the recipient countries might reimburse the amounts necessary for the exploration of the natural resource in question, as well as the interest on those amounts, on the understanding that the reimbursement would be made over a certain number of years and would permit renewal of the financial resources of the fund.

57. Some delegations cautioned that those provisions should in no way affect permanent sovereignty of countries over their natural resources.

58. The Committee discussed the scope of assistance to be provided by the fund. Some delegations believed that the fund should consider partial financing of projects formulated for UNDP assistance including those which have not found place in specific UNDP country programmes till it became self-sustaining. One delegation stated that the focus of assistance should not be limited to exploration and proving existence of the resource but should extend to financing the next stage of development including the establishment of the infrastructure.

59. Several delegations referred to the need for linking the activities of the fund to UNDP. Some delegations called for a separate identity particularly since the fund would be supplementary to the efforts of UNDP. It was accepted that the UNDP resident representatives would provide co-ordination at the field level. Some delegations proposed that at least in the initial stages the UNDP Governing Council would be the appropriate body to supervise and control the fund. Some other delegations felt that the Committee on Natural Resources should supervise and control the fund.

60. Some delegations felt that the fund should be supervised and controlled by its own executive board.

61. There was widespread agreement that the fund should be a United Nations trust fund placed in charge of the Secretary-General but administered on his behalf by the UNDP Administrator. One delegation questioned the need for the involvement of the UNDP Administrator and believed that the United Nations with its experience in handling trust funds could also handle the fund.

62. Some delegations expressed the view that the new fund should be serviced by its own secretariat. Other delegations however stated that the fund did not require an independent secretariat at this stage since it would place too great a burden on its resources. A feeling was expressed by one delegation that staff from developing countries should be increasingly associated with the secretariat of the Resources and Transport Division and the fund in particular.

63. The Committee, while reviewing the progress made so far, noted that there were still gaps in the technical material and information made available by the Secretary-General to it and the Intergovernmental Working Groups.

64. The Committee decided to appoint a working group to consider what further action should be taken in regard to the fund. It consisted of Algeria, Argentina, Hungary, India, Japan, Kenya, the Netherlands, Turkey, the Union of Soviet Socialist Republics and Venezuela; the representative of the Philippines served as chairman.

65. The Working Group submitted a consensus on the basis of which the Committee adopted the conclusions and decisions recorded in paragraphs 66 to 69 below.

66. The Committee on Natural Resources pointed out that at its second session it agreed in principle to the establishment of a United Nations revolving fund for natural resources exploration. <sup>2/</sup> The Committee noted the progress which had been made towards the establishment of the fund with the adoption of Economic and Social Council resolutions 1572 C (L), 1673 F (LII) and in particular 1711 (LIII), wherein the Council recommended that the General Assembly consider the question at its twenty-seventh session with a view to finalizing and approving a statute of the revolving fund at that session. The Committee also took note with appreciation of the reports of the Intergovernmental Working Group on the United Nations revolving fund for natural resources exploration (E/C.7/24 and E/C.7/29) and the report of its Chairman on his consultations (E/AC.6/L.485). The Committee

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<sup>2/</sup> See Official Records of the Economic and Social Council, Fifty-second Session, Supplement No. 5, para. 70.

also acquainted itself with the discussions on this subject at the fifty-third session of the Economic and Social Council (see E/C.7/42 and Corr.1) and noted that, the Economic and Social Council had decided to take up the matter again at its fifty-fourth session.

67. The Committee believed that the question of the establishment of the revolving fund had already been sufficiently considered at its first, second and third sessions, and stressed the need to establish the fund at an early date to intensify the exploration of natural resources of developing countries. Moreover, the Committee expressed concern at the delay in the establishment of the fund. The Committee considered it essential that the resources made available to the fund be additional to the financial contributions to the United Nations system, particularly to UNDP, and must in no way affect the agreed desirable rate of growth of contributions to UNDP. The Committee believed that there was still a need for certain financial, technical and economic data required in making a final decision on the establishment of the revolving fund.

68. The Committee therefore requests the Secretary-General:

(a) To carry out as soon as possible a technical study of the economic and financial arrangements necessary for a workable scheme of the revolving fund taking into account the nature, principles and objectives of the fund, the reports of the Intergovernmental Working Group, as well as other relevant reports with particular attention on the following questions:

- (i) Various magnitudes of initial financial resources necessary for making the fund operational;
- (ii) Alternative repayment formulae together with a precise statement of the data on which they are based, including estimates of the period that repayment would be made to ensure the self-sustaining character of the fund;
- (iii) Data concerning other conditions necessary to ensure its revolving feature;

(b) To submit the results of the study to the Economic and Social Council at its fifty-fourth session for further necessary action.

69. The Committee recommends to the Economic and Social Council that it consider, as a matter of priority, the establishment of the revolving fund with a view to recommending to the General Assembly at its twenty-eighth session the establishment of the fund.

70. Some delegations expressed reservations on certain aspects of the consensus.

71. The delegations of the socialist countries, namely, the Union of Soviet Socialist Republics, the Ukrainian Soviet Socialist Republic, Hungary and Poland, stated that they dissociated themselves from the consensus of the Committee regarding the revolving fund for the reasons presented at the second session of the Committee on Natural Resources, as well as those expressed at the present session. That position was based on the assumption that since the second session of the Committee no new events had taken place which related to the matter.

72. One representative stated that the practice of establishing special funds for special purposes was contrary to the basic concept that priorities should be selected by the recipient countries themselves. He felt, moreover, that, if a decision was taken to establish a revolving fund for natural resources, adequate safeguards should be built into the specific provisions concerning the fund in order to make quite clear that: (a) resources would be additional to over-all assistance within the United Nations system and in particular to the agreed rate of growth of contributions to UNDP; (b) the revolving nature of assistance of the fund would in no way constitute a precedent for the type of assistance to be provided in other areas; (c) no idea of profit would be introduced through methods of repayment which would go beyond the actual financial resources received from the fund, thus jeopardizing the actual application of the principle of permanent sovereignty over natural resources. Since his points were not in his view adequately taken into consideration in the consensus (paras. 66-69 above), the representative of Brazil formally dissociated himself from it.

73. One delegation expressed the view that it was premature to recommend to the Economic and Social Council the endorsement of the establishment of a revolving fund for natural resources at an early date before a workable scheme had been developed. That delegation, while totally reserving its position on the question of a possible contribution to any fund for natural resources which might be established, also dissociated itself from the view expressed in the consensus (see para. 67 above) that the Committee considered it essential that resources made available to such a fund must be additional to contributions to the United Nations system as a whole.

V. IMPLEMENTATION OF THE PRINCIPLE OF PERMANENT SOVEREIGNTY  
OVER NATURAL RESOURCES IN ITS POLITICAL, ECONOMIC, SOCIAL  
AND LEGAL ASPECTS

74. The Committee considered item 7 at its 63rd, 64th and 65th meetings. It had before it the progress report of the Secretary-General (E/C.7/33) on the implementation of the principle of permanent sovereignty over natural resources and a report of the Secretary-General (E/5170) dated 7 June 1972, which was to be considered by the Economic and Social Council at its fifty-fourth session.

75. When introducing the item, the Director of the Division of Public Finance and Financial Institutions referred to the publications on the energy crisis, the growing influence of multinational corporations and the renewed interest in the question of permanent sovereignty over natural resources including sea-beds within national jurisdiction.

76. In document E/5170, he said, particular attention had been given to a problem-solving approach and key recommendations had been made to Governments of developing and developed countries and to international organizations. Assistance in the collection of information and statistical data from Member States and in particular those that were members of the Committee should greatly help the Secretariat to carry out the study requested by the Economic and Social Council on the basis of the Committee's recommendations at its second session. The Director drew the attention of the Committee to Council resolution 1721 (LIII) on multinational corporations and to the fact that the United Nations was actively carrying out preparatory work for the meeting of the group of "eminent persons", called for in that resolution.

77. In the course of the discussion, several delegations felt that the Secretary-General's report (E/5170), which had already been submitted in July 1972 to the fifty-third session of the Council and which would be reviewed at its fifty-fourth session, did not reflect the latest developments. However, several other delegations indicated that the facts and analysis of situations which appeared in the report were relevant and accurate in the first half of 1972, when they were prepared.

78. Many delegations requested the Secretary-General to carry out expeditiously the study envisaged in Council resolution 1673 D (LII). Certain delegations emphasized that the study to be carried out should, to the maximum extent possible, break fresh ground in the various fields of activity covered, and should seek to avoid the presentation of already known material. One delegation expressed the view that in the preparation of the study, the Secretary-General should also take into account the fact that the need of the developed countries to export capital was at least as important as the need of developing countries to obtain capital and know-how.

79. With regard to recommendations to Governments of developed countries contained in paragraph 155 (see E/5170), the view was expressed that subparagraph (f) should call for training in developing countries so as to minimize the outflow of trained

personnel. With regard to the recommendations to Governments of developing countries (*ibid.*), it was suggested that subparagraph (a) might imply that the import of foreign capital should be encouraged as a general rule, while certain countries had opted for different policies in that regard while clearly stated policies could attract foreign investment.

80. Some delegations emphasized that it was an inherent right of any State to expropriate or nationalize the property of aliens as long as "prompt, adequate and just compensation" was paid. They also reiterated General Assembly resolution 1803 (XVII) on the interpretation of the phrase "prompt, adequate and just compensation" that in case of any dispute on the matter, national jurisdiction of the expropriating State should be exhausted before taking the matter to any international tribunal. They also emphasized that nationalization, expropriation or requisitioning should be based on grounds or reasons of public utility, security or the national interest which were recognized as overriding purely individual or private interests, both domestic and foreign. Some delegations, however, were against the resort to international arbitration in the event of dispute over nationalization and its related problems. They emphasized that in such cases only the national courts were seized with jurisdiction.

81. Many representatives described the recent experience of their countries in the exercise of permanent sovereignty and a number of delegations stated that that was a normal consequence of the right of people to self-determination.

82. Several delegations indicated that in accordance with international law, obstacles to and limitations on the right of a sovereign State freely to dispose of its resources constituted a violation of the Charter and of the General Assembly's declaration in resolution 2625 (XXV) and also as expressed in UNCTAD resolution 45 (III) entitled "Charter of the economic rights and duties of States". Some delegations expressed the view that any kind of pressure, under any pretext, made with the objective of limiting the right of each State to dispose freely of its own natural resources was a violation of the principle of permanent sovereignty over natural resources, non-intervention and self-determination and therefore must be formally rejected by the United Nations and the international community in general. One delegation stated that in its exercise of permanent sovereignty over natural resources, the experience of centrally planned economy countries might be referred to.

83. Several delegations emphasized that by its resolution 3016 (XXVII) of 18 December 1972, the General Assembly had, by over 100 votes in favour and none against, reaffirmed the right of States to permanent sovereignty over all their natural resources, whether found on land, in the sea-bed and the subsoil thereof within national jurisdiction or in the superjacent waters. They emphasized that that was a highly important principle which the Committee would be well advised to reaffirm by a formal recommendation. They stressed the inalienable right of all nations to exercise permanent sovereignty over all their natural resources, found on land, in the sea-bed and subsoil and especially in the superjacent waters.

84. Certain delegations felt that in preparing its study, the United Nations Secretariat should also take into account the benefits that would accrue to developing countries by the exercise of their sovereignty over all the natural resources whether found on land, in the sea-bed and the subsoil thereof within national jurisdiction or in the superjacent waters.



85. Other delegations stressed the fact that 22 delegations had abstained in the vote on General Assembly resolution 3016 (XXVII), and that several had stated their objections to certain provisions of the resolution in explanations of vote, which were in the records of the General Assembly and remained valid. Some delegations pointed out that widening the scope of the Committee's discussion to include marine resources would involve a reversal of the Committee's decision taken at its second session to concentrate on energy, mineral and water resources. A few delegations expressed the view that the Committee on Natural Resources should not make recommendations on the question of the exercise of permanent sovereignty over the resources found in the sea-bed and subsoil thereof within national jurisdiction and in the superjacent waters inasmuch as in their view those questions were outside the Committee's competence and they felt that the Committee should not prejudge the outcome of the discussion of them at the Conference on the Law of the Sea. They stressed that jurisdiction exercised by States over the sea should be decided in accordance with international law including the extent of coastal waters. Some delegations stated that General Assembly resolution 3016 (XXVII) should also not be interpreted as prejudging the outcome of the Conference on the Law of the Sea. Several delegations stressed the right of each country to define its own jurisdictional limits for the exploration and exploitation of marine resources.

86. One delegation stated that the concept of permanent sovereignty over natural resources should be applied in such a way that countries with natural resources and countries with capital and technology could co-operate to maintain mutually complementary links.

87. There was a suggestion that in view of the importance of the question of permanent sovereignty over natural resources, the item be inscribed in the agenda of the next session of the Committee.

88. The Committee adopted the following recommendations (E/C.7/L.13) sponsored by Algeria, Brazil, Chile, Egypt, Ghana, Iceland, India, Iraq, the Libyan Arab Republic, Kenya, Peru, the Philippines, Venezuela, Yugoslavia and Zaire, as amended:

(a) The Committee on Natural Resources recalled General Assembly resolution 3016 (XXVII) on permanent sovereignty over natural resources of developing countries. It also took note of the report of the Secretary-General on permanent sovereignty over natural resources (E/5170):

(b) The Committee stressed the cardinal importance of the principle of permanent sovereignty over natural resources for the economic progress and well-being of all countries, especially the developing countries;

(c) It also underlined the need for practical policy measures which can ensure that the application of the principle of permanent sovereignty over natural resources of the developing countries will fully promote and accelerate their economic and social development;

(d) The Committee emphasized the need for profits derived from foreign investments to be reinvested in the host country in order to promote its development, allowing however for the repatriation of reasonable profits in conformity with the principle of mutual benefit;

(e) Furthermore, the Committee was of the opinion that any measure of pressure directed against any State while exercising its sovereign right freely to dispose of its natural resources constitutes a violation of the principles of self-determination of peoples and non-intervention, as set forth in the Charter of the United Nations;

(f) The Committee recommends to the Economic and Social Council that it reaffirm the right of States to permanent sovereignty over all their natural resources, whether found on land, in the sea-bed and the subsoil thereof within national jurisdiction or in the superjacent waters:

(g) The Committee considered it imperative that the study of the political, economic, social, legal and other aspects of the principle of permanent sovereignty over natural resources, requested by the Committee at its second session, be concluded at an early date by the Secretary-General in accordance with Economic and Social Council resolution 1673 D (LII). Special consideration should be given to aspects of permanent sovereignty of States over natural resources found in the sea-bed and the subsoil thereof within national jurisdiction and in the superjacent waters;

(h) The Committee recommends to the Economic and Social Council that, at its fifty-fourth session it give priority to the item on permanent sovereignty of developing countries over natural resources.

89. The following reservations were made with regard to the above recommendations:

Reservations expressed by Hungary, Poland, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics

90. The delegations of Hungary, Poland, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics have no objection to the adoption of the proposed recommendations, interpreting the recommendations in the general context of the recommendations on the subject adopted by the General Assembly and listed in the first preambular paragraph of General Assembly resolution 3016 (XXVII). The above-named delegations are of the view that in accordance with contemporary international law the sovereign rights of any State to the natural resources of the sea-bed extend also to the resources of the continental shelf and the subsoil thereof. In that connexion, the above-named delegations understand the term "subsoil thereof within national jurisdiction" contained in the recommendations to mean assigned thereto by the international Convention on the Continental Shelf of 1958.

91. With regard to sovereign rights over the natural resources of the coastal waters, the delegations of the above-mentioned socialist countries are of the view that such rights extend also to the resources of the territorial shelf, the breadth of which must be defined in accordance with the provisions of international law.

92. The delegations of Hungary, Poland, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics interpret the contents of the recommendations in the light of the above considerations.

#### Reservations expressed by Japan

93. The delegation of Japan, while supporting the principle of permanent sovereignty of peoples and nations over natural resources, expressed its reservation on the reference in the recommendations to the superjacent waters. It also maintained its previous reservations and interpretations on relevant paragraphs of General Assembly resolution 3016 (XXVII), which was recalled in the recommendations.

#### Reservations expressed by the Netherlands

94. The Netherlands delegation reserved its position with regard to document E/C.7/L.13 and stated in particular that it could not agree with the fifth, sixth and seventh paragraphs of the document (paras. 88 (e), (f) and (g) of the present report) and that in that respect it supported the objections to those paragraphs raised by the representative of the United Kingdom.

95. With regard to the fifth paragraph (see para. 88 (e) above), the Netherlands delegation regretted that the sponsors of document E/C.7/L.13 had not accepted a proposal to insert between the words "its sovereign right" and "freely to dispose of" the words "in accordance with the principles of international law".

96. The Netherlands delegation equally regretted that the sponsors had not accepted a proposal to delete the words "in the sea-bed and the subsoil thereof within national jurisdiction or in the superjacent waters".

97. The Netherlands delegation also objected to the last sentence of the seventh paragraph (para. 88 (g) of the present report).

#### Reservations expressed by the United Kingdom of Great Britain and Northern Ireland

98. The delegation of the United Kingdom of Great Britain and Northern Ireland expressed its reservations concerning the two references in the draft recommendations to the exercise of permanent sovereignty over natural resources in the superjacent waters, and to the implication in the recommendations that action undertaken in accordance with international law could constitute a violation of the Charter of the United Nations.

## VI. DEVELOPMENTS IN THE FIELD OF NATURAL RESOURCES - WATER, ENERGY AND MINERALS

### A. United Nations water conference

99. The Committee discussed item 8 (a) at the 65th and 66th meetings. It had before it the report of the Intergovernmental Panel of Specialists (E/C.7/31) - prepared pursuant to Council resolution 1673 E (LII) - which contained a precise draft agenda for a United Nations water conference, as well as a report of the Secretary-General (E/C.7/39).

100. The Secretary-General's report recapitulated arguments in favour of holding an international water conference within the framework of the agenda prepared by the Panel of Specialists. In addition, it covered some of the remaining organizational aspects which the Committee took into account in its discussion.

101. In the course of the discussion a majority of representatives endorsed the idea of convening an international water conference in the light of the increasing water shortages of the future and of the need for policy makers to adopt appropriate measures to meet rising levels of demand. Some delegations indicated, however, that, in their view, the holding of the conference was undesirable in the light, inter alia, of the activities already programmed within the United Nations system in the field of water development, of the difficulty of considering in one single global conference subjects which required consideration either on the regional or subregional level or which could best be examined in specific or topic meetings of experts, and also of the need to concentrate the scarce resources at the disposal of the United Nations system on projects of direct assistance to the developing countries. One delegation stated that in connexion with the necessary financial resources for holding a conference such as the one foreseen, there was no budgetary linkage between the appropriations for the conference and appropriations for direct technical assistance programmes.

102. Many delegations felt that the date of the conference should be postponed to 1977 both to take into account the results of various international meetings dealing with various aspects of water resources development scheduled for 1974 and 1975, and in the light of the United Nations Human Settlements Conference-Exposition scheduled to take place in Canada in May-June 1976.

103. A number of delegations stressed the desirability of avoiding overlapping of the activities of the water conference and those undertaken by other international organizations. In the opinion of some delegations overlapping already existed between the proposed agenda for the conference and programmes of activities within the United Nations system in the field of water development. It was recalled, however, that the United Nations regional economic commissions, UNESOB, the specialized agencies and IAEA would be closely involved in the organization of the conference and that there would be a substantial input contributed by the United Nations family as a whole. Moreover, one delegation recalled that the provisional agenda submitted by the Secretariat to the Intergovernmental Panel of Specialists had been unanimously endorsed by all United

Nations agencies and regional commissions which participated in a meeting immediately prior to that of the Intergovernmental Panel at United Nations Headquarters in 1972.

104. A number of delegations and the representative of WMO, on behalf of the specialized agencies, expressed reservations on the budgetary proposal contained in the report of the Secretary-General allocated to Headquarters staff required to service the conference. It was also pointed out that the budgetary proposal did not indicate the financial inputs of the specialized agencies and IAEA. The representative of the Secretary-General recalled that the budgetary proposal had been prepared following the new United Nations cost format which indicates the level of total resources rather than additional expenses required for adequate preparation and servicing of the conference by United Nations staff. Within the total it may be expected that a sizable contribution will be made from existing United Nations staff and other resources.

105. A number of delegations suggested that the proposed agenda was too broad in its present format and that in the course of the preparatory work it might in fact become possible to restrict the subjects covered. One delegation felt that the agenda should contain some reference to public participation in water resources development activities, both at the planning and implementation stage of a project. A number of delegations felt that a review of the follow-up of recommendations of the United Nations Conference on the Human Environment might usefully be taken out of the agenda since the matter would in any case be taken up by the Governing Council of the Environment Programme which is expected to meet in June 1973 and by a subsequent environment conference. Some delegations felt that it appeared to be useful to concentrate the work of the conference on technical aspects relating to the more efficient use of water with emphasis on the technological capacitation of the developing countries in the field of water development. One delegation, taking into account that the conference was designed for people in charge of water policy, suggested, however, that part B of the draft agenda (see E/C.7/31) dealing with technical issues should be deleted. Another delegation proposed the inclusion in the agenda of new items relating to the purification of urban, agricultural and industrial waste water and also to the rational dumping of waste water whose purification still presented difficulties.

106. Some delegations felt that international co-operation with regard to water resources common to more than one national jurisdiction, in order to take into account the ecological, political, economic, social, historical and other characteristics of each basin could more usefully be dealt with on a bilateral or regional basis rather than within the framework of a global conference. Another delegation, endorsed the suggestion in the Panel's report (*ibid.*) that international co-operation could usefully deal with all possible forms of co-operation on water resources common to more than one national jurisdiction, and not particularly with experience in international river basin organizations. In clarifying the spirit behind the proposed agenda, one representative who took part in the work of the Panel explained, speaking also on behalf of a number of the other experts of the Panel present at the Committee's session, that part A of the draft agenda, dealing with availabilities and demands, was to serve as a background for the following sections, and that the focus of the conference would be on part C, dealing with policy formulation and implementation. One delegation expressed doubts on the possibility of using the theme of water availability as the background for discussions since data were either incomplete or difficult to compare.

107. A number of delegations felt that the conference might usefully be preceded by regional conferences which would help to identify the specific problem of greatest concern to each region. One delegation said that the matter had been discussed by the Intergovernmental Panel of Specialists and that a global meeting would permit the exchange of experience from different regions of the world having to deal with similar water resources problems.

108. Some delegations reiterated their earlier position that the proposed conference was not necessary at this time, taking into consideration the financial implications involved. They indicated that since the river basin was the basic parameter for consideration of water resources, a regional approach was the only really productive one and that such consideration was an additional argument for the whole question to be re-examined in depth. They felt that if a water conference was to be held, it should not in any case take place before 1977.

109. A representative from an observer country stated that he still had doubts on the specific purpose of the conference and on the most useful date. However, he indicated his delegation's willingness to contribute to the success of the conference if it were to take place.

110. One delegation indicated that the report should not spell out the type of specialist that each country should send to the conference, since that was a policy decision which should be left up to each Government to decide.

111. A number of delegations expressed appreciation to the Government of Argentina, whose representative renewed the offer to hold the conference in Buenos Aires, and indicated flexibility on timing. Some delegations also made specific reference to the acceptability of a two-week period for the conference and to the proposal of 600 to 800 pages for documentation. One delegation stated that the practice of keeping summary records was necessary to ensure the effectiveness of any major conference.

112. One representative inquired about the advisability of setting up an intergovernmental preparatory committee for the conference. He further queried whether any changes to be introduced in the agenda should be undertaken by the Secretary-General or by such a panel. It was suggested that sufficient flexibility should be left to the Secretary-General to be able to pursue activities on the matter should the conference be approved.

113. The representative of the Secretary-General reminded the Committee that since approximately three years would be required for the preparation of such a conference, and since the Committee might not meet again until 1975, it would be necessary for the Committee to submit a firm recommendation to the Economic and Social Council at this time on the desirability of holding the conference and on its date, should there be a consensus on the matter for 1977.

114. The Committee recommends to the Economic and Social Council:

(a) that it approve the holding of a United Nations water conference based on the provisional agenda suggested by the Intergovernmental Panel of Specialists in document E/C.7/31;

(b) that the date for such a conference should be in the first half of 1977;

(c) that it gratefully accept the offer of the Government of Argentina to host the water conference in Buenos Aires.

115. Some delegations expressed their formal reservations on subparagraphs (a) and (b) above.

116. The Committee further recommends to the Economic and Social Council that it request the Secretary-General:

(a) to take the necessary preparatory steps for the United Nations water conference, taking into account the views of Member States with respect to the estimated costs of the conference;

(b) to establish close liaison between the Headquarters Secretariat and the United Nations regional economic commissions, UNESOB, the specialized agencies and IAEA with a view to co-ordinating the inputs of the various components of the United Nations system and avoid overlapping and duplication.

#### B. Groundwater exploration and development

117. The Committee considered item 8 (b) at its 66th and 67th meetings. It had before it under this item a note by the Secretary-General (E/C.7/34). One representative pointed out that it was the first time that the Committee had strictly technical subjects such as that before it. A number of representatives provided information to the Committee on groundwater development activities under way in their countries and on related problems.

118. Other representatives pointed out aspects which the Secretary-General's note did not contain, in particular an absence of description of activities and points of view of the specialized agencies in relation to groundwater resources development. One representative referred to the danger of subsidence that could result from over-pumping of groundwater. In that respect another representative noted the importance of considering the relationship between recharge and extraction in groundwater balances and related dangers of water mining leading to the depletion of aquifers. Another representative noted that the recommendations concerning the advantages of foreign drilling companies to local companies were in conflict with the recommendations made at the second session of the Committee to strengthen national technical services. He also could not agree that operation and maintenance of pumping stations could be carried out by an autonomous corporation free of government control. On the other hand, he suggested that documents of that kind should contain as far as possible a description of the technical aspects of groundwater development, and also of promising directions of technological progress in that field.

119. Attention was drawn to the desirability of undertaking training of local technicians not only for the management of government bureaux, but also for practical operations at the field level.

120. One representative stated that it would be advisable to create a service for the exchange of technical information on groundwater as suggested in the Secretary-General's note (E/C.7/34) and indicated that his Government would be prepared to provide expertise and information if such a service were to be established within the United Nations system.

121. A number of representatives underscored the importance of conjunctive use of surface and groundwater resources and of the quality differences which may exist between surface and groundwater. It was stressed by one representative that great care was needed to prevent local pollution of aquifers and the seepage of polluted aquifers into good quality ones. He also stated that groundwater quality may change gradually by pumping. It was pointed out that water supplies could be extended by blending water from the two sources but that it was necessary to preserve acceptable quality.

122. Another representative stressed the need for a network of hydrogeological observation points.

123. One representative suggested that the United Nations and its specialized agencies should be requested to give special importance to groundwater in the implementation of their work programmes. That also related to the consideration of UNDP (Special Fund) projects for groundwater exploration and development.

124. One representative queried the very high costs of drilling of exploration and producing wells in developing countries mentioned in the Secretary-General's note and said that they seemed excessively high in comparison with those in his country. The Secretary-General's representative confirmed that field experience had shown such costs to be true and that it might be useful for the United Nations to undertake a study of groundwater drilling costs in developing countries with an analysis of the reasons for such high costs.

125. The representatives of FAO and WHO indicated that since they had not been involved in the preparation of document E/C.7/34, it did not fully reflect the points of view of the specialized agencies with respect to the philosophy and implementation of groundwater activities. The WHO representative pointed out that community and urban water supply financed by IBRD included studies of existing institutional arrangements and that attempts were made to work within existing institutional frameworks.

126. The Committee recommends to the Economic and Social Council that it take note of the document prepared by the Secretary-General on groundwater exploration and development, and that it recommend to the United Nations, UNDP and the specialized agencies concerned that groundwater development should be speeded up in developing countries, taking into account not only the technical possibilities for groundwater supplies but also at the same time the groundwater balance and water quality problems.

127. It further recommends to the Economic and Social Council that it request the Secretary-General to keep under review costs of groundwater development in developing countries.

128. Proposals and recommendations submitted by the Union of Soviet Socialist Republics (E/C.7/L.17) are contained in annex III of the present report.

#### C. Technical and economic aspects of international river basin development

129. The Committee discussed item 8 (c) at its 66th and 67th meetings. It had before it under this item a note by the Secretary-General (E/C.7/35). A number of



delegations commended the Secretariat for the information provided in the document, particular reference being made to the usefulness of the annexes attached thereto. While commending the document in general terms, one representative felt that the proposed study on principles and methods of determining criteria for equitable sharing of responsibilities and benefits in the management and development of river basins common to more than one national jurisdiction was not necessary and could not provide basis for objective consideration of issues. He felt that those were issues of direct interest to the countries and parties concerned and should be related to the bilateral or multilateral treaties governing relations between the countries. He also felt that the proposed interregional symposium on international river management beyond detracting highly specialized technicians from their normal duties, could not provide information which was not already easily available. For the reasons already stated, such a symposium was not warranted in his view. Two other delegations endorsed the position outlined above and confirmed the opinion that a study on principles and methods for acceptable sharing of responsibilities and benefits should not be the responsibility of the United Nations, but rather of the individual States concerned taking into account geographic, technical, economic and political considerations. One delegation expressed the view that the determination of those principles should take into account the criteria of optimum use and of multiple use of water.

130. One participant suggested that it might be useful to see what approaches had brought about co-operative actions leading up to effective international river treaties.

131. Some representatives agreed to the proposals contained in paragraphs 26 to 29 of document E/C.7/35, pointing out that they were fully in keeping with the recommendations of the United Nations Conference on the Human Environment. Several delegations on the other hand, recalled that any activities having a direct bearing on the recommendations of the United Nations Conference on the Human Environment should be deferred until after the outcome of the meeting of the Governing Council of the Environment Programme which would take place in June 1973. One delegation suggested that the Committee need only indicate to the Governing Council its availability for follow-up activities in such fields which might result from the Council's deliberations.

132. The representative of FAO informed the Committee about some aspects of the work carried out by his organization in the field of international river basins and suggested that future reports to the Committee also take into account the experience and information available in his organization in that field.

133. One delegation in referring to annex I of the note by the Secretary-General (E/C.7/35), said that the use of the designation Congo for the river Zaire was incorrect and requested that the error should not be repeated in future documents of the United Nations. Another delegation queried the information provided in various annexes relating to Brazil and indicated that he would be sending a corrigendum in that regard to the Secretary-General.

134. A representative pointed out that in placing the item on the agenda, great care had been exercised in establishing the title of the topic, and that technical and economic aspects had been stressed. He suggested that the outcome was a political document based on mathematical calculations and that the result was a

naive attempt to analyse political issues by simple mathematical processes. In his opinion it was a manual primarily geared to a search for conflicts between neighbouring countries. He suggested, as had another representative before him, that in establishing equitable sharing of responsibilities and benefits in the management and development of international river basins the principles of permanent sovereignty, non-interference, and self-determination should guide such activities.

135. The representative of the Secretary-General pointed out that a technical and economic study on a basin-by-basin basis would have required a very considerable input in human and financial resources and that the document which had been prepared had been a way of trying to meet the request of the Committee through Headquarters activities which did not require outside travel and very extensive desk activities. He suggested that the Committee might wish to examine the advisability of undertaking technical and economic studies on a basin-by-basin basis, taking into account the expenditure involved.

136. The Committee recommends that the Economic and Social Council take note of the preliminary note by the Secretary-General (E/C.7/35) on the technical and economic aspects of international river basin development and of the views expressed by members of the Committee with regard to the recommendations contained therein.

137. The Committee further recommends to the Economic and Social Council that it request the Secretary-General to prepare a revised and more complete version of the note as well as a progress report on related activities for the next session of the Committee.

D. Recommendations of the United Nations Conference on the Human Environment relating to natural resources

138. The Committee discussed item 8 (d) at its 67th and 68th meetings. It had before it under this item a note by the Secretary-General (E/C.7/32 and Add.1), which contained a brief summary of the recommendations concerning natural resources - water, energy and minerals - made by the United Nations Conference on the Human Environment in June 1972 and which also emphasized the need for considering ways and means by which the Committee on Natural Resources can co-operate with the Governing Council of the Environment Programme with respect to activities and programmes of common interest, bearing in mind the responsibilities of the two bodies with regard to the environmental aspects of natural resources management.

139. Many delegations reiterated the linkages between the principles underlying the guidelines adopted by the Committee at its second session such as the rational management of natural resources and national sovereignty over natural resources and the principles embodied in the Declaration of the United Nations Conference on the Human Environment and the need for the fullest use of existing United Nations machinery in implementing the recommendations of the Conference on the Human Environment. Some delegations also stressed their satisfaction with the consensus arrived at during the twenty-seventh session of the General Assembly (Co-operation between States in the field of the environment, resolution 2995 (XXVII)). A suggestion was made that the Secretary-General should prepare a document on the division of responsibilities in environmental matters in order to avoid overlapping of functions. In that connexion, a distinction should be made between recommendations dealing with environmental aspects per se and those recommendations

dealing with the development and management of natural resources; those aspects should be co-ordinated by the Committee on Natural Resources through the Economic and Social Council. One delegation reiterated its reservations with respect to recommendation 51 of the Action Plan of the United Nations Conference on the Human Environment.

140. Some delegations stressed the importance of the role of the Resources and Transport Division with regard to environmental programmes in the field of natural resources. Mention was made of the particular role of the United Nations in undertaking and co-ordinating studies on energy use and production, available energy resources and technologies in energy.

141. Several delegations proposed that reports of the second and third sessions of the Committee on Natural Resources should be brought to the attention of the first session of the Governing Council of the Environment Programme, and that substantive and close co-ordination of activities of the Committee and the Governing Council should be encouraged. Some delegations felt that arrangements for such co-ordination could be finalized after the forthcoming meeting of the Governing Council in the light of the emerging guidelines for co-ordination in the field of natural resources. Some delegations felt that Governments should take special care in the disposal of pollutants in the marine areas outside national jurisdiction, such as ocean dumping of toxic substances.

142. Several delegations emphasized the need for practical assistance to Governments in the implementation of programmes relating to the environmental aspects of the development and management of natural resources.

143. Some delegations stated that they could not accept the recommendations of the Conference which reflected attempts by certain sectors to solve problems of the conservation of the natural environment by using the dubious concepts of the "internationalization" of natural resources and the "collective exercise of sovereignty". Those delegations pointed out that the object of those concepts was to undermine the inalienable sovereignty of countries over their natural resources.

144. At its 68th meeting the Committee agreed on the following decision on item 8 (d):

The Committee

(a) Took note of the note by the Secretary-General (E/C.7/32 and Add.1) on the recommendations of the United Nations Conference on the Human Environment relating to natural resources;

(b) Requests the Economic and Social Council to forward to the next session of the Governing Council of the United Nations Environment Programme, for its information, the reports of the Committee on Natural Resources on its second and third sessions; and

(c) Invites the Economic and Social Council to examine and, if necessary, define at its fifty-fifth session the relative role of and co-operation between the Committee and the Governing Council of the Environment Programme.

E. Arrangements for broadening the experience of young specialists from developing countries in other countries in the field of natural resources exploration and development

145. The Committee considered item 8 (e) at the 68th meeting. In a report of the Secretary-General and the Administrator of UNDP (E/C.7/41 and DP/L.252) the present and proposed arrangements for the broadening of the experience of young specialists from developing countries in other countries in the field of natural resources exploration and development have been described, and measures to make the fullest use of these facilities were emphasized. The Committee also had before it a note by the Secretariat (E/C.7/L.10) informing the Committee of the decision of the fifteenth session of the Governing Council of UNDP.

146. The UNDP representative underlined the importance of the involvement and participation of young people in the development work of the United Nations. The representative of the Secretary-General stressed the need for additional resources, particularly for the expansion of facilities for the involvement of young resource specialists from developing countries to gain experience in field projects in natural resources. Several delegations stressed the practical training of young specialists and fully supported the measures proposed in the documents. A suggestion was made that bilateral and multilateral contacts be pursued for accelerating the training of these specialists. Outside and continuing experience was also needed for professional personnel, including managerial experience, from developing countries.

147. The advantages of on-the-job training of specialists from one developing country in another country with similar problems were brought out. The need to co-ordinate such training with that of counterpart project personnel of the host country should also be given consideration.

148. It was suggested that the training component of UNDP-assisted projects could be assisted by a donor country, with the agreement of the recipient country.

149. The United Nations Secretariat could assume a clearing-house function in regard to the dissemination of technical literature, in co-operation with developed countries in a position to donate such literature.

150. A suggestion was made that the United Nations should identify the specialized areas of training for young specialists, and the appropriate institutions where such practical training could be imparted; and also the methods for accelerating the training of young specialists from developing countries.

F. New technologies in energy

151. The Committee considered item 8 (f) at its 68th meeting. It had before it a note by the Secretary-General (E/C.7/37) which focused attention on some examples of new energy sources, technologies and approaches regarding which significant technological progress may be expected in the future. The note also dealt briefly with the practical applicability of some of those technologies in the special circumstances of the rural areas of developing countries. The Committee commended the initiative of the Secretariat in submitting the document.

152. It was stressed that one must be highly selective in the choice of those technologies in the special circumstances of the developing countries. Benefit cost studies and case studies for the practical application of non-conventional sources and approaches should be undertaken by the United Nations in co-operation with Member States. In the energy-short countries, great importance would be attached to the development of non-conventional but indigenous sources of energy, such as geothermal energy. The United Nations has a special role to play in the transfer of technology and knowledge in the development of non-conventional sources of energy, particularly geothermal energy, for the benefit of the developing countries. In any event, the Resources and Transport Division should monitor these various sources of energy and periodically report on the state of the art to the Committee on Natural Resources. Several delegations stressed the importance of forecasting energy resources and demand particularly in respect of the fast-growing consumption of electrical energy and the need for the efficient utilization of primary energy resources for electrical generation. Therefore, it was of utmost importance to intensify efforts in the search and development of alternative and non-conventional sources of energy, particularly geothermal energy. The multipurpose uses to which geothermal resources lend themselves, namely, geothermal power generation, water desalination, mineral extraction from geothermal brines and other uses was particularly stressed. In regard to geothermal energy, mention was made of the need to compile a geothermal catalogue and for the importance of such compilation to identify areas where such development would be attractive. The possibility of holding a world geothermal symposium in the western hemisphere was also mentioned. Those efforts deserved support.

153. In taking note of document E/C.7/37, the Committee also felt that the matter of energy supplies for rural areas deserved priority attention and field tests of the application of emerging energy technologies should be encouraged.

G. New concepts in mineral resources exploration and recent advances in production technology

154. The Committee when discussing item 8 (g) at its 68th meeting, had before it a note by the Secretary-General (E/C.7/36). The Committee stressed the need for the mutual exchange of information and for keeping national institutions in developing countries apprised of the latest developments and improvements in modern exploration methods and equipment. Some delegations noted the United Nations role of middleman and catalyst in the transfer of technology, while one felt that the Organization should assist in furthering research and development in the developing countries themselves, a proposal which could well be a subject for discussion at the next session of the Committee.

155. Two delegations gave examples of recent technological advances in their own countries, while another emphasized that natural resources development must aim at meeting the demands imposed by population growth, the need for greater benefits and improved living standards for all people, and protection of the human environment.

156. Several delegations commented on earth resource satellites; the observer nation responsible for that programme stressed the multipurpose nature of the data being obtained and its ready availability. The Committee noted that in geological

and mineral resource surveys, satellite data would assist mainly at the earliest stage, but would not preclude the need for the other established steps in the exploration cycle. One delegation considered that development possibilities in remote sensing by normal airborne methods held greater potential than those from the earth resource satellites; another mentioned its own satellite programme and expressed satisfaction at achievements and co-operation in space science and technology over the past year by the two major nations engaged in that field. One delegation considered that earth resource satellite matters should come within the purview of the Committee on the Peaceful Uses of Outer Space while others supported the role for the Committee on Natural Resources, in co-operation with the Outer Space Committee.

157. Some delegations considered that instead of presenting a broad general overview of new concepts, future notes by the Secretary-General could usefully be more specific in such fields as geochemistry and present a more comprehensive account of progress.

158. One delegation, with a considerable degree of support, expressed the hope that in the future, instead of just reviewing progress in the field of new technologies for natural resources development, the Committee should address itself to the question of how to enhance the role of the United Nations in the promotion of research and development in the developing countries in the field of natural resources.

VII. CONSIDERATION OF THE PROVISIONAL AGENDA, TIME  
AND PLACE OF THE FOURTH SESSION

159. At its 68th and 69th meetings the Committee considered item 9. Several delegations made suggestions regarding the agenda for the next session, but assuming that the Committee would convene again only in two years' time, a number of delegations suggested that the draft agenda be left open in order to take into account possible intervening developments. Several delegations expressed the view that some items should be included in the agenda in view of the decisions concerning items at the third session; in particular questions on co-ordination and projections of natural resources reserves had been recommended as standing items on future agendas. Some delegations made specific suggestions for the agenda. Two delegations proposed that energy questions be a subject of concentration. One delegation proposed that the subject of organization of national services in developing countries in the field of natural resources be made a new item, and further that the expert study on multinational corporations, requested by the Council, also be brought before the Committee at the next session. Another delegation suggested that attention be devoted to the building up of scientific and technological capabilities in developing countries in the field of natural resources, which could be included possibly with the proposed item on national services; the same delegation also proposed that an earlier suggestion might be revived, namely to deal with the application of natural resources utilization and development to the industrialization of developing countries. Regarding those proposals, another delegation pointed out, however, the need to avoid duplication with the work of UNCTAD on the transfer of technology, and with the Economic and Social Council's Standing Committee on Science and Technology. One delegation also re-emphasized that the secretariats of the appropriate organs of the United Nations system should be involved in the preparation of documentation such as that regarding permanent sovereignty. Some delegations cautioned against overloading the agenda and allowing the subject-matter to become too broad.

160. In conclusion, the Committee recommends that the Secretary-General should be requested to prepare a draft agenda and, assuming the next session would be held in 1975, to circulate such a draft agenda to members of the Committee by the end of 1973 for comments, which he would then take into account when preparing a provisional agenda for circulation in the early part of 1974.

161. Regarding the time of the fourth session, some delegations proposed early 1975, and others that the matter should be kept open for consideration in the Economic and Social Council. The Committee agreed in principle on 1975.

162. The Committee also stressed the importance of full participation of all its members at the fourth session.

163. The Committee also discussed the place of the fourth session. Some suggested that it be held at United Nations Headquarters, but it was agreed to keep the question of place open and to recommend that the Economic and Social Council consider the matter when taking up the calendar of conferences.

# VIII. RECOMMENDATIONS TO THE ECONOMIC AND SOCIAL COUNCIL

164. The subjects on which the Committee on Natural Resources makes recommendations to the Economic and Social Council in the present report and the paragraphs containing these recommendations are listed below:

Co-ordination of the work of the United Nations system in the natural resources field and progress in the implementation by the United Nations system of the guidelines for action in the development of natural resources (paras. 34 (c), (e), (j) and (k));

Projections of natural resources reserves, supply and future demand (para. 45);

The United Nations revolving fund for natural resources exploration (paras. 68 and 69);

Implementation of the principle of permanent sovereignty over natural resources in its political, economic, social and legal aspects (paras. 88 (f), (g) and (h));

United Nations water conference (paras. 114 and 116);

Groundwater exploration and development (paras. 126 and 127);

Technical and economic aspects of international river basin development (paras. 136 and 137);

Recommendations of the United Nations Conference on the Human Environment relating to natural resources (paras. 144 (b) and (c));

Consideration of the provisional agenda, time and place of the fourth session of the Committee on Natural Resources (paras. 160, 161 and 163).



ANNEXES

Annex I

AGENDA

1. Opening of the session
2. Election of officers
3. Adoption of the agenda and organization of work
4. Co-ordination of the work of the United Nations system in the natural resources field and progress in the implementation by the United Nations system of the guidelines for action in the development of natural resources
5. Projections of natural resources reserves, supply and future demand
6. The United Nations revolving fund for natural resources exploration
7. Implementation of the principle of permanent sovereignty over natural resources in its political, economic, social and legal aspects
8. Developments in the field of natural resources - water, energy and minerals:
  - (a) United Nations water conference;
  - (b) Groundwater exploration and development;
  - (c) Technical and economic aspects of international river basin development;
  - (d) Recommendations of the United Nations Conference on the Human Environment relating to natural resources;
  - (e) Arrangements for broadening the experience of young specialists from developing countries in other countries in the field of natural resources exploration and development;
  - (f) New technologies in energy;
  - (g) New concepts in mineral resources exploration and recent advances in production technology
9. Consideration of the provisional agenda, time and place of the fourth session of the Committee on Natural Resources
10. Adoption of the report of the Committee

## Annex II

### PROJECTIONS OF NATURAL RESOURCES RESERVES, SUPPLY AND FUTURE DEMAND

#### Draft recommendations submitted by Argentina

##### The Committee on Natural Resources,

Conscious of the need to consider the question of projections of natural resources, supply and future demand,

Reaffirming the urgent need to reduce the existing gap in the consumption of energy and mineral resources between the developed and the developing countries, taking into account that developed countries, or 25 per cent of mankind, consume currently between 80 per cent and 85 per cent of the total non-renewable natural resources exploited,

Aware of the fact that energy production and consumption is the underlying basic input of every activity carried out by countries for the purpose of satisfying their needs and accomplishing their goals of development,

Taking into account the need to avoid overlapping and duplication of activities of the United Nations, the subsidiary organs of the Economic and Social Council, the specialized agencies and the International Atomic Energy Agency,

1. Expresses its complete disapproval of the concept of limits to growth based on assumptions of global physical limitations of resources or constraints of technological developments;

2. Reaffirms the need of developing countries to increase their consumption of natural resources and production of energy for the purpose of satisfying their priorities of development, taking into account the need to avoid the irrational consumption of resources and the preservation of a favourable environment;

3. Requests the Secretary-General, the specialized agencies and IAEA to take explicitly into consideration, when carrying out programmes referred to natural resources and energy production and consumption, the maximization of achievement of the priorities of development of the developing countries.

#### Energy

##### The Committee on Natural Resources,

Requests the Secretary-General:

(a) To prepare a detailed report of the existing forecasting methodologies for projecting future energy consumption together with those still under study but that could be used more successfully. The report should express the conceptual differences among the definitions of the variables used in each methodology;

(b) To present a detailed report on the existing methodologies in technological forecasting indicating the necessary modifications to be considered, as expressed in the note by the Secretary-General (E/C.7/40/Add.1), particularly those for maximizing the availability of opportunities for the growth of energy production and consumption in developing countries;

(c) To present the reports to the Committee at its next session.

### Minerals

#### The Committee on Natural Resources,

#### Requests the Secretary-General:

(a) To prepare a report about which organizations are currently undertaking long-term projections together with an indication of the methodologies used by each of them;

(b) To undertake a detailed report, in the form of a study, about the different methodologies for long-term projections of resources and about the methodologies still under study, that could be used more successfully, taking into account the demands by group of minerals and the possible substitutions among them by other resources, either natural and/or synthetic. The report should express the concepts and definitions used by each methodology referred to in it.

(c) To present the reports to the Committee at its next session, for its consideration.

#### Draft recommendations submitted by France

The Committee on Natural Resources considers that where reserves and demand projections are concerned the problems are entirely different at the world level and the State level.

#### World level

Many studies are conducted by scientific and economic organizations, both public and private, relating both to reserves and to future demands for energy and minerals.

In this sphere the Resources and Transport Division should confine itself to compiling a list of these organizations and their studies, and should make their conclusions known to member countries.

In particular, there is no need to establish the services envisaged in document E/C.7/40, paragraph 9 (geological and technical information) or document E/C.7/40/Add.3, paragraph 37 (water costs and prices), or to undertake the studies envisaged in paragraphs 145 and 148 of document E/C.7/40/Add.1 and paragraph 33 (b) and (c) of document E/C.7/40/Add.2.

#### State level

As a basis for their planning studies, States require forecasts of their future demands, especially in relation to water and energy. They also need to know their water, energy and ore resources.

The Resources and Transport Division should be in a position to give those which request it operational assistance in the study of these problems of resources and future demand.

Again at the request of countries, this assistance could cover the most effective policies to implement for the development of these water, energy and ore resources (regulatory aspects, taxation system, investment, etc.). This assistance would also cover the technical aspects of exploitation, at least when the latter is handled by State organizations.

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Moreover, the Resources and Transport Division should, in liaison with UNCTAD, assess the impact of technological progress, new techniques and environmental policy on energy and ore supply and demand, with particular reference to the effect of environmental policies on the lead and sulphur markets.

#### Draft recommendations submitted by India

1. The Committee on Natural Resources proposes that the United Nations should establish standard methodologies for national and regional projections on energy demand and supply on an internationally comparable basis.
2. It is further suggested that future United Nations studies in this field should include global projections on energy supply and demand, as well as global projections on an energy sector basis. In addition, studies on regional and interregional flow patterns of energy supply should be undertaken.
3. It is also strongly recommended that the Resources and Transport Division of the United Nations should be responsible for the collection and collation of technical, economic and commercial information on the various energy sectors by the establishment of an information bureau.
4. It is further strongly recommended that the activities of the United Nations with regard to energy policy and planning should be strengthened, and that the

United Nations should periodically report on the energy situation and prospects at the country level and assess and evaluate world energy sources and supplies for the information of the Committee on Natural Resources.

5. It is further proposed that in due course an international symposium on energy policy and planning techniques be convened, with particular emphasis on international co-operation for the utilization of indigenous energy resources with special reference to the developing countries.

6. It is recommended that the Secretary-General establish a panel of experts to provide advice on the more sophisticated techniques of energy planning for the benefit of the developing countries. The Government of India will be ready to extend its co-operation in this matter and make available its experience in energy planning. In this connexion, attention was drawn to the decision taken at the second session of this Committee regarding United Nations assistance to member countries in the establishment of institutes of energy planning.

7. In conclusion, support is given to the suggestions for action contained in section VI of document E/C.7/40/Add.1.

#### Draft proposals submitted by Jamaica

1. Establishment of a data bank and dissemination of information regarding problems, research and progress.

2. United Nations to influence international and bilateral lending policies to reflect greater concern for social and humanitarian aspects of water resources development.

3. Manpower development at country levels - United Nations to investigate massive exchange programme of persons involved in the actual work of water resources development, thus maximizing training opportunities on an on-the-job basis.

4. Before or as an integral part of the world water conference the United Nations should investigate the feasibility of mounting a world-wide public relations campaign designed to awaken universal water consciousness and promote the efficient use of water. This could probably be termed water for life or water for survival.

5. The American Water Works Association has a vast quantity of suitable material which could be supplemented by available material for other countries and adopted mutatis mutandis for various situations.

#### Draft recommendations submitted by Poland and the Union of Soviet Socialist Republics

The Committee on Natural Resources,

Considering the importance of the problem of forecasting natural resources reserves, demand and consumption,

1. Deems it advisable that this item be considered on a regular basis at the sessions of the Committee on Natural Resources, and for that purpose that the Secretary-General be instructed to submit to the Committee on a regular two-year basis:

(a) A report on which organizations are undertaking medium-term and long-term projections in the field of mineral, water and energy resources, indicating the methods used by each of the organizations;

(b) A report on the present status and prospects of energy consumption and the availability of energy resource reserves, including new and promising sources of energy;

(c) A report in the form of a study of long-term mineral resources projection, making use of concrete data for individual regions, and countries.

2. Considers it inadvisable:

(a) To conduct an interregional seminar on forecasting water demands (see E/C.7/40/Add.3, para. 36) in view of the holding of and preparations for other international meetings on water resources;

(b) To establish the services referred to in paragraph 9 of document E/C.7/40 (geological and technological information service) and in paragraph 37 of document E/C.7/40/Add.3 (service on cost and price structures in the water resources field);

(c) To conduct the studies referred to in paragraphs 33 (b) and (c) of document E/C.7/40/Add.2 and in paragraphs 145 and 148 of document E/C.7/40/Add.1.

### Annex III

#### GROUNDWATER EXPLORATION AND DEVELOPMENT

##### Draft proposals and recommendations submitted by the Union of Soviet Socialist Republics

1. It is noted that the content of the documents prepared by the Secretariat under item 8 (b), "Groundwater exploration and development", does not reflect many substantive and important technical aspects of the subject. The document contains no description of the practical activity and current views of the organizations and agencies of the United Nations system in the field of groundwater utilization.
2. The Secretary-General of the United Nations should be requested, in preparing the documents for the next session of the Committee on Natural Resources on problems relating to groundwater exploration and development, to take the following considerations into account:
  - (a) The documents should reflect as fully as possible the practical activity and views of all organs, organizations and agencies of the United Nations system in the field of groundwater development;
  - (b) The documents should contain an analysis and evaluation of the degree of co-ordination among the work programmes of the organs, organizations and agencies of the United Nations system in the field of groundwater development, and also proposals to improve co-ordination of the activities of international organizations in the field of groundwater development, both at the international level and at the national level, within the limits of technical assistance project implementation;
  - (c) The documents should contain as full as possible a description of the technical aspects of groundwater development, and also of promising directions of technological progress in this field.

Annex IV

LIST OF DOCUMENTS BEFORE THE COMMITTEE AT ITS THIRD SESSION

<u>Document No.</u>	<u>Item No. of the agenda</u>	<u>Title</u>
E/5170	7	Report of the Secretary-General
E/C.7/30		Provisional agenda
E/C.7/30/Add.1		Annotations to the provisional agenda
E/C.7/31	8 (a)	Report of the Intergovernmental Panel of Specialists
E/C.7/32 and Add.1	8 (d)	Note by the Secretary-General
E/C.7/33	7	Note by the Secretary-General
E/C.7/34	8 (b)	Note by the Secretary-General
E/C.7/35	8 (c)	Note by the Secretary-General
E/C.7/36	8 (g)	Note by the Secretary-General
E/C.7/37	8 (f)	Note by the Secretary-General
E/C.7/38 and Add.1-3	4	Work programmes, spheres of competence, division of responsibilities and co-ordination measures: report of the Secretary-General
E/C.7/39	8 (a)	Report of the Secretary-General
E/C.7/40 and Add.1, Add.2 and Add.2/Corr.1 and Add.3	5	Note by the Secretary-General
E/C.7/41	8 (e)	Report of the Secretary-General and the Administrator of the United Nations Development Programme
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E/C.7/L.7	3	Form of presentation of the United Nations budget and duration of the budget cycle: note by the Secretary-General
E/C.7/L.8	4	Note by the Secretary-General transmitting a statement by the representative of Pakistan on development of atomic minerals
E/C.7/L.9	4	Comments of the International Atomic Energy Agency
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E/C.7/L.12	5	Draft recommendations submitted by Argentina
E/C.7/L.12/Rev.1	5	Revised draft recommendations submitted by Argentina
E/C.7/L.13	7	Draft recommendations submitted by Algeria, Brazil, Iceland, India and Venezuela
E/C.7/L.14	5	Draft recommendations submitted by the Union of Soviet Socialist Republics
E/C.7/L.14/Rev.1	5	Revised draft recommendation submitted by Poland and the Union of Soviet Socialist Republics
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E/C.7/L.20	5	Draft recommendations submitted by India