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DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: TRADE AND DEVELOPMENT

Report of the Second Committee (Part III)*

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I. INTRODUCTION

1. The Second Committee held a substantive debate on item 82 (see A/44/746, para. 2). Action to be taken on sub-item (b) was considered at the 38th, 44th, 48th, 49th and 51st meetings, held on 17 and 24 November and 4, 11 and 17 December 1989. An account of the Committee's consideration of the item is contained in the relevant summary records (A/C.2/44/SR.38, 44, 48, 49 and 51).

II. CONSIDERATION OF PROPOSALS

A. Draft resolutions contained in document A/C.2/44/L.5

2. By its decision 43/438 of 20 December 1988, the General Assembly, on the recommendation of the Second Committee, decided to defer until its forty-fourth session consideration of the draft resolutions entitled "Protectionism and structural adjustment" and "Commodities". The draft resolutions, as contained in document A/C.2/44/L.5, read as follows:

* The report of the Committee on this item will be used in 12 parts (see also A/44/746 and Add.1 and Add.3-11).

"Protectionism and structural adjustment

"The General Assembly,

"Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, 3362 (S-VII) of 16 September 1975, on development and international economic co-operation, 31/163 of 21 September 1976 and 33/196 of 29 January 1979,

"Bearing in mind the relevant resolutions adopted by the United Nations Conference on Trade and Development, particularly resolution 96 (IV) of 31 May 1976, entitled 'A set of interrelated and mutually supporting measures for expansion and diversification of exports of manufactures and semi-manufactures of developing countries', 1/

"Recalling also resolution 131 (V) of 3 June 1979 of the United Nations Conference on Trade and Development, entitled 'Protectionism and structural adjustment', 2/

"Taking note of resolution 226 (XXII) of 20 March 1981 of the Trade and Development Board, entitled 'Protectionism and structural adjustment', 3/

"Recognizing that international trade should play an essential role in economic growth and development, particularly that of developing countries, and that the expansion of international trade on an equitable basis should be beneficial to all countries,

"Noting with concern the increase in many developed countries of subsidies to inefficient and internationally less competitive lines of production, which are of particular export interest to developing countries,

"Noting also that increasing domestic subsidies to agricultural productions in developed countries, a matter which is not sufficiently negotiated in the multilateral trade negotiations, disrupts international trade and seriously affects production in and export from developing countries,

1/ See Proceedings of the United Nations Conference on Trade and Development, Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

2/ Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

3/ Official Records of the General Assembly, Thirty-sixth Session, Supplement No. 15 (A/36/15) (Part I), Annex I.

"Recognizing also that a healthy world economy would require, inter alia, the establishment of long-term industrial structural adjustment policies and measures to facilitate a greater transfer of industrial capacities from developed to developing countries, in order to attain an equitable and effective international division of labour, as well as the promotion of a substantial increase in the share of developing countries in the industrial production and exports of manufactures and semi-manufactures, in the light of the targets set out in the Lima Declaration and Plan of Action on Industrial Development and Co-operation, 4/

"Noting the deep concern of all countries about intensified protectionist pressures and that of the developing countries in particular about the serious consequences which the increase in recent years of protectionist measures in developed countries may have for them by affecting their exports, particularly in sectors in which the comparative advantage has shifted in their favour and opened up important perspectives for growth in their economies,

"Recognizing further that the current economic problems of developed countries cannot be solved by concealed or open protectionism and that trade-restrictive measures could touch off chain reactions involving a widening series of actions by an increasing number of countries,

"Noting with deep concern that such measures, by delaying the process of necessary structural change in the developed countries and consequently limiting the market access for agricultural, manufactured and semi-manufactured exports of developing countries, have adverse effects on the economies of developing countries,

"Realizing that increasing protectionist measures have, inter alia, aggravated inflation in the developed countries which is, in turn, transferred to the developing countries,

"Emphasizing the importance of structural adjustment for the elimination of protectionism and for the promotion of greater international trade, taking into account the interests of developing countries and with a view to the early attainment of their development objectives,

"1. Urges developed countries to implement fully and to adhere strictly to the standstill provisions they have accepted by refraining from introducing new tariff and non-tariff barriers affecting the exports of developing countries and to reduce substantially tariff escalation so as to provide improved access to exports of manufactures, semi-manufactures and processed primary products from the developing countries;

"2. Calls upon developed countries to eliminate promptly their existing tariff and non-tariff barriers, particularly quantitative restrictions and other measures having an equivalent effect on the exports of developing countries;

4/ See A/10112, chap. IV.

"3. Agrees that structural adjustment should be a constant and global process which the international community, in particular the developed countries, should facilitate by conscious efforts aimed at ensuring accelerated and sustained overall growth of the developing countries, including the development and diversification of their economies and an effective international division of labour involving both inter-industry and intra-industry specialization, enabling developing countries to secure an increase in their share of world trade, of processed goods and of manufacturing;

"4. Calls upon developed countries to implement long-term industrial structural adjustment policies with a view to facilitating the establishment of an equitable and effective international division of labour;

"5. Welcomes the decision of the Trade and Development Board to establish a sessional committee at the twenty-fourth session of the Board in accordance with its resolution 226 (XXII) to deal with the problems of protectionism and structural adjustment;

"6. Calls upon that sessional committee to undertake sectoral reviews within the framework of the annual review referred to in resolution 131 (V) of the United Nations Conference on Trade and Development, with a view to the effective and full implementation of section A, paragraph 3, of that resolution, and invites the Conference, on the basis of such annual reviews, to formulate general recommendations which national Governments would take into account in implementing section A, paragraph 3, of resolution 131 (V) and to review continuously developments involving restrictions of trade affecting exports of developing countries with a view to examining and formulating appropriate recommendations, and to ensure that this comprehensive review also deals with the monitoring of the evolution of the industrial capacity in the developed countries in order to recommend the measures necessary to prevent protectionist demands in those countries."

"Synoptic table of comments on the draft resolution entitled
 'Protectionism and structural adjustment'

Draft resolution	Suggestions made
<p><u>"Protectionism and structural adjustment</u> <u>The General Assembly,</u> <u>Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, 3362 (S-VII) of 16 September 1975, on development and international economic co-operation, 31/163 of 21 September 1976 and 33/196 of 29 January 1979,</u></p>	<p>No comments.</p>
<p><u>Bearing in mind the relevant resolutions adopted by the United Nations Conference on Trade and Development, particularly resolution 96 (IV) of 31 May 1976, entitled 'A set of interrelated and mutually supporting measures for expansion and diversification of exports of manufactures and semi-manufactures of developing countries',</u></p>	<p>The representative of the European Economic Community suggested the deletion of the reference to the relevant resolutions adopted by the United Nations Conference on Trade and Development and proposed that specific reference be made to certain sections of 96 (IV), as in the ninth preambular paragraph of 131 (V): <u>"Reaffirming sections IC, ID, IE and IIC of Conference resolution 96 (IV) of 31 May 1976"</u>.</p>
<p><u>Recalling also resolution 131 (V) of 3 June 1979 of the United Nations Conference on Trade and Development on 3 June 1979, entitled "Protectionism and structural adjustment",</u></p>	<p>No comments.</p>
<p><u>Taking note of resolution 226 (XXII) of 20 March 1981 of Trade and Development Board, entitled 'Protectionism and structural adjustment',</u></p>	<p>No comments.</p>
<p><u>Recognizing that international trade should play an essential role in economic growth and development, particularly that of developing countries, and that the expansion of international trade on an equitable basis should be beneficial to all countries,</u></p>	<ol style="list-style-type: none"> 1. The representative of the United States of America suggested the deletion of the words "on an equitable basis". 2. The representative of the European Economic Community suggested the deletion of the word "international" and proposed that the sentence end with the word "countries" in the second line.

	Suggestions made
<p>"Draft resolution</p> <p>"Noting with concern the increase in many developed countries of subsidies to inefficient and internationally less competitive lines of production, which are of particular export interest to developing countries,</p> <p>"Noting also that increasing domestic subsidies to agricultural productions in developed countries, a matter which is not sufficiently negotiated in the multilateral trade negotiations, disrupts international trade and seriously affects production in and export from developing countries,</p>	<p>1. The representatives of Japan, the European Economic Community, Austria and Norway suggested the deletion of both paragraphs.</p> <p>2. The representative of the United States of America proposed the following reformulation of the sixth preambular paragraph:</p> <p>"Noting with concern the increased pressures to extend import protection to economically troubled industries, many of which are of particular export interest to developing countries,"</p> <p>and proposed that the seventh preambular paragraph should read as follows:</p> <p>"Noting also that increasing domestic subsidies to agricultural production is a matter which is not sufficiently negotiated in the multilateral trade negotiations, disrupts international trade and seriously affects production in and exports from efficient agricultural producers,"</p> <p>3. The representative of Finland suggested the deletion of the phrase in the sixth preambular paragraph reading: "which are of particular export interest to developing countries."</p>
<p>"Recognizing also that a healthy world economy would require, <u>inter alia</u>, the establishment of long-term industrial structural adjustment policies and measures to facilitate a greater transfer of industrial capacities from developed to developing countries, in order to attain an equitable and effective international division of labour, as well as the promotion of a substantial increase in the share of developing countries in the industrial production and exports of manufactures and semi-manufactures, in the light of the targets set out in the Lima Declaration and Plan of Action on Industrial Development and Co-operation,</p>	<p>The representative of the European Economic Community suggested the following reformulation of the paragraph:</p> <p>"Recognizing that a healthy world economy would contribute to the satisfactory pursuit by developing countries of their export policies and industrialization and that structural adjustment for the containment of protectionism and for an effective division of labour is essential in order for developing countries to obtain an increased share of world production, as well as of world trade in manufactures, bearing in mind the target of development countries of a 25 per cent share of world production by the year 2000, as set out in the Lima Declaration and Plan of Action,"</p>

"Draft resolution	Suggestions made
<p>"Noting the deep concern of all countries about intensified protectionist pressures and that of the developing countries in particular about the serious consequences which the increase in recent years of protectionist measures in developed countries may have for them by affecting their exports, particularly in sectors in which the comparative advantage has shifted in their favour and opened up important perspectives for growth in their economies,</p>	<ol style="list-style-type: none">1. The representative of the European Economic Community suggested the following reformulation of the paragraph: "Noting the deep concern of all countries about intensified protectionist pressures and that of the developing countries in particular about the serious consequences which the increase in recent years of protectionist measures in the world trading system may have for these countries by affecting their exports,".2. The representative of the United States of America suggested the following reformulation of the paragraph: "Noting the deep concern of all countries about intensified protectionist pressures and that of the developing countries in particular about the serious consequences which an increase of protectionist measures in developed countries would have for them by affecting their exports, particularly in sectors in which they have a comparative advantage and important perspectives for growth in their economies,".3. The representative of Finland suggested that the word "measures" be replaced by the word "pressures".
<p>"Recognizing further that the current economic problems of developed countries cannot be solved by concealed or open protectionism and that trade-restrictive measures could touch off chain reactions involving a widening series of actions by an increasing number of countries,</p>	<ol style="list-style-type: none">1. The representative of the United States of America suggested the deletion of the words "of developing countries".2. The representative of the European Economic Community suggested that the paragraph begin with the words "Recalling further that today's world problems cannot be solved ..."
<p>"Noting with deep concern that such measures, by delaying the process of necessary structural change in the developed countries and consequently limiting the market access for agricultural, manufactured and semi-manufactured exports of developing countries, have adverse effects on the economies of developing countries,</p>	<ol style="list-style-type: none">1. The representative of the European Economic Community suggested that the paragraph be replaced by the following: "Noting with concern the adverse effects of protectionist measures on the economies of developing countries,".2. The representative of the United States of America suggested the following reformulation of the paragraph: "Noting with deep concern that protective measures, by delaying the process of structural change and limiting market access, have adverse economic effects on the economies of developing countries,".3. The representative of Finland suggested replacing the word "measures" by the word "pressures".

Draft resolution	Suggestions made
<p>Realizing that increasing protectionist measures have, inter alia, aggravated inflation in the developed countries which is, in turn, transferred to the developing countries,</p>	<ol style="list-style-type: none"> 1. The representative of Finland suggested replacing the word "measures" by the word "pressures". 2. The representatives of the United States of America, the European Economic Community and Austria suggested the deletion of the paragraph.
<p>"Emphasizing the importance of structural adjustment for the elimination of protectionism and for the promotion of greater international trade, taking into account the interests of developing countries and with a view to the early attainment of their development objectives,</p>	<ol style="list-style-type: none"> 1. The representative of the European Economic Community stated that the idea contained in this paragraph was covered in its proposal for the eighth preambular paragraph (see above), and suggested the deletion of the paragraph. 2. The representative of the United States of America suggested the deletion of the words "for the elimination of protectionism and for the promotion of greater international trade".
	<p>The representative of Japan proposed a new preambular paragraph to read as follows:</p> <p>"Bearing in mind the work being undertaken by other organizations, such as the United Nations Industrial Development Organization, the Food and Agriculture Organization of the United Nations, the International Labour Organisation and the General Agreement on Tariffs and Trade,"</p>
	<p>The representative of the European Economic Community proposed a new preambular paragraph to read as follows:</p> <p>"Welcoming the recent decision of the General Agreement on Tariffs and Trade contracting parties to convene a ministerial meeting with a view to examining the overall conditions of trade and to seek solutions to the remaining questions of the Tokyo Round,"</p> <p>The representative of the European Economic Community proposed the following two new operative paragraphs:</p> <ol style="list-style-type: none"> "1. Urges all countries to maintain and improve the open and multilateral trading system and to this end to strengthen in particular the role of the General Agreement on Tariffs and Trade; "2. Endorses the positive conclusions of the multilateral trade negotiations and urges all participating countries fully and effectively to continue to implement the commitments made, both in their letter and spirit,"

"Draft resolution	Suggestions made
<p>"1. Urges developed countries to implement fully and to adhere strictly to the standstill provisions they have accepted by refraining from introducing new tariff and non-tariff barriers affecting the exports of developing countries and to reduce substantially tariff escalation so as to provide improved access to exports of manufactures, semi-manufactures and processed primary products from the developing countries;</p>	<p>1. The representative of the United States of America suggested the following reformulation of the paragraph:</p> <p>"Urges developed countries to implement fully and to adhere strictly to the standstill provisions they have accepted in particular concerning imports from developing countries and to co-operate in exploring whether, following the tariff reductions of the Tokyo Round, there remain areas of tariff escalation where reductions might improve access to exports of manufactures, semi-manufactures and processed primary products from the developing countries,".</p> <p>2. The representative of the European Economic Community suggested the following reformulation of the paragraph:</p> <p>"welcomes the commitments of countries of the Organisation for Economic Co-operation and Development to implement fully and to adhere strictly to the substantial provision, in particular, concerning imports from developing countries and refrain from introducing new tariff and non-tariff barriers,".</p> <p>3. The representative of Finland suggested the deletion of the words "exports of manufactures, semi-manufactures and processed primary products from the developing countries".</p>
<p>"2. Calls upon developed countries to eliminate promptly their existing tariff and non-tariff barriers, particularly quantitative restrictions and other measures having an equivalent effect on the exports of developing countries;</p>	<p>1. The representative of the United States of America suggested the following reformulation of the paragraph:</p> <p>"Calls upon developed countries to seek ways to move towards the reduction of quantitative restrictions and other measures having an equivalent effect, particularly in relation to products exported by developing countries,".</p> <p>2. The representative of the European Economic Community and Finland suggested the deletion of the paragraph.</p> <p>3. The representative of Sweden suggested to replace the words "eliminate promptly" by the words "seek to reduce".</p>

Draft resolution	Suggestions made
<p>"3. Agrees that structural adjustment should be a constant and global process which the international community, in particular the developed countries, should facilitate by conscious efforts aimed at ensuring accelerated and sustained overall growth of their economies and an effective international division of labour involving both inter-industry and intra-industry specialization, enabling developing countries to secure an increase in their share of world trade, of processed goods and of manufacturing;</p> <p>"4. Calls upon developed countries to implement long-term industrial structural adjustment policies with a view to facilitating the establishment of an equitable and effective international division of labour;</p>	<p>1. The representative of the United States of America suggested the following reformulation of the paragraph:</p> <p>"Agrees that structural adjustment should be a constant and global process which the international community should facilitate by conscious efforts aimed at ensuring accelerated and sustained overall growth including the development and diversification of the economies of developing countries and an effective international division of labour involving both inter-industry and intra-industry specialization, enabling developing countries to secure an increase in their share of world trade, of processed goods and of manufacturing,".</p> <p>2. The representative of Sweden suggested replacing the words "should be" in the first line by the word "is".</p> <p>1. The representative of the European Economic Community suggested the following reformulation of the paragraph:</p> <p>"Calls upon developed countries to implement policies which facilitate long-term structural adjustment with a view to facilitating the establishment of an equitable and effective international division of labour,".</p> <p>2. The representative of Finland objected to referring only to "developed countries" in this paragraph.</p> <p>3. The representative of the United States of America suggested the following reformulation of the paragraph:</p> <p>"Calls upon developed countries to facilitate structural adjustment by allowing market-place decisions to proceed without interference with a view to facilitating the establishment of an efficient international division of labour,".</p>
<p>"5. Welcomes the decision of the Trade and Development Board to establish a sessional committee at the twenty-fourth session of the Board in accordance with its resolution 226 (XXII) to deal with the problems of protectionism and structural adjustment;</p>	<p>1. The representative of the European Economic Community suggested the following reformulation of the paragraph:</p> <p>"Welcomes the decision of the Trade and Development Board to establish a sessional committee at the twenty-fourth session of the Board, in accordance with its resolution 226 (XXII) on the question of protectionism and structural adjustment,".</p>

"Draft resolution	Suggestions made
<p>"6. Calls upon that sessional committee to undertake sectoral reviews within the framework of the annual review referred to in resolution 131 (V) of the United Nations Conference on Trade and Development, with a view to the effective and full implementation of section A, paragraph 3, of that resolution, and invites the Conference, on the basis of such annual reviews, to formulate general recommendations which national Governments would take into account in implementing section A, paragraph 3, of resolution 131 (V) and to review continuously developments involving restrictions of trade affecting exports of developing countries with a view to examining and formulating appropriate recommendations, and to ensure that this comprehensive review also deals with the monitoring of the evolution of the industrial capacity in the developed countries in order to recommend the measures necessary to prevent protectionist demands in those countries;".</p>	<p>2. The representative of the United States of America suggested the following reformulation of the paragraph:</p> <p>"Applauds the progress being made by the Secretary-General of the United Nations Conference on Trade and Development in implementing the decision of the Trade and Development Board at its twenty-second session, Board decision 226 (XXII) of 20 March 1981, providing for follow-up action to section A, paragraph 2 of resolution 131 (V) of the United Nations Conference on Trade and Development,".</p>
<p>"6. Calls upon that sessional committee to undertake sectoral reviews within the framework of the annual review referred to in resolution 131 (V) of the United Nations Conference on Trade and Development, with a view to the effective and full implementation of section A, paragraph 3, of that resolution, and invites the Conference, on the basis of such annual reviews, to formulate general recommendations which national Governments would take into account in implementing section A, paragraph 3, of resolution 131 (V) and to review continuously developments involving restrictions of trade affecting exports of developing countries with a view to examining and formulating appropriate recommendations, and to ensure that this comprehensive review also deals with the monitoring of the evolution of the industrial capacity in the developed countries in order to recommend the measures necessary to prevent protectionist demands in those countries;".</p>	<p>1. The representative of the European Economic Community suggested the following reformulation of the paragraph:</p> <p>"Notes that the sessional committee established by the Trade and Development Board resolution 226 (XXII) is to:</p> <p>(a) Carry out the annual review of the patterns of production and trade in the world economy as provided for in section A of United Nations Conference on Trade and Development resolution 131 (V);</p> <p>(b) Together with United Nations Conference on Trade and Development subsidiary bodies concerned, continue to review developments involving restrictions of trade as provided for in section B of United Nations Conference on Trade and Development resolution 131 (V) with a view to examining and formulating appropriate recommendations concerning the general problem of protectionism,".</p> <p>2. The representative of the United States of America suggested the following reformulation of the paragraph:</p>

"Draft resolution	Suggestions made
	<p>"Calls upon States members of the United Nations Conference on Trade and Development to take the reviews of the Secretary-General of the United Nations Conference on Trade and Development and any general recommendations flowing from them into account in following up the provisions in section E of Conference resolution 96 (IV) and to review continuously developments involving restrictions of trade affecting exports of developing countries, including restrictions by other developing countries, with a view to examining and formulating appropriate recommendations, while examining the structural adjustment measures in the economies of the developing countries, which would facilitate the transition from import substitution to export promotion to take advantage of these market opportunities newly opened through trade negotiations and generalized systems of preferences,".</p>

* * *

"Commodities

"The General Assembly,

"Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, 3362 (S-VII) of 16 September 1975 on development and international economic co-operation, and 35/56 of 5 December 1980, the annex to which contains the International Development Strategy for the Third United Nations Development Decade,

"Recalling also resolutions 93 (IV) of 30 May 1976, 5/ 124 (V) of 3 June 1979, 6/ and 155 (VI) and 156 (VI) of 2 July 1983, 7/ concerning the Integrated Programme for Commodities, and 153 (VI) of 2 July 1983, 8/ on the Common Fund for Commodities, adopted by the United Nations Conference on Trade and Development at its fourth, fifth and sixth sessions,

"Reiterating its deep concern at the slow pace of progress to bring the Common Fund for Commodities into operation, owing to the lack of ratification of the Agreement establishing the Fund, 9/ particularly by some major commodity exporting or importing countries, as well as those accounting for a significant share of the capital of the Fund,

"Expressing deep concern at the present state of world trade in commodities, which is characterized basically by market instability and market structures detrimental to the interests of developing countries, excessive and continuing deterioration in prices, the virtual non-participation of the developing countries in the processing, distribution and marketing of their commodities and the existing serious problems confronting the international commodity agreements such as the sugar, tin and cocoa agreements, thus placing commodity trade in a cycle of severe and unpredictable fluctuations to the detriment of both producers and consumers,

5/ See Proceedings of the United Nations Conference on Trade and Development, Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

6/ Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

7/ Ibid., Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

8/ Ibid.

9/ United Nations publication, Sales No. E.81.II.D.8.

"Noting with serious concern the adverse social and economic impact of depressed prices on commodity producers, in particular those in the developing countries,

"Recognizing the major responsibility of developed countries with regard to commodity trade liberalization,

"Emphasizing that significant improvement in international commodity trade can only be effected by urgent and concerted international action based on the mutuality of interest between producers and consumers, in accordance with the objectives of the Integrated Programme for Commodities,

"Mindful of the approaching seventh session of the United Nations Conference on Trade and Development, which will be held in 1987 and which constitutes a major opportunity for progress in key issues of international economic co-operation for development,

"1. Stresses the need for urgent action to address the deteriorating situation of the developing countries in the field of commodities;

"2. Reaffirms the importance of the Common Fund for Commodities, and urges States that have not yet done so to sign and ratify the Agreement establishing the Fund without any further delay so that the Common Fund can become operational, thus contributing to the full implementation of the Integrated Programme for Commodities;

"3. Calls upon developed countries to refrain from instituting new barriers to the importation of commodities or strengthening existing ones and to take systematic action for the elimination of all existing barriers and subsidies so as to permit freer access to their markets of commodities, in primary forms as well as semi-processed and processed forms, thus, inter alia, reducing the costs to consumers of end-products;

"4. Also calls upon producing and consuming countries, particularly those participating in international commodity agreements, which face particular constraints on their effective operation to meet as soon as possible, in accordance with their established procedures, to work out both short-term and medium-term solutions to the problems affecting commodity markets, including measures to restore prices to levels remunerative to producers and equitable to consumers, which would ultimately facilitate the implementation of the Integrated Programme for Commodities;

"5. Appeals to producing and consuming countries to undertake measures designed to promote effective international co-operation in commodity trade, in accordance with the objectives and principles of the Integrated Programme for Commodities, inter alia, through their participation in international commodity agreements;

"6. Calls upon States to enhance international co-operation leading to the greater participation of the developing countries in the processing, distribution and marketing of commodities;

/...

"7. Welcomes Trade and Development Board decision 317 (X-XIV) of 27 June 1985 10/ on compensatory financing of export earnings shortfalls, and urges States to pursue its implementation;

"8. Requests the Secretary-General of the United Nations Conference on Trade and Development, in co-operation with relevant organs of the United Nations system, to continue to examine long-term trends and prospects for primary commodities with a view to recommending policy measures to facilitate and support efforts undertaken by producer developing countries to maximize the contribution of commodity trade to their development on a long-term basis;

"9. Also requests the Secretary-General of the United Nations Conference on Trade and Development to continue to monitor closely movements in international commodity trade and the progress in the implementation of the present resolution and to report thereon to the General Assembly at its forty-fifth session."

3. At the 51st meeting, on 17 December, following a statement by the Vice-Chairman of the Committee, Mr. Badam Ochiryn Doljintseren (Mongolia), the representative of Malaysia, on behalf of the States Members of the United Nations that are members of the Group of 77, made a statement in which he withdrew the draft resolutions contained in document A/C.2/44/L.5.

B. Draft resolutions A/C.2/44/L.42 and Rev.1

4. At the 38th meeting, on 17 November, the representative of Nepal, on behalf of Afghanistan, Bangladesh, Bhutan, Bolivia, Botswana, Burkina Faso, Burundi, the Central African Republic, Chad, the Lao People's Democratic Republic, Lesotho, Malawi, Mali, Mongolia, Nepal, Niger, Paraguay, Rwanda, Swaziland, Uganda, Zambia and Zimbabwe, introduced a draft resolution (A/C.2/44/L.42) entitled "Specific action related to the particular needs and problems of land-locked developing countries", which read as follows:

"The General Assembly,

"Reiterating the specific actions related to the particular needs of the land-locked developing countries set out in United Nations Conference on Trade and Development resolutions 63 (III) of 19 May 1972, 11/ 98 (IV) of 31 May 1976, 12/

10/ See Official Records of the General Assembly, Fortieth Session, Supplement No. 15 (A/40/15), vol. I, part two, sect. II.

11/ See Proceedings of the United Nations Conference on Trade and Development, Third Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.73.II.D.4), annex I.A.

12/ Ibid., Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

123 (V) of 3 June 1979 13/ and 137 (VI) of 2 July 1983, 14/ and Trade and Development Board resolution 319 (XXXI) of 27 September 1985, 15/

"Recalling the provisions of its resolutions 31/157 of 21 December 1976, 32/191 of 19 December 1977, 33/150 of 20 December 1978, 34/198 of 19 December 1979, 35/58 of 5 December 1980, 36/175 of 17 December 1981, 39/209 of 18 December 1984, 40/183 of 17 December 1985 and 42/174 of 11 December 1987 and other resolutions of the United Nations relating to the particular needs and problems of land-locked developing countries,

"Noting that most land-locked developing countries are among the very poorest of the developing countries and that, of the twenty-one land-locked developing countries, fifteen are also classified by the United Nations as least developed countries,

"Recognizing that the lack of territorial access to the sea, aggravated by remoteness and isolation from world markets, and prohibitive transit, transport and trans-shipment costs and risks impose serious constraints on export earnings, private capital inflow and domestic resource mobilization of the land-locked developing countries and therefore adversely affect their growth and socio-economic development,

"Further recognizing that the geographical situation of land-locked developing countries renders their economies particularly vulnerable and thus reduces their overall ability to cope with the mounting challenges of extreme under-development,

"Recalling the relevant provisions of the Final Act adopted by the United Nations Conference on Trade and Development at its seventh session, 16/

"Recalling also article 125 of United Nations Convention on the Law of the Sea, adopted on 10 December 1982, 17/

13/ Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

14/ See Proceedings of the United Nations Conference on Trade and Development, Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

15/ See Official Records of the General Assembly, Fortieth Session, Supplement No. 15 (A/40/15), vol. II, sect. I.

16/ See TD/351, part one, sect. I.

17/ Official Records of the Third United Nations Conference on the Law of the Sea, vol. XVII (United Nations publication, Sales No. E.84.V.3), document A/CONF.62/122.

"Noting that bilateral, subregional and regional co-operative arrangements, as appropriate, constitute a framework for improving the transit-transport systems in the land-locked countries and their transit neighbours,

"Recognizing that there are accepted international conventions on transit trade and transport, the implementation of which would contribute to the elimination of some of the bottle-necks that are currently restricting subregional and regional transit traffic,

"Recognizing also that most transit countries are themselves developing countries facing serious economic problems, including the lack of adequate infrastructure in the transport sector,

"Noting with concern that the international support measures taken thus far have not adequately addressed the problems and vulnerability of land-locked developing countries,

"1. Reaffirms the right of access of land-locked countries to and from the sea and freedom of transit through the territory of transit States by all means of transport, in accordance with article 125 of the United Nations Convention on the Law of the Sea;

"2. Appeals to all States, international organizations and financial institutions to implement, as a matter of urgency and priority, the specific actions related to the particular needs and problems of land-locked developing countries envisaged in United Nations Conference on Trade and Development resolutions 63 (III), 98 (IV), 123 (V) and 137 (VI) and the Final Act adopted by the Conference at its seventh session, in General Assembly resolutions 39/209, 40/183 and 42/174, in the International Development Strategy for the Third United Nations Development Decade, 18/ in the Substantial New Programme of Action for the 1980s for the Least Developed Countries 19/ and in other relevant resolutions of the United Nations;

"3. Urges the international community, in particular donor countries and multilateral financial and development organizations, to provide land-locked and transit developing countries with appropriate financial and technical assistance in the form of grants or concessional loans for the construction, maintenance and improvement of their transport, storage and transit infrastructures and facilities, including alternative routes;

18/ Resolution 35/56, annex.

19/ Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

"4. Emphasizes that assistance to improve transport and transit facilities and services should be viewed as part of the overall economic development strategy of the land-locked developing countries and that donor assistance should consequently take into account the requirement for long-term restructuring of the economies of the land-locked developing countries, including the promotion of import substitution industries producing high-bulk, low-value products and developing high-value, low-bulk products for export;

"5. Invites transit countries and land-locked developing countries to co-operate effectively in the fields of transport and communications and other appropriate sectors;

"6. Calls upon the appropriate multilateral and bilateral international and technical assistance institutions to give priority to such co-operative arrangements between land-locked developing countries and their transit neighbours;

"7. Invites Member States to ratify and implement the relevant provisions of the international conventions on transit trade and transport;

"8. Invites land-locked developing countries and their transit neighbours to promote bilateral, subregional and regional arrangements, as appropriate and in their mutual interest, designed to facilitate transit traffic;

"9. Appeals to the international community to make available to all transit and land-locked developing countries, as required and on appropriate terms, including, inter alia, concessional arrangements for technology transfer, new and emerging scientific and technological know-how relating to specific transit-transport and communications problems;

"10. Appeals to the international community, in particular, donor countries, multilateral financial and development institutions, the United Nations Conference on Trade and Development and the regional commissions, to extend all possible support to land-locked developing countries in their efforts to undertake economic measures and policies designed to promote a pattern of growth that renders their economies less vulnerable to adverse consequences of their land-locked situation;

"11. Urges the international financial and development bodies, in particular the United Nations Development Programme, the United Nations Conference on Trade and Development and the regional commissions, to respond favourably and expeditiously to requests made by land-locked developing countries to further expand their financial and technical assistance programmes in the transport and communications sectors of the land-locked developing countries, including the provision of adequate storage facilities in the ports of the transit countries and the rail terminals of the land-locked countries, and the provision of adequate berthing and handling facilities;

"12. Requests the Secretary-General of the United Nations Conference on Trade and Development, for the purpose referred to in paragraph 11 above, to continue to seek extrabudgetary resources from the United Nations Development Programme and other voluntary contributors to enable him, if requested by the Governments concerned, to assist land-locked developing countries and their transit neighbours in the above efforts;

"13. Further requests the Secretary-General of the United Nations Conference on Trade and Development to intensify the technical co-operation activities of the United Nations Conference on Trade and Development in the area of transit transport, as called for in paragraph 9 of Conference resolution 137 (VI) and paragraph 10 of Trade and Development Board resolution 319 (XXXI);

"14. Invites the Secretary-General of the United Nations Conference on Trade and Development to consider, in the context of the preparations for the Second United Nations Conference on the Least Developed Countries, inter alia, the problems and vulnerability of land-locked developing countries;

"15. Welcomes the report of the Secretary-General of the United Nations Conference on Trade and Development on progress in the implementation of specific action related to the particular needs and problems of land-locked developing countries, submitted pursuant to Conference resolution 137 (VI) and General Assembly resolution 42/174, 20/ and requests him to prepare another report, taking into account the provisions of the present resolution, for submission to the General Assembly at its forty-sixth session."

5. At the 51st meeting, on 17 December, the Vice-Chairman of the Committee, Mr. Badam Ochiryn Doljintseren (Mongolia), reported on the results of informal consultations held on draft resolution A/C.2/44/L.42 and drew the attention of the Committee to a revision of the draft resolution (A/C.2/44/L.42/Rev.1), submitted by the sponsors of draft resolution A/C.2/44/L.42.

6. At the same meeting, the Committee adopted draft resolution A/C.2/44/L.42/Rev.1 by a recorded vote of 110 to none, with 4 abstentions 21/ (see para. 31, draft resolution I). The voting was as follows:

In favour: Afghanistan, Albania, Algeria, Argentina, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Bolivia, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Central African Republic,

20/ A/44/588, annex.

21/ Subsequently, the delegation of Oman indicated that, had it been present during the voting, it would have voted in favour of the draft resolution.

Chile, China, Colombia, Côte d'Ivoire, Cuba, Cyprus, Czechoslovakia, Democratic Yemen, Denmark, Ecuador, Egypt, Fiji, Finland, France, German Democratic Republic, Germany, Federal Republic of, Ghana, Greece, Guatemala, Guinea, Guinea-Bissau, Guyana, Hungary, Iceland, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Kenya, Kuwait, Lao People's Democratic Republic, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Myanmar, Nepal, Netherlands, New Zealand, Nigeria, Norway, Papua New Guinea, Peru, Philippines, Poland, Portugal, Qatar, Romania, Rwanda, Saudi Arabia, Senegal, Singapore, Spain, Sri Lanka, Sudan, Suriname, Swaziland, Sweden, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Yugoslavia, Zaire, Zambia, Zimbabwe.

Against: None.

Abstaining: India, Iran (Islamic Republic of), Pakistan, United States of America.

7. After the adoption of the draft resolution, statements were made by the representatives of Chile, the Islamic Republic of Iran, Algeria, Turkey and the United States of America.

C. Draft resolution A/C.2/44/L.49

8. At the 44th meeting, on 24 November, the representative of Malaysia, on behalf of the States Members of the United Nations that are members of the Group of 77, introduced a draft resolution (A/C.2/44/L.49) entitled "Economic measures as a means of political and economic coercion against developing countries".

9. At the 48th meeting, on 4 December, the Vice-Chairman of the Committee, Mr. Badam Ochiryn Doljintseren (Mongolia), reported to the Committee on the results of the informal consultations held on the draft resolution.

10. At the same meeting, the Committee adopted draft resolution A/C.2/44/L.49 by a recorded vote of 89 to 22, with 3 abstentions 22/ (see para. 31, draft resolution II). The voting was as follows:

In favour: Afghanistan, Albania, Algeria, Angola, Bahamas, Bahrain, Bangladesh, Barbados, Benin, Bhutan, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Byelorussian Soviet Socialist Republic, Central African Republic, Chad, Chile, China, Colombia, Costa Rica, Cuba, Cyprus, Czechoslovakia, Democratic Yemen, Ecuador, Egypt, Ethiopia, German Democratic Republic, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, India, Indonesia, Iran (Islamic Republic of), Iraq, Jamaica, Jordan, Kenya, Kuwait, Lao People's Democratic Republic, Lesotho, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Myanmar, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, Romania, Sao Tome and Principe, Saudi Arabia, Sierra Leone, Singapore, Sri Lanka, Suriname, Swaziland, Thailand, Togo, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yugoslavia, Zambia.

Against: Australia, Austria, Belgium, Canada, Denmark, Fiji, Finland, France, Germany, Federal Republic of, Iceland, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Sweden, Turkey, United Kingdom of Great Britain and Northern Ireland, United States of America.

Abstaining: Greece, Malta, Spain.

11. After the adoption of the draft resolution, statements were made by the representatives of China, the United States of America and Turkey.

22/ Subsequently, the delegations of Argentina, Cameroon, Liberia, Senegal and Uganda indicated that, had they been present during the voting, they would have voted in favour of the draft resolution; and the delegation of Fiji indicated that its vote on the draft resolution should have been recorded as being in favour and not against.

D. Draft resolution A/C.2/44/L.50

12. At the 44th meeting, on 24 November, the representative of Malaysia, on behalf of the States Members of the United Nations that are members of the Group of 77, introduced a draft resolution (A/C.2/44/L.50) entitled "International code of conduct on the transfer of technology".

13. At the 48th meeting, on 4 December, the Vice-Chairman of the Committee, Mr. Badam Ochiryn Doljintseren (Mongolia), reported to the Committee on the results of the informal consultations held on the draft resolution.

14. At the same meeting, the Committee adopted draft resolution A/C.2/44/L.50 without a vote (see para. 31, draft resolution III).

15. After the adoption of the draft resolution, the representative of Malaysia, on behalf of the States Members of the United Nations that are members of the Group of 77, made a statement.

E. Draft resolution A/C.2/44/L.51

16. At the 44th meeting, on 24 November, the representative of Nicaragua, on behalf of Algeria, Democratic Yemen, the Libyan Arab Jamahiriya, Mexico, Nicaragua, Panama and Peru, introduced a draft resolution (A/C.2/44/L.51) entitled "Trade embargo against Nicaragua". Subsequently, Zimbabwe joined in sponsoring the draft resolution.

17. At the 48th meeting, on 4 December, the Vice-Chairman of the Committee, Mr. Badam Ochiryn Doljintseren (Mongolia), informed the Committee on the results of the informal consultations held on the draft resolution.

18. At the same meeting, the Committee adopted draft resolution A/C.2/44/L.51 by a recorded vote of 78 to 2, with 32 abstentions ^{23/} (see para. 31, draft resolution IV). The voting was as follows:

In favour: Afghanistan, Albania, Algeria, Angola, Argentina, Australia, Austria, Bahamas, Barbados, Benin, Bolivia, Botswana, Brazil, Bulgaria, Burkina Faso, Byelorussian Soviet Socialist Republic, China, Colombia, Congo, Cuba, Czechoslovakia, Democratic Yemen, Denmark, Ecuador, Ethiopia, Fiji, Finland, German Democratic Republic, Ghana, Guinea, Guyana, Haiti, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Kenya,

^{23/} Subsequently, the delegation of Cyprus indicated that it had intended to vote in favour of the draft resolution; the delegations of Cameroon and Uganda indicated that, had they been present during the voting, they would have voted in favour of the draft resolution; and the delegation of Benin indicated that it had not intended to participate in the vote on the draft resolution.

Kuwait, Lao People's Democratic Republic, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Mali, Mexico, Mongolia, Morocco, Mozambique, Myanmar, Nepal, New Zealand, Nicaragua, Nigeria, Norway, Pakistan, Panama, Peru, Philippines, Romania, Sao Tome and Principe, Spain, Suriname, Swaziland, Sweden, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yugoslavia, Zambia.

Against: Israel, United States of America.

Abstaining: Bahrain, Belgium, Brunei Darussalam, Canada, Chad, Chile, Costa Rica, Djibouti, Egypt, France, Germany, Federal Republic of, Greece, Italy, Jamaica, Japan, Jordan, Malta, Netherlands, Niger, Oman, Paraguay, Portugal, Samoa, Senegal, Sierra Leone, Singapore, Somalia, Sri Lanka, Togo, Tunisia, Turkey, United Kingdom of Great Britain and Northern Ireland.

19. After the adoption of the draft resolution, statements were made by the representatives of the United States of America and Nicaragua.

F. Draft resolutions A/C.2/44/L.52 and Rev.1

20. At the 44th meeting, on 24 November, the representative of Malaysia, on behalf of the States Members of the United Nations that are members of the Group of 77, introduced a draft resolution (A/C.2/44/L.52) entitled "Commodities", which read as follows:

"The General Assembly,

"Recalling its resolution 1995 (XIX) of 30 December 1964, as amended, on the establishment of the United Nations Conference on Trade and Development, Conference resolutions 93 (IV) of 30 May 1976 on the Integrated Programme for Commodities, 124 (V) of 3 June 1979, 155 (VI), 156 (VI) and 157 (VI) of 2 July 1983, the Final Act adopted by the Conference at its seventh session, and General Assembly resolution 43/188 of 20 December 1988,

"Recognizing the need for better functioning of commodity markets and the desirability of stable and more predictable conditions in commodity trade, the avoidance of excessive price fluctuations and the search for long-term solutions to commodity problems,

"Bearing in mind that commodity exports continue to play a key role in the economies of developing countries, in particular by making a crucial contribution to their export revenues, their capacity for servicing their debt, and the reactivation of their growth and development,

"Expressing deep concern at the adverse situation faced by developing countries in the area of commodities,

"Bearing in mind that the developing countries, in particular the least developed and commodity-dependent developing countries, have felt the most severe impact of the commodity price situation,

"Expressing its deep satisfaction that the Agreement Establishing the Common Fund for Commodities entered into force on 19 June 1989 and that the establishment of the Common Fund, in full compliance with the provisions of the Agreement, will provide a strong impetus towards a lasting solution to the commodity problems of developing countries,

"1. Stresses the urgent need for appropriate and early action to address the present commodity situation at the global level;

"2. Expresses its grave concern over the continuous long-term downward trend of commodity prices, which negatively affects the economic development of the developing countries and hinders their efforts to improve the living conditions of their peoples and to redress the increasing levels of poverty;

"3. Stresses the need for developed countries to take measures designed to ensure greater participation of the developing countries in the processing, marketing and distribution, including transportation, of commodities, and, in this context, stresses the importance of market access for commodities from developing countries and of increased transparency in the markets of developed countries;

"4. Notes with concern that a further decline in commodity prices and commodity export earnings, as well as the long-term deterioration in the terms of trade of developing countries, in particular the least developed and the commodity-dependent ones, compounded by a disproportionate and increasing debt-servicing burden, will hinder any prospect of sustained growth and development for those countries;

"5. Expresses its conviction that remunerative prices for commodities would be conducive to the social and economic development of developing countries and would contribute to the international campaign against illicit production, trafficking and consumption of narcotic drugs;

"6. Stresses the need to improve the functioning of commodity markets and achieve stable and predictable conditions in commodity trade and prices, and, in this respect, urges producer-consumer co-operation with a view, inter alia, to establishing or strengthening, as appropriate, international commodity agreements with economic provisions;

"7. Invites multilateral financial institutions to establish special facilities for assistance to developing countries that experience a decline in their commodity export earnings, and to support viable diversification programmes;

"8. Notes that a special session of the Trade and Development Board will be devoted to a compensatory financing facility for export-earning shortfalls,

/...

and recommends that the Board at that session give consideration to the establishment of a commodity-related compensatory financing facility;

"9. Calls upon those countries that have ratified the Agreement Establishing the Common Fund for Commodities to begin immediate implementation, and appeals to all countries, particularly major exporters and consumers of commodities that have not yet ratified the Agreement, to do so as soon as possible, thereby contributing to the creation of stable conditions in world commodity markets, to the benefit of both producers and consumers;

"10. Requests the Secretary-General of the United Nations Conference on Trade and Development to submit to the General Assembly at its forty-fifth session a report on world commodity trends and prospects, with particular reference to the situation of the commodity-dependent developing countries;

"11. Decides to include the question of commodities in the provisional agenda of the forty-fifth session of the General Assembly."

21. At the 51st meeting, on 17 December, the Vice-Chairman of the Committee, Mr. Badam Ochiryn Doljintseren (Mongolia), reported on the results of the informal consultations held on draft resolution A/C.2/44/L.52 and drew the attention of the Committee to a revision of the draft resolution (A/C.2/44/L.52/Rev.1), submitted by the sponsors of draft resolution A/C.2/44/L.52.

22. At the same meeting, the Committee adopted draft resolution A/C.2/44/L.52/Rev.1 by a recorded vote of 113 to none, with 2 abstentions 24/ (see para. 31, draft resolution V). The voting was as follows:

In favour: Afghanistan, Albania, Algeria, Argentina, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Bolivia, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Central African Republic, Chile, China, Colombia, Côte d'Ivoire, Cuba, Cyprus, Czechoslovakia, Democratic Yemen, Denmark, Ecuador, Egypt, Fiji, Finland, France, German Democratic Republic, Germany, Federal Republic of, Ghana, Greece, Guatemala, Guinea, Guinea-Bissau, Guyana, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Ireland, Israel, Italy, Jamaica, Japan, Kenya, Kuwait, Lao People's Democratic Republic, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Myanmar, Nepal, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Papua New Guinea, Peru, Philippines, Poland, Portugal, Qatar, Romania, Rwanda, Saudi Arabia, Senegal, Singapore, Somalia, Spain, Sri Lanka, Sudan, Suriname, Swaziland, Sweden,

24/ Subsequently, the delegation of Oman indicated that, had it been present during the voting, it would have voted in favour of the draft resolution.

/...

Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Yugoslavia, Zaire, Zambia, Zimbabwe.

Against: None.

Abstaining: United Kingdom of Great Britain and Northern Ireland, United States of America.

23. After the adoption of the draft resolution, statements were made by the representatives of the United Kingdom of Great Britain and Northern Ireland, Japan, the United States of America and Malaysia (on behalf of the States Members of the United Nations that are members of the Group of 77).

G. Draft resolutions A/C.2/44/L.53 and Rev.1

24. At the 44th meeting, on 24 November, the representative of Malaysia, on behalf of the States Members of the United Nations that are members of the Group of 77, introduced a draft resolution (A/C.2/44/L.53) entitled "Report of the Trade and Development Board", which read as follows:

"The General Assembly,

"Recalling its resolution 1995 (XIX) of 30 December 1964, as amended, on the establishment of the United Nations Conference on Trade and Development and the Final Act adopted by the United Nations Conference on Trade and Development at its seventh session, held at Geneva from 9 July to 3 August 1987,

"Recalling also its resolution 43/188 of 20 December 1988 on the report of the Trade and Development Board,

"Noting that the Trade and Development Report, 1989 25/ has made a constructive contribution to the examination by the Trade and Development Board, at the first part of its thirty-sixth session, of the interdependence of problems of trade, development finance and the international monetary system, as well as to the Board's consideration of the debt and development problems of the developing countries,

"1. Takes note of the report of the Trade and Development Board on the second part of its thirty-fifth session 26/ and the first part of its

25/ United Nations publication, Sales No. E.1989.II.D.14.

26/ A/44/15, vol. I.

thirty-sixth session, 27/ expresses appreciation of the constructive spirit permeating recent deliberations of the Board, and invites all parties to give effect to its resolutions and decisions;

"2. Welcomes the efforts made by Governments and the Secretariat to strengthen the Board's debates on the interdependence of problems of trade, development finance and the international monetary system, and further welcomes Board resolution 374 (XXXVI) of 13 October 1989 on that topic;

"3. Also welcomes the significant contribution made by the United Nations Conference on Trade and Development to the search for a durable solution to the external debt problem of developing countries, and further welcomes Trade and Development Board resolution 375 (XXXVI) of 13 October 1989 on debt and development problems of developing countries;

"4. Welcomes Trade and Development Board decision 367 (XXXV) of 17 March 1989 on protectionism and structural adjustment, and urges the Governments concerned to fulfil their commitments to halt and reverse protectionism and to take expeditious and concrete structural adjustment measures conducive, in particular, to the widening of markets for exports of products in which the developing countries have or may develop a comparative advantage;

"5. Notes that the Trade and Development Board has decided to consider, at a future session, the implications of bilateral arrangements and regional economic integration, especially those that have a major impact on global trade, in particular on the trade and development of developing countries, and agrees on the need to ensure that such schemes impart dynamism to global trade and enhance trade and development possibilities for the developing countries;

"6. Stresses that in the Uruguay Round of multilateral trade negotiations, commensurate attention should be given to all areas of negotiation, especially those of particular relevance to the trade and development of developing countries;

"7. Invites the Trade and Development Board to continue to follow closely developments and issues in the Uruguay Round of particular concern to the developing countries;

"8. Notes the entry into force and operation of the Common Fund for Commodities, welcomes the decisions taken by the Governing Council at its first annual meeting, and invites States members of the Fund to provide full support for its operations;

"9. Takes note of Trade and Development Board decision 377 (XXXVI) of 13 October 1989 on arrangements and preparations for the eighth session of the United Nations Conference on Trade and Development, including the agreement to hold the session in Latin America in 1991."

25. At the 49th meeting, on 11 December, the Committee had before it a revised draft resolution (A/C.2/44/L.53/Rev.1), submitted by the representative of Malaysia on behalf of the States Members of the United Nations that are members of the Group of 77.

26. At the same meeting, the Vice-Chairman of the Committee, Mr. Badam Ochiryn Doljintseren (Mongolia), reported on the results of informal consultations held on the revised draft resolution.

27. Also at the same meeting, the Committee adopted draft resolution A/C.2/44/L.53/Rev.1 without a vote (see para. 31, draft resolution VI).

H. Draft resolution A/C.2/44/L.54

28. At the 44th meeting, on 24 November, the representative of Malaysia, on behalf of the States Members of the United Nations that are members of the Group of 77, introduced a draft resolution (A/C.2/44/L.54) entitled "Second United Nations Conference on the Least Developed Countries". Subsequently, Australia, Austria, Belgium, Bulgaria, the Byelorussian Soviet Socialist Republic, Canada, China, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, Hungary, Iceland, Italy, Japan, the Netherlands, New Zealand, Norway, Poland, Portugal, Sweden, Turkey, the Ukrainian Soviet Socialist Republic, the Union of Soviet Socialist Republics, and the United Kingdom of Great Britain and Northern Ireland joined in sponsoring the draft resolution.

29. At the 49th meeting, on 11 December, the Vice-Chairman of the Committee, Mr. Badam Ochiryn Doljintseren (Mongolia), read out the following revisions, which had been agreed upon during informal consultations held on the draft resolution:

(a) In the second preambular paragraph, the words "in co-operation with the United Nations Conference on Trade and Development" were added after the words "in May 1989";

(b) In operative paragraph 5, the phrase "Encourages the United Nations Development Programme to pursue its specific efforts to facilitate the preparation of the Conference by the least developed countries themselves and" was added at the beginning of the paragraph;

(c) In operative paragraph 6, the word "extrabudgetary" was added after the word "additional" and the words "for three representatives" were replaced by the words "for a third representative".

30. At the same meeting, the Committee adopted draft resolution A/C.2/44/L.54, as orally revised, without a vote (see para. 31, draft resolution VII).

III. RECOMMENDATIONS OF THE SECOND COMMITTEE

31. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

DRAFT RESOLUTION I

Specific action related to the particular needs and problems of land-locked developing countries

The General Assembly,

Recalling the provisions of its resolutions 31/157 of 21 December 1976, 32/191 of 19 December 1977, 33/150 of 20 December 1978, 34/198 of 19 December 1979, 35/58 of 5 December 1980, 36/175 of 17 December 1981, 39/209 of 18 December 1984, 40/183 of 17 December 1985 and 42/174 of 11 December 1987 and other resolutions of the United Nations relating to the particular needs and problems of land-locked developing countries,

Reiterating the specific actions related to the particular needs of the land-locked developing countries set out in United Nations Conference on Trade and Development resolutions 63 (III) of 19 May 1972, 28/ 98 (IV) of 31 May 1976, 29/ 123 (V) of 3 June 1979, 30/ and 137 (VI) of 2 July 1983 31/ and Trade and Development Board resolution 319 (XXXI) of 27 September 1985, 32/

Noting that most land-locked developing countries are among the very poorest of the developing countries and that, of the twenty-one land-locked developing

28/ See Proceedings of the United Nations Conference on Trade and Development, Third Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.73.II.D.4), annex I.A.

29/ Ibid., Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

30/ Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

31/ Ibid., Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

32/ See Official Records of the General Assembly, Fortieth Session, Supplement No. 15 (A/40/15), vol. II, Sect. I.

countries, fifteen are also classified by the United Nations as least developed countries,

Recognizing that the lack of territorial access to the sea, aggravated by remoteness and isolation from world markets, and prohibitive transit, transport and trans-shipment costs and risks impose serious constraints on export earnings, private capital inflow and domestic resource mobilization of the land-locked developing countries and therefor adversely affect their growth and socio-economic development,

Recognizing also that the geographical situation of land-locked developing countries is an added constraint on their overall ability to cope with the challenges of development,

Recalling the relevant provisions of the Final Act adopted by the United Nations Conference on Trade and Development at its seventh session, 33/

Recalling also the United Nations Convention on the Law of the Sea, adopted on 10 December 1982, 34/

Noting that agreed bilateral, subregional and regional co-operative arrangements could make a contribution to improving the transit-transport systems in the land-locked countries and in transit developing countries,

Recognizing that most transit countries are themselves developing countries facing serious economic problems, including the lack of adequate infrastructure in the transport sector,

Recognizing also that the implementation of accepted international conventions on transit trade would contribute to the elimination of some of the bottle-necks that are currently restricting subregional and regional transit traffic,

Noting with concern that the international support measures taken thus far have not adequately addressed the problems of land-locked developing countries,

1. Reaffirms the right of access of land-locked countries to and from the sea and freedom of transit through the territory of transit States by all means of transport, in accordance with international law;

2. Appeals to all States, international organizations and financial institutions to implement, as a matter of urgency and priority, the specific actions related to the particular needs and problems of land-locked developing

33/ See TD/350.

34/ Official Records of the Third United Nations Conference on the Law of the Sea, vol. XVII (United Nations publication, Sales No. E.84.V.3), document A/CONF.62/122.

countries envisaged in United Nations Conference on Trade and Development resolutions 63 (III), 98 (IV), 123 (V) and 137 (VI) and the Final Act adopted by the Conference at its seventh session, in General Assembly resolutions 39/209, 40/183 and 42/174, in the International Development Strategy for the Third United Nations Development Decade, 35/ in the Substantial New Programme of Action for the 1980s for the Least Developed Countries 36/ and in other relevant resolutions of the United Nations;

3. Agrees that measures to deal with the transit problems of land-locked developing countries require effective co-operation and agreed collaboration between those countries and the neighbouring transit States;

4. Urges the international community, in particular donor countries and multilateral financial and development organizations, to provide land-locked and transit developing countries with appropriate financial and technical assistance in the form of grants or concessional loans for the construction, maintenance and improvement of their transport, storage and transit infrastructure and facilities, including alternative routes;

5. Emphasizes that assistance for the improvement of transport and transit facilities and services should be integrated into the overall economic development strategy of the land-locked developing countries and that donor assistance should consequently take into account the requirement for long-term restructuring of the economies of the land-locked developing countries, including, as appropriate, the promotion of import-substituting industries producing high-bulk, low-value goods and developing high-value, low-bulk goods for export;

6. Invites transit countries and the land-locked developing countries to continue to co-operate effectively in the fields, inter alia, of transport and communications;

7. Calls upon the appropriate multilateral and bilateral international and technical assistance institutions to take into account such co-operative arrangements between the land-locked developing countries and the neighbouring transit States;

8. Invites Member States to ratify and implement, as appropriate, the relevant provisions of the international conventions on transit trade;

9. Invites land-locked and transit developing countries to promote bilateral, subregional and regional arrangements, as appropriate and in their mutual interest, designed to facilitate transit traffic;

35/ Resolution 35/56, annex.

36/ Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

10. Appeals to the international community to make available to all transit and land-locked developing countries, as required and on appropriate terms, including, inter alia, concessional arrangements, new scientific and technological know-how relating to specific transit-transport and communications problems;

11. Appeals to the international community and, in particular, donor countries, multilateral financial and development institutions, the United Nations Conference on Trade and Development and the regional commissions, to extend all possible support to land-locked developing countries in their efforts to undertake economic measures and policies designed to promote a pattern of growth that renders their economies less vulnerable to adverse consequences of their land-locked situation;

12. Urges the international development bodies, in particular the United Nations Development Programme, the United Nations Conference on Trade and Development and the regional commissions, to expand further their support to the land-locked developing countries, including technical assistance programmes in the transport and communications sectors of those countries;

13. Requests the Secretary-General of the United Nations Conference on Trade and Development to continue to carry out and intensify further the technical co-operation activities of the Conference in the area of transit and transport, in accordance with paragraph 9 of Conference resolution 137 (VI) and paragraph 10 of Trade and Development Board resolution 319 (XXXI);

14. Also requests the Secretary-General of the United Nations Conference on Trade and Development, for the purpose referred to in paragraph 12 above, to continue to seek adequate resources and voluntary contributions to enable him, if requested by the Governments concerned, to assist land-locked and transit developing countries in those efforts;

15. Invites the Secretary-General of the United Nations Conference on Trade and Development to make recommendations, in the context of the preparations for the Second United Nations Conference on the Least Developed Countries, on the problems of the land-locked developing countries with a view to rendering their economies less vulnerable to the adverse consequences of their land-locked situation;

16. Welcomes the report of the Secretary-General of the United Nations Conference on Trade and Development on progress in the implementation of specific action related to the particular needs and problems of land-locked developing countries, 37/ submitted pursuant to General Assembly resolution 42/174, and requests him to prepare another report, taking into account the provisions of the present resolution, for submission to the General Assembly at its forty-sixth session.

37/ A/44/588, annex.

DRAFT RESOLUTION II

Economic measures as a means of political and economic coercion
against developing countries

The General Assembly,

Recalling the relevant principles set forth in the Charter of the United Nations,

Recalling also its resolutions 2625 (XXV) of 24 October 1970, containing the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations, 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, and 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States,

Reaffirming article 32 of the Charter of Economic Rights and Duties of States, which declares that no State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights,

Bearing in mind the general principles governing international trade and trade policies for development contained in its resolution 1995 (XIX) of 30 December 1964, United Nations Conference on Trade and Development resolution 152 (VI) of 2 July 1983 38/ on rejection of coercive economic measures, and the principles and rules of the General Agreement on Tariffs and Trade and paragraph 7 (iii) of the Ministerial Declaration adopted on 29 November 1982 by the Contracting Parties to the General Agreement at their thirty-eighth session, 39/

Reaffirming its resolutions 38/197 of 20 December 1983, 39/210 of 18 December 1984, 40/185 of 17 December 1985, 41/165 of 5 December 1986 and 42/173 of 11 December 1987, and considering that further work needs to be undertaken in order to implement them,

Gravely concerned that the use of coercive measures adversely affects the economies and development efforts of developing countries and that, in some cases, those measures have worsened, creating a negative impact on international economic co-operation,

38/ See Proceedings of the United Nations Conference on Trade and Development, Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6) part one, sect. A.

39/ See General Agreement on Tariffs and Trade, Basic Instruments and Selected Documents, Twenty-ninth Supplement (Sales No. GATT/1983-1), document L/5424.

1. Takes note with appreciation of the report of the Secretary-General on economic measures as a means of political and economic coercion against developing countries; 40/
2. Calls upon the international community to adopt urgent and effective measures in order to eliminate the use of coercive measures against developing countries, which have been increasing and have taken new forms;
3. Deplores the fact that some developed countries continue to apply and, in some cases, have increased the scope and magnitude of economic measures that have the purpose of exerting, directly or indirectly, coercion on the sovereign decisions of developing countries subject to those measures;
4. Calls upon the developed countries to refrain from exercising political coercion through the application of economic instruments with the purpose of inducing changes in the economic or social system, as well as in the domestic or foreign policy, of other countries;
5. Reaffirms that developed countries should refrain from threatening or applying trade and financial restrictions, blockades, embargoes and other economic sanctions, incompatible with the provisions of the Charter of the United Nations and in violation of undertakings contracted multilaterally and bilaterally, against developing countries as a form of political and economic coercion that affects their political, economic and social development;
6. Requests the Secretary-General to designate an identifiable unit within the Office of the Director-General for Development and International Economic Co-operation to collect pertinent information on economic measures taken by developed countries as a means of coercion against developing countries, which unit should receive and assess such information and produce a periodic report with recommendations for the consideration by the General Assembly;
7. Also requests the Secretary-General to report to the General Assembly at its forty-sixth session on the implementation of the present resolution.

DRAFT RESOLUTION III

International code of conduct on the transfer of technology

The General Assembly,

Recalling its resolutions 40/184 of 17 December 1985, 41/166 of 5 December 1986 and 42/172 of 11 December 1987 and its decision 43/439 of 20 December 1988 on an international code of conduct on the transfer of technology,

1. Takes note of the report of the Secretary-General of the United Nations Conference on Trade and Development on the consultations carried out in 1989 relating to the negotiations on an international code of conduct on the transfer of technology; 41/

2. Invites the Secretary-General of the United Nations Conference on Trade and Development to submit a complete report, based on the outcome of consultations, to the General Assembly at its forty-fifth session so as to enable the Assembly to take appropriate action on the negotiations on the draft code of conduct.

DRAFT RESOLUTION IV

Trade embargo against Nicaragua

The General Assembly,

Recalling its resolutions 40/188 of 17 December 1985, 41/164 of 5 December 1986, 42/176 of 11 December 1987 and 43/185 of 20 December 1988, as well as its resolutions 42/204 of 11 December 1987, 42/231 of 12 May 1988 and 43/210 of 20 December 1988,

Taking note of the report of the Secretary-General on the trade embargo against Nicaragua, 42/

1. Deplores the continuation of the trade embargo contrary to its resolutions 40/188, 41/164, 42/176 and 43/185 and to the Judgment of the International Court of Justice of 27 June 1986, 43/ and once again requests that those measures be immediately revoked;

2. Requests the Secretary-General to report to the General Assembly at its forty-fifth session on the implementation of the present resolution.

41/ A/44/554.

42/ A/44/581.

43/ See Military and Paramilitary Activities in and against Nicaragua (Nicaragua v. United States of America), Merits, Judgment, I.C.J. Reports, 1986, p. 14.

DRAFT RESOLUTION V

Commodities

The General Assembly,

Recalling its resolution 1995 (XIX) of 30 December 1964, as amended, on the establishment of the United Nations Conference on Trade and Development, Conference resolutions 93 (IV) of 30 May 1976 on the Integrated Programme for Commodities, 44/124 (V) of 3 June 1979, 45/155 (VI), 156 (VI) and 157 (VI) of 2 July 1983, 46/ and the Final Act adopted by the Conference at its seventh session, 47/

Recognizing the need for better functioning of commodity markets and the desirability of stable and more predictable conditions in commodity trade, the avoidance of excessive price fluctuations and the search for long-term solutions to commodity problems,

Bearing in mind that commodity exports continue to play a key role in the economies of developing countries as a whole, in particular by making a crucial contribution to their export revenues and investments and to the reactivation of their growth and development,

Expressing concern at the difficult situation faced by developing countries in the area of commodities,

Bearing in mind that developing countries, in particular the least developed and commodity-dependent developing countries, have felt the most severe impact of the commodity price situation,

Welcoming the entry into force on 19 June 1989 of the Agreement Establishing the Common Fund for Commodities 48/ and expressing the hope that its establishment, in full compliance with the provisions of the Agreement, will provide a positive impetus towards long-term solutions to the commodity problems of developing countries,

44/ See Proceedings of the United Nations Conference on Trade and Development, Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.76.II.D.10 and corrigendum), part one, sect. A.

45/ Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

46/ Ibid., Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

47/ See TD/350.

48/ United Nations publication, Sales No. E.81.II.D.8 and corrigendum.

1. Stresses the urgent need for appropriate and early action to address the present world situation in the area of commodities;
2. Expresses its concern at the negative effects of the long-term downward trend of commodity prices on the economic development of the developing countries, which hinders their efforts to improve the living conditions of their peoples and to redress the increasing levels of poverty;
3. Stresses the need for all countries, according to their economic capacity and their weight in the world economy, international organizations, multilateral financial institutions and other relevant organizations to undertake measures for the diversification of the commodity economy of developing countries and to ensure greater participation of those countries in the processing, marketing and distribution, including transportation, of commodities, and, in this context, stresses the importance of market access for commodities from developing countries and of improved market transparency;
4. Recognizes that decisions on diversification are primarily the responsibility of developing countries, emphasizes, in that context, the need for continued implementation of their diversification programmes, bearing in mind, inter alia, the long-term evolution of market conditions and the linkage between diversification efforts and market access, and invites developed countries, international financial institutions and other relevant organizations to extend financial support to such diversification programmes;
5. Notes with concern that a further decline in commodity prices and commodity export earnings, as well as the long-term deterioration in the terms of trade of developing countries, in particular the least developed and the commodity-dependent ones, would hinder any prospect of sustained growth and development for those countries;
6. Expresses its conviction that more stable market conditions for commodities would be conducive to the social and economic development of developing countries and could, inter alia, contribute to the international campaign against illicit production, trafficking and consumption of narcotic drugs, thus supporting the efforts undertaken by countries to combat such illicit activities;
7. Recognizes the need for a better functioning of commodity markets and the desirability of achieving stable and more predictable conditions in commodity trade and of avoiding excessive fluctuations of prices, and urges between producers and consumers co-operation with a view to improving the functioning of existing international commodity agreements or arrangements and/or, as appropriate, negotiating other commodity agreements or arrangements, in line with the relevant provisions of the Final Act adopted by the United Nations Conference on Trade and Development at its seventh session; 47/
8. Urges all parties involved to meet agreed commitments and work for a balanced approach to the multilateral trade negotiations within the Uruguay Round so as to ensure that their successful conclusion brings about further expansion and liberalization in trade in commodities, taking into account the special and differential treatment for developing countries, as well as all other principles contained in the Punta del Este Ministerial Declaration;

9. Recognizes the urgent need to address the grave problem of shortfalls in export earnings in the commodities of developing countries and, in this regard, notes that a special session of the Trade and Development Board will be devoted to compensatory financing of these shortfalls;

10. Calls upon those countries which have ratified the Agreement Establishing the Common Fund for Commodities to contribute to making both accounts of the Fund fully operational as soon as possible, in full compliance with the provisions of the Agreement and, in this connection, welcomes the significant voluntary contributions made to the second account of the Fund and expresses the hope that further contributions will be forthcoming;

11. Invites all countries, particularly major exporters and consumers of commodities that have not yet ratified the Agreement, to do so as soon as possible, thereby contributing to the improvement of market conditions to the benefit of both producers and consumers;

12. Requests the Secretary-General of the United Nations Conference on Trade and Development to submit to the General Assembly at its forty-fifth session a report on world commodity trends and prospects, with particular reference to the situation of the commodity-dependent developing countries;

13. Decides to include the question of commodities in the provisional agenda of its forty-fifth session.

DRAFT RESOLUTION VI

Report of the Trade and Development Board

The General Assembly,

Recalling its resolution 1995 (XIX) of 30 December 1964, as amended, 49/ on the establishment of the United Nations Conference on Trade and Development and the Final Act adopted by the United Nations Conference on Trade and Development at its seventh session, held at Geneva from 9 July to 3 August 1987, 50/

Recalling also its resolution 43/188 of 20 December 1988 on the report of the Trade and Development Board,

Noting that the Trade and Development Report, 1989 51/ has made a constructive contribution to the examination by the Trade and Development Board, at the

49/ See resolutions 2904 (XXVII), 31/2 A and B and 34/3.

50/ See TD/350.

51/ United Nations publication, Sales No. E.89.II.D.14.

first part of its thirty-sixth session, of the interdependence of problems of trade, development finance and the international monetary system, as well as to the Board's consideration of the debt and development problems of the developing countries,

1. Takes note of the report of the Trade and Development Board on the second part of its thirty-fifth session 52/ and the first part of its thirty-sixth session, 53/ expresses appreciation of the constructive spirit permeating recent deliberations of the Board and invites all parties to give effect to its resolutions and decisions;

2. Welcomes the efforts made by Governments and the secretariat of the United Nations Conference on Trade and Development to strengthen the debates of the Trade and Development Board on the interdependence of problems of trade, development finance and the international monetary system, and further welcomes Board resolution 374 (XXXVI) of 13 October 1989 54/ on that topic;

3. Also welcomes the significant contribution made by the United Nations Conference on Trade and Development to the search for durable solutions to the problem of external indebtedness of developing countries, and further welcomes Trade and Development Board resolution 375 (XXXVI) of 13 October 1989 54/ on debt and development problems of developing countries;

4. Welcomes Trade and Development Board decision 367 (XXXV) of 17 March 1989 55/ on protectionism and structural adjustment, and urges the Governments concerned to fulfil their commitments to halt and reverse protectionism and to take expeditious and concrete structural adjustment measures conducive, in particular, to the widening of markets for exports of products in which the developing countries have or may develop a comparative advantage;

5. Welcomes Trade and Development Board decision 368 (XXXV) of 17 March 1989 55/ on trade relations among countries having different economic and social systems and all trade flows resulting therefrom, and invites the Board to develop a programme for further promotion of trade and economic co-operation among countries having different systems, in particular East-South trade, based on an analysis and evaluation undertaken by an intergovernmental group of experts on the existing and evolving trends and potential factors related to inter-system trade;

52/ Official Records of the General Assembly, Forty-fourth Session, Supplement No. 15 (A/44/15), vol. I.

53/ Ibid., vol. II.

54/ Ibid., sect. II.A.

55/ Ibid., vol. I, sect. II.B.

6. Notes that the Trade and Development Board has decided to consider, at a future session, the implications of bilateral arrangements and regional economic integration, especially those which have a major impact on global trade, in particular on the trade and development of developing countries, and agrees on the need to ensure that such schemes impart dynamism to global trade and enhance trade and development possibilities for the developing countries;

7. Stresses that in the Uruguay Round of multilateral trade negotiations commensurate attention should be given to all areas of negotiation, especially those of particular relevance to the trade and development of developing countries;

8. Invites the Trade and Development Board to continue to follow closely developments and issues in the Uruguay Round of particular concern to the developing countries;

9. Notes the entry into force of the Agreement Establishing the Common Fund for Commodities 56/ and the operation of the Common Fund, welcomes the decisions taken by the Governing Council of the Common Fund at its first annual meeting and invites States members of the Fund to provide full support for its operations;

10. Takes note of Trade and Development Board decision 377 (XXXVI) of 13 October 1989 54/ on arrangements and preparations for the eighth session of the United Nations Conference on Trade and Development, to be held in 1991, including the agreement to hold consultations on its location in Latin America.

DRAFT RESOLUTION VII

Second United Nations Conference on the Least Developed Countries

The General Assembly,

Recalling its resolution 42/177 of 11 December 1987, in which it decided to convene the Second United Nations Conference on the Least Developed Countries at a high level in Paris in September 1990, and also its resolution 43/186 of 20 December 1988,

Taking note of the outcome of the Meeting of Governmental Experts of Donor Countries and Multilateral and Bilateral Financial and Technical Assistance Institutions with Representatives of the Least Developed Countries, held at Geneva from 22 to 31 May 1989, in co-operation with the United Nations Conference on Trade and Development and other preparatory meetings held so far,

Recalling its decision to convene one session of the Intergovernmental Group on the Least Developed Countries, as Preparatory Committee for the Second United

56/ United Nations publication, Sales No. E.81.II.D.8 and corrigendum.

Nations Conference on the Least Developed Countries, early in 1990 in order to prepare for the Conference,

Reiterating its request to the Secretary-General to obtain extrabudgetary resources to finance the travel expenses of at least two representatives of each least developed country to attend the meeting of the Intergovernmental Group on the Least Developed Countries in order to ensure the effective participation of the representatives of the least developed countries,

Noting with appreciation decision 88/30 of 1 July 1988 of the Governing Council of the United Nations Development Programme, in which the Governing Council requested the Administrator of the Programme, in close consultation with the Secretary-General of the United Nations Conference on Trade and Development, to enable the least developed countries to participate fully in the preparations for the Conference, including preparatory meetings, and in the Conference itself,

Taking note of the report of the Secretary-General on the Second United Nations Conference on the Least Developed Countries, 57/

Expressing deep concern at the continuing deterioration in the overall socio-economic situation of the least developed countries,

1. Emphasizes the crucial importance of adequate preparation for the Second United Nations Conference on the Least Developed Countries, taking into account the priorities to be put forward by the least developed countries themselves;

2. Calls upon all Governments, intergovernmental and multilateral institutions and others concerned to take appropriate steps to ensure that adequate preparations are made for the Conference and to participate effectively in the forthcoming meeting of the Intergovernmental Group on the Least Developed Countries, as well as in the Conference itself, and to support the least developed countries in making their own preparations;

3. Reiterates its request to all organs, organizations and bodies of the United Nations system concerned to submit, if they have not already done so, reports containing a review of the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries 58/ within their fields of competence and proposals for further action as input to the preparations for the Conference;

4. Notes the steps being taken by the Secretary-General of the United Nations, with the assistance of the Director-General for Development and

57/ A/44/437.

58/ Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

International Economic Co-operation and the Secretary-General of the United Nations Conference on Trade and Development, and urges them to ensure the full mobilization and co-ordination of all organs, organizations and bodies of the United Nations system in the preparations for the Conference and in the Conference itself;

5. Encourages the United Nations Development Programme to pursue its specific efforts to facilitate the preparations for the Conference by the least developed countries and, pursuant to decision 89/12 of 24 February 1989 of the Governing Council of the United Nations Development Programme, invites all Governments to make special voluntary contributions, through the Special Measures Fund for the Least Developed Countries or as appropriate otherwise, for the preparations for the Conference, including the preparatory meetings, and in particular, towards ensuring the full participation of the representatives of the least developed countries in the Conference;

6. Requests the Secretary-General to obtain additional extrabudgetary resources, in line with the past practice, to provide for travel expenses and subsistence allowances for a third representative of each least developed country to the Conference, as noted in his report; 59/

7. Requests the Secretary-General, with the assistance of concerned organizations and bodies of the United Nations, including the Department of Public Information of the Secretariat, to take the necessary measures to intensify their public information efforts and other relevant initiatives to enhance public awareness in favour of the Conference, its objectives and its significance;

8. Requests the Secretary-General to submit to the General Assembly at its forty-fifth session a report on the outcome of the Second United Nations Conference on the Least Developed Countries.

59/ See A/44/437, para. 15.



General Assembly

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Agenda item 82 (c)DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION:
CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATESReport of the Second Committee (Part IV)*Rapporteur: Ms. Martha DUEÑAS de WHIST (Ecuador)

I. INTRODUCTION

1. The Second Committee held a substantive debate on item 82 (see A/44/746, para. 2). Action to be taken on sub-item (c) was considered at the 16th and 30th meetings, on 20 October and 3 November 1989. An account of the Committee's consideration of the item is contained in the relevant summary records (A/C.2/44/SR.16 and 30).

II. CONSIDERATION OF PROPOSALS

Draft resolution A/C.2/44/L.9

2. At the 16th meeting, on 20 October, the representative of Malaysia, on behalf of the States Members of the United Nations that are members of the Group of 77, introduced a draft resolution (A/C.2/44/L.9) entitled "Charter of Economic Rights and Duties of States".

3. At the 30th meeting, on 3 November, the Vice-Chairman of the Committee, Mr. David Payton (New Zealand), informed the Committee of the outcome of informal consultations held on the draft resolution.

* The report of the Committee on this item will be issued in twelve parts (see also A/44/746 and Add.1 and 2 and 4 to 11).

4. At the same meeting, the Committee adopted draft resolution A/C.2/44/L.9 by 103 votes to none, with 23 abstentions (see para. 5). 1/

III. RECOMMENDATION OF THE SECOND COMMITTEE

5. The Second Committee recommends to the General Assembly the adoption of the following draft resolution:

Charter of Economic Rights and Duties of States

The General Assembly,

Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation, which laid the foundations of the new international economic order,

Taking note of the report of the Secretary-General on the implementation of the Charter of Economic Rights and Duties of States, 2/

Deeply concerned that, since the adoption of the Charter of Economic Rights and Duties of States, the economic situation of the developing countries has continuously worsened and the economic, social, scientific and technological disparities between the developed and the developing countries have continued to widen,

Emphasizing that the aggravation of global economic problems, which affect in particular the developing countries, necessitates more concerted international action in order to facilitate the establishment of just and equitable economic relations and the promotion of international social justice,

1. Calls upon all States to take concrete steps and measures to implement fully the Charter of Economic Rights and Duties of States, which will contribute to the effective restructuring of the international economic system and to the reactivation of the economic growth and development of the developing countries;

1/ One delegation subsequently indicated that, had it been present at the time of the voting, it would have voted in favour of the draft resolution.

2/ A/44/266-E/1989/65 and Add.1 and 2.

2. Reaffirms the right of every country to adopt without external interference the economic and social system that it deems most appropriate for its own development;

3. Requests the Secretary-General to submit to the General Assembly at its forty-ninth session an analytical report on the progress achieved in compliance with the Charter of Economic Rights and Duties of States and its impact on the solution of the main economic problems confronting the developing countries and the reactivation of their economic growth and development.
