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STUDY OF THE PROBLEMS OF RAW MATERIALS AND DEVELOPMENT

Letter dated 22 April 1974 from the Permanent
Representative of Kuwait to the United Nations
addressed to the Secretary-General

On the occasion of convening the sixth special session of the General Assembly, I should like to describe some of the measures that my Government has taken in the past and intends to take in the near future to promote development in the developing countries.

The Government of Kuwait established the Fund for Arab Economic Development in 1961 to promote development in the Arab world. It also participated in the Arab Fund for Economic and Social Development.

Kuwait participated in the Arab Bank for Economic Development in Africa and the Technical Assistance Fund.

Kuwait submitted a draft resolution to set up an economic and social development and solidarity fund for the non-aligned countries which was adopted by the Fourth Conference of Heads of State or Government. 1/

Kuwait is also seeking to formulate measures for alleviating the difficulties confronted by developing countries as a result of recent developments.

As a first step in this direction and in accordance with a decision adopted by the Kuwaiti Council of Ministers on 17 March 1974, the Government of Kuwait submitted a bill to the National Assembly which provides for raising the capital of the Kuwait Fund for Arab Economic Development from \$600 million to more than \$3,000 million. Under its new constituent the Fund will extend economic and technical aid to the developing countries while in its old form its activities were confined to the Arab countries. The Fund can borrow up to twice its capital plus

1/ A/9330 and Corr.1, p. 80.

reserves, thus bringing its lending potential to the developing countries up to more than \$10,000 million. The new Kuwait Fund for Economic Development will be the most independent international aid institution because it can extend aid to any developing country regardless of its ideological and political conditions.

Kuwait was the only developing country to participate in the four replenishments of the International Development Association and made available its contribution to the fourth replenishment ahead of many other contributors.

The capital markets of Kuwait have been accessible to the World Bank since 1968. The Bank borrowed \$500 million from the capital markets of Kuwait, thus increasing its resources and delivery capacity to provide aid to the developing countries. The World Bank can always have access to the capital markets of Kuwait for the purpose of financing development projects in the developing countries.

The Asian Development Bank will for the first time offer its bonds for sale in the Kuwaiti market during this month. This is the first time that the Bank borrows outside the traditional markets in the United States and Europe.

I should be grateful if you would have the text of this letter circulated as an official document of the General Assembly.

(Signed) Abdalla BISHARA
Ambassador, Permanent Representative of the
State of Kuwait to the United Nations
