

UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/6518
21 November 1966

ORIGINAL: ENGLISH

Twenty-first session
Agenda item 45

PERMANENT SOVEREIGNTY OVER NATURAL RESOURCES

Report of the Second Committee

Rapporteur: Mr. Georg REISCH (Austria)

1. The General Assembly, at its 1415th plenary meeting on 24 September 1966, allocated to the Second Committee agenda item 45 entitled "Permanent sovereignty over natural resources".
2. The Committee considered this item at its 1050th to 1055th and 1057th to 1061st meetings, held between 31 October and 7 November 1966.
3. In considering the item, the Committee had before it a note by the Secretary-General (A/6430), a report of the Secretary-General on permanent sovereignty over natural resources (E/3840), the summary records of the 1335th to 1337th meetings of the Economic and Social Council, and the report of the Economic and Social Council to the General Assembly at its nineteenth session.^{1/}
4. The representative of the United Arab Republic, on behalf of the sponsors, introduced a draft resolution (A/C.2/L.870 and Corr.1) at the 1050th meeting of the Committee. The draft resolution was submitted by Algeria, Burma, Iran, Iraq, Panama, Poland, Syria, the Ukrainian Soviet Socialist Republic, the United Arab Republic, the United Republic of Tanzania and Yugoslavia and read as follows:

^{1/} Official Records of the General Assembly, Nineteenth Session, Supplement No. 3 (A/5803), chapter III, section V.

"The General Assembly,

"Recalling its resolutions 523 (VI) of 12 January 1952, 626 (VII) of 21 December 1952, 1515 (XV) of 15 December 1960,

"Recalling further resolution 1803 (XVII) of 14 December 1962 on permanent sovereignty over natural resources,

"Recognizing that natural resources of the developing countries constitute a basis of their economic development in general and of their industrial progress in particular,

"Bearing in mind that natural resources are exhaustible and in many cases limited and that their proper exploitation determines the conditions of the economic development of the developing countries both at present and in the future,

"Considering that in order to safeguard permanent sovereignty over natural resources, it is essential that their exploitation and marketing should be aimed at securing the highest rate of growth of the developing countries,

"Considering further that this aim can better be achieved if the developing countries are in a position to undertake the exploitation and marketing of their natural resources by themselves,

"1. Reaffirms the right of all countries to exercise permanent sovereignty over their natural resources in the interest of their national development as recognized in resolution 1803 (XVII);

"2. Declares therefore that the United Nations should undertake a maximum concerted effort to channel its activities so as to ensure the full exercise of this right;

"3. States that such an effort should first of all lead to the highest degree of utilization of natural resources of the developing countries by themselves;

"4. Recognizes the right of the developing countries to secure and increase the share in the administration, advantages and profits derived from the exploitation of their natural resources when it is carried out fully or partly by foreign capital;

"5. Considers that in cases when natural resources of the developing countries are exploited by foreign investors, the latter should undertake proper and accelerated training of national personnel at all levels and in all fields connected with such exploitation;

"6. Calls on the developed countries to make available to the developing countries at their request, assistance including capital goods and know-how for the exploitation and marketing of their natural resources in order to accelerate their economic development;

"7. Recognizes that national and international organizations, set up by the developing countries for the marketing of their natural resources, play a significant role in ensuring the permanent sovereignty of those countries in this field, and as such, they should be encouraged;

"8. Recommends to the regional economic commissions of the United Nations for Asia and the Far East, for Latin America, for Africa and the Economic and Social Office in Beirut in the execution of their functions to keep under review the question of the permanent sovereignty over the natural resources in the countries of the regions concerned, as well as the problem of economic utilization of these resources in the national interests of their peoples;

"9. Requests the Secretary-General:

"(a) to co-ordinate the activities of the Secretariat in the field of natural resources with that in the field of industrial development;

"(b) to undertake necessary steps through the work of the Center for Development Planning, Projections and Policies, UNCTAD, UNOIID and the Advisory Committee on the Application of Science and Technology to Development, in order to facilitate the inclusion of the exploitation of natural resources of the developing countries into programmes for their accelerated economic growth;

"(c) to submit to the twenty-third session of the General Assembly a progress report on the implementation of this resolution."

5. At the same meeting the representative of the Democratic Republic of the Congo introduced an amendment (A/C.2/L.874), proposing that the following words be added at the end of operative paragraph 4:

"and that the countries from which such capital originates should refrain from, and prevent, anything which might hinder the exercise of that right;"

This amendment was subsequently revised (A/C.2/L.874/Rev.1) to read:

"and that the countries from which such capital originates should refrain from any action and prevent any manoeuvre which might hinder the exercise of that right;"

6. The representative of the United States of America introduced an amendment (A/C.2/L.873), proposing the following changes in the draft resolution:

(a) In the last paragraph of the preamble, the words "to undertake the exploitation and marketing of their natural resources by themselves" would be replaced by the words "to choose freely the manner in which their natural resources should be exploited and marketed";

(b) In operative paragraph 1, the words "and of the well-being of their people" would be inserted after the words "national development";

(c) In operative paragraph 2, the words "so as to ensure the full exercise of this right" would be replaced by the words "related to natural resources development so as to enable the developing countries to exercise this right fully";

(d) In operative paragraph 3, the words "to the highest degree of utilization of natural resources of the developing countries by themselves" would be replaced by the words "to the utilization of their natural resources to the maximum economic extent and to the establishment of conditions which would enable them to exercise meaningfully their freedom of choice as to the manner in which their resources should be developed and marketed";

(e) In operative paragraph 4, the words "and to an equitable share in the" would be inserted after the words "the administration";

(f) In operative paragraph 7, the words "in ensuring the permanent sovereignty of those countries in this field, and as such, they should be encouraged" would be replaced by the words "in this field".

A revision of this amendment (A/C.2/L.873/Rev.1) was later submitted, by which operative paragraph 4 of the draft resolution (see sub-paragraph (e) above) would be replaced by the following text:

"Recognizes the rights of all countries and in particular of the developing countries to secure and increase their share on an equitable basis in the administration of enterprises which are fully or partly operated by foreign capital and to a greater share in the advantages and profits derived therefrom on an equitable basis to be determined in the light of the development needs and objectives of the peoples concerned without prejudice to any obligation arising out of international economic co-operation, based upon the principle of mutual benefit and international law;"

7. At the 1051st meeting, the representative of Afghanistan, on behalf of the sponsors, Afghanistan, Ceylon, Ghana and Lebanon, introduced an amendment (A/C.2/L.871), proposing that the following new paragraph be added as the last paragraph of the preamble of the draft resolution:

"Taking into account that foreign capital, whether public or private, forthcoming at the request of the developing countries, plays an important role in supplementing the efforts undertaken by them in the exploration and development of their natural resources,".

8. At the 1052nd meeting, Libya and Morocco joined as co-sponsors of the draft resolution (A/C.2/L.870/Add.1).

9. At the 1053rd meeting, the representative of Madagascar, on behalf of Italy, Madagascar, Mali and Niger introduced an amendment (A/C.2/L.875), proposing that operative paragraph 9 (a) should be replaced by the following text:

"(a) To co-ordinate the activities of the Secretariat in the field of natural resources with those of other United Nations organs and programmes, including the United Nations Organization for Industrial Development, the United Nations Conference on Trade and Development, the United Nations Development Programme, the regional economic commissions, the United Nations Economic and Social Office in Beirut, the specialized agencies and the International Atomic Energy Agency;".

10. At the same meeting, the representative of the Philippines introduced an amendment (A/C.2/L.876) to replace operative paragraph 9 (b) by the following text:

"(b) To undertake the necessary steps to facilitate the appropriate exploitation of the natural resources of the developing countries for their accelerated economic growth through close co-ordination of the activities in this field of the United Nations Secretariat, particularly those of United Nations Industrial Development Organization, United Nations Conference on Trade and Development, and the Centre for Development Planning, Projections and Policies, of the Advisory Committee on the Application of Science and Technology to Development, and of the specialized agencies and the International Atomic Energy Agency;".

11. Mauritania joined as a co-sponsor of the draft resolution (A/C.2/L.870/Add.2).

12. At the 1057th meeting, the representative of the United Kingdom of Great Britain and Northern Ireland introduced an amendment (A/C.2/L.880), proposing the following changes in the draft resolution:

(a) The sixth paragraph of the preamble would be replaced by the following text:

"Considering further that this aim can be better achieved if the developing countries are provided with further assistance in the exercise of their freedom of choice as to the manner in which their natural resources should be exploited and marketed,";

(b) In operative paragraph 2, the words "so as to ensure the full exercise of this right" would be replaced by the words "related to natural resources development so as to assist the developing countries in the full exercise of their right";

(c) In operative paragraph 3, the words "to the highest degree of utilization of natural resources of the developing countries by themselves" would be replaced by the words "to the utilization of their natural resources to the maximum economic extent and would assist them to exercise their freedom of choice as to the manner in which their resources should be developed and marketed".

13. At its 1058th meeting, the Committee had before it a revision of the fourteen-Power draft resolution (A/C.2/L.870/Rev.1), which introduced the following changes:

(a) The following new paragraph was added as the last paragraph of the preamble:

"Taking into account that foreign capital, whether public or private, forthcoming at the request of the developing countries, can play an important role inasmuch as it supplements the efforts undertaken by them in the exploration and development of their natural resources,";

(b) The operative part of the revised draft resolution was divided into two sections: section I containing operative paragraphs 1 through 8; section II containing operative paragraph 9;

(c) In operative paragraph 2 the words "ensure the full exercise of" were replaced by the words "enable them to";

(d) In operative paragraph 4 the words "all countries and, in particular," were inserted after the words "Recognizes the right of", and the following words were added at the end of the paragraph: "and calls upon the countries from which such capital originates to refrain from any action which would hinder the exercise of that right;";

(e) In operative paragraph 7, the words "ensuring the permanent sovereignty" were changed to "ensuring the exercise of permanent sovereignty";

(d) Operative paragraph 9 (a) was reworded to read as follows:

"(a) To co-ordinate the activities of the Secretariat in the field of natural resources with those of other United Nations organs and programmes including the United Nations Conference on Trade and Development, the United Nations Development Programme, the regional economic commissions, the United Nations Economic and Social Office in Beirut, the specialized agencies and the International Atomic Energy Agency and in particular with those of the United Nations Industrial Development Organization;"

14. At the same meeting, the representative of the Byelorussian Soviet Socialist Republic introduced the following sub-amendments (A/C.2/L.881) to the amendment proposed by Afghanistan, Ceylon, Ghana and Lebanon (see paragraph 7 above):

(a) The words "plays an important role in supplementing" would be replaced by the words "can play a role in so far as it supplements";

(b) The following words were to be added at the end of the four-Power amendment: "provided that there is complete government control over the foreign capital to ensure that it is used in the interests of national development". He subsequently withdrew the first of his sub-amendments, since it had been accepted by the sponsors and incorporated in the text of the revised draft resolution (see paragraph 13 (a) above).

15. At the 1059th meeting, the representative of Bolivia introduced an amendment (A/C.2/L.884) to the revised draft resolution (A/C.2/L.870/Rev.1) proposing that the following words be added at the end of operative paragraph 6:

", and to refrain from placing on the world market non-commercial reserves of primary commodities which may have an adverse effect on prices determined by the free play of supply and demand".

16. At the same meeting, the representative of the United Arab Republic, on behalf of the co-sponsors, now joined by Afghanistan, Ceylon, Ecuador and Lebanon, introduced a further revision of the draft resolution (A/C.2/L.870/Rev.2 and Corr.1), with the following changes:

(a) The first part of the fourth paragraph of the preamble was reworded to read "Bearing in mind that natural resources are limited and in many cases exhaustible...";

(b) In the fifth paragraph of the preamble, the words "safeguard permanent sovereignty" were changed to read "safeguard the exercise of permanent sovereignty";

(c) At the end of the sixth paragraph of the preamble, the following words were added "so that they could exercise their freedom of choice in the various fields related to the utilization of natural resources under the most favourable conditions,";

(d) In operative paragraph 1, the words "in particular" were inserted before the words "as recognized in resolution 1803 (XVII)";

(e) At the end of operative paragraph 2, the word "fully" was added;

(f) Operative paragraph 3 was revised to read as follows:

"3. States that such an effort should help in achieving the maximum possible development of natural resources of the developing countries and in strengthening their ability to undertake this by themselves so that they could effectively exercise their choice on deciding the manner in which the exploitation and marketing of their natural resources should be carried out;"

(g) Operative paragraph 4 was revised to read as follows:

"4. Recognizes the right of all countries and, in particular, the developing countries to secure and increase their share in the administration of enterprises which are fully or partly operated by foreign capital and to a greater share in the advantages and profits derived therefrom on an equitable basis with due regard to the development needs and objectives of the peoples concerned, and calls upon the countries from which such capital originates to refrain from any action which would hinder the exercise of that right;"

17. At the 1060th meeting, the representative of the Netherlands introduced an amendment (A/C.2/L.885) proposing that the words "and to mutually acceptable contractual practices" be inserted in operative paragraph 4 after the words "with due regard to the development needs and objectives of the peoples concerned".

18. The representative of Mexico introduced an amendment (A/C.2/L.886) proposing the following changes in the revised draft resolution:

(a) At the end of operative paragraph 4, the following words were to be added: ", since the exploitation of each country's natural resources must be governed by its own laws and provisions";

(b) In operative paragraph 8 the words "as well as the problem of economic utilization of these resources in the national interests of their peoples" were to be deleted.

19. At the same meeting, the amendments submitted by the Democratic Republic of the Congo (see paragraph 5 above), by the United States of America (see paragraph 6 above), by Afghanistan, Ceylon, Ghana and Lebanon (see paragraph 7 above), by Italy, Madagascar, Mali and Niger (see paragraph 9 above), by the Philippines (see paragraph 10 above), and by the United Kingdom (see paragraph 12 above) were withdrawn.

20. The representative of the Byelorussian Soviet Socialist Republic moved the second of his sub-amendments (see paragraph 14 (b) above) to the last paragraph of the preamble of the revised draft resolution (A/C.2/L.870/Rev.2). The final text of his amendment, as orally revised at the 1060th and 1061st meetings, read as follows: "provided that there is government supervision over the activity of foreign capital to ensure that it is used in the interests of national development".

21. The representative of Bolivia orally revised his amendment (see paragraph 15 above) to read: "and to refrain from placing on the world market non-commercial reserves of primary commodities which have an adverse effect on the foreign exchange earnings of the developing countries".

22. Kenya joined as a co-sponsor of the revised draft resolution.

23. At the 1061st meeting, the representative of the United Arab Republic, on behalf of the co-sponsors, made a further oral revision of the draft resolution (A/C.2/L.870/Rev.2 and Corr.1), in which he incorporated the amendment by the Netherlands and the first amendment by Mexico (see, respectively, subparagraphs (d) and (c) below). The oral changes were as follows:

(a) In operative paragraph 1, the words "in particular as recognized in resolution 1803 (XVII)" were replaced by the words "in conformity with the spirit and principles of the United Nations Charter and as recognized in resolution 1803 (XVII)";

(b) In operative paragraph 3, the words "on deciding the manner" were changed to "in deciding the manner";

(c) A new operative paragraph was inserted between operative paragraphs 3 and 4, and the following paragraphs were renumbered accordingly. The new operative paragraph read as follows:

"Confirms that the exploitation of natural resources in each country shall always be in accordance with its national laws and regulations;"

(d) In operative paragraph 4 (now operative paragraph 5), the words "and to mutually acceptable contractual practices" were inserted after the words "with due regard to the development needs and objectives of the peoples concerned";

(e) In operative paragraph 7 (now operative paragraph 8), the words "development and" were inserted before the words "marketing of their natural resources".

24. The representative of Mexico withdrew the second of his amendments (see paragraph 18 (b) above).

25. The Committee then voted on the draft resolution (A/C.2/L.870/Rev.2 and Corr.1), as orally revised, and the amendments thereto, as follows:

(a) The amendment of Bolivia, as orally revised (see paragraph 21 above), on which a roll-call vote was requested by Bolivia, was adopted by 58 votes to 2, with 47 abstentions. The voting was as follows:

In favour: Argentina, Bolivia, Brazil, Bulgaria, Byelorussian Soviet Socialist Republic, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo (Brazzaville), Costa Rica, Cuba, Cyprus, Czechoslovakia, Dahomey, Dominican Republic, Ecuador, El Salvador, France, Gabon, Guatemala, Guyana, Haiti, Honduras, Hungary, India, Indonesia, Israel, Italy, Ivory Coast, Jamaica, Jordan, Kenya, Lebanon, Libya, Malaysia, Mexico, Mongolia, Panama, Paraguay, Peru, Poland, Romania, Rwanda, Spain, Sudan, Syria, Thailand, Trinidad and Tobago, Tunisia, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Republic of Tanzania, Venezuela, Zambia.

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

Abstaining: Afghanistan, Algeria, Australia, Austria, Belgium, Burma, Burundi, Canada, Ceylon, Congo (Democratic Republic of), Denmark, Ethiopia, Finland, Ghana, Greece, Guinea, Iceland, Iran, Iraq, Ireland, Japan, Kuwait, Liberia, Luxembourg, Madagascar, Malta, Mauritania, Morocco, Netherlands, New Zealand, Niger, Nigeria, Norway, Pakistan, Philippines, Portugal, Saudi Arabia, Senegal, Sierra Leone, Somalia, South Africa, Sweden, Togo, Turkey, United Arab Republic, Upper Volta, Yugoslavia.

(b) The amendment of the Byelorussian Soviet Socialist Republic, as orally revised (see paragraph 20 above), was adopted by 35 votes to 17, with 53 abstentions;

(c) The sixth paragraph of the preamble, on which a separate vote had been requested by the United Kingdom and which, at the request of Iraq, was voted upon by roll-call, was retained by 97 votes to none, with 10 abstentions. The voting was as follows:

In favour: Afghanistan, Algeria, Austria, Bolivia, Brazil, Bulgaria, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Democratic Republic of), Costa Rica, Cuba, Cyprus, Czechoslovakia, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Finland, France, Gabon, Ghana, Greece, Guatemala, Guinea, Guyana, Haiti, Honduras, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Jamaica, Jordan, Kenya, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Malaysia, Mauritania, Mexico, Mongolia, Morocco, Netherlands, Niger, Nigeria, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Rwanda, Senegal, Sierra Leone, Somalia, Spain, Sudan, Sweden, Syria, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, United Republic of Tanzania, United States of America, Upper Volta, Venezuela, Yugoslavia, Zambia.

Against: None.

Abstaining: Argentina, Australia, Belgium, Japan, Kuwait, Malta, New Zealand, Saudi Arabia, South Africa, United Kingdom of Great Britain and Northern Ireland.

(d) Operative paragraph 3, on which a separate vote had been requested by the United Kingdom, was retained by 98 votes to none, with 7 abstentions;

(e) The new operative paragraph (now operative paragraph 4), on which a separate vote was requested by the United States and which, at the request of the

United Arab Republic, was voted upon by roll-call, was approved by 101 votes to none, with 6 abstentions. The voting was as follows:

In favour: Afghanistan, Algeria, Argentina, Austria, Bolivia, Brazil, Bulgaria, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Democratic Republic of), Costa Rica, Cuba, Cyprus, Czechoslovakia, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Finland, France, Gabon, Ghana, Greece, Guatemala, Guinea, Guyana, Haiti, Honduras, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Jamaica, Jordan, Kenya, Kuwait, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Malaysia, Mauritania, Mexico, Mongolia, Morocco, Netherlands, New Zealand, Niger, Nigeria, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, South Africa, Spain, Sudan, Sweden, Syria, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, United Republic of Tanzania, Upper Volta, Venezuela, Yugoslavia, Zambia.

Against: None.

Abstaining: Australia, Belgium, Japan, Malta, United Kingdom of Great Britain and Northern Ireland, United States of America.

(f) Operative paragraph 4 (now operative paragraph 5), on which a separate vote had been requested by the United Kingdom was retained by 94 votes to 4, with 4 abstentions;

(g) Operative paragraph 8 (now operative paragraph 9), on which a separate vote had been requested by Brazil, was retained by 97 votes to none, with 6 abstentions;

(h) The draft resolution as a whole (A/C.2/L.870/Rev.2 and Corr.1), as orally revised and amended, on which a roll-call vote had been requested by Iran, was approved by 99 votes to none, with 8 abstentions. The voting was as follows:

In favour: Afghanistan, Algeria, Austria, Bolivia, Brazil, Bulgaria, Burma, Burundi, Byelorussian Soviet Socialist Republic, Cameroon, Canada, Central African Republic, Ceylon, Chad, Chile, China, Colombia, Congo (Brazzaville), Congo (Democratic Republic of) Costa Rica, Cuba, Cyprus, Czechoslovakia, Dahomey, Denmark, Dominican Republic, Ecuador, El Salvador, Ethiopia, Finland, France, Gabon, Ghana, Greece, Guatemala, Guinea, Guyana, Haiti, Honduras, Hungary, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Ivory Coast, Jamaica, Jordan, Kenya, Kuwait, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Malaysia, Mauritania, Mexico, Mongolia, Morocco, Netherlands, Niger, Nigeria, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, South Africa, Spain, Sudan, Sweden, Syria, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, United Republic of Tanzania, Upper Volta, Venezuela, Yugoslavia, Zambia.

Against: None.

Abstaining: Argentina, Australia, Belgium, Japan, Malta, New Zealand, United Kingdom of Great Britain and Northern Ireland, United States of America.

RECOMMENDATION OF THE SECOND COMMITTEE

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

Permanent sovereignty over natural resources

The General Assembly,

Recalling its resolutions 523 (VI) of 12 January 1952, 626 (VII) of 21 December 1952 and 1515 (XV) of 15 December 1960,

Recalling further its resolution 1803 (XVII) of 14 December 1962 on permanent sovereignty over natural resources,

Recognizing that the natural resources of the developing countries constitute a basis of their economic development in general and of their industrial progress in particular,

Bearing in mind that natural resources are limited and in many cases exhaustible and that their proper exploitation determines the conditions of the economic development of the developing countries both at present and in the future,

Considering that, in order to safeguard the exercise of permanent sovereignty over natural resources, it is essential that their exploitation and marketing should be aimed at securing the highest rate of growth of the developing countries,

Considering further that this aim can better be achieved if the developing countries are in a position to undertake themselves the exploitation and marketing of their natural resources so that they could exercise their freedom of choice in the various fields related to the utilization of natural resources under the most favourable conditions,

Taking into account that foreign capital, whether public or private, forthcoming at the request of the developing countries, can play an important role inasmuch as it supplements the efforts undertaken by them in the exploitation and development of their natural resources, provided that there is government supervision of the activity of foreign capital to ensure that it is used in the interests of national development,

I

1. Reaffirms the inalienable right of all countries to exercise permanent sovereignty over their natural resources in the interest of their national development, in conformity with the spirit and principles of the Charter of the United Nations and as recognized in General Assembly resolution 1803 (XVII);

2. Declares therefore that the United Nations should undertake a maximum concerted effort to channel its activities so as to enable them to exercise this right fully;

3. States that such an effort should help in achieving the maximum possible development of natural resources of the developing countries and in strengthening their ability to undertake this development by themselves, so that they could effectively exercise their choice in deciding the manner in which the exploitation, and marketing of their natural resources should be carried out;

4. Confirms that the exploitation of natural resources in each country shall always be in accordance with its national laws and regulations;

5. Recognizes the right of all countries, and in particular of the developing countries, to secure and increase their share in the administration of enterprises which are fully or partly operated by foreign capital and to have a greater share

in the advantages and profits derived therefrom on an equitable basis, with due regard to the development needs and objectives of the peoples concerned and to mutually acceptable contractual practices, and calls upon the countries from which such capital originates to refrain from any action which would hinder the exercise of that right;

6. Considers that when natural resources of the developing countries are exploited by foreign investors, the latter should undertake proper and accelerated training of national personnel at all levels and in all fields connected with such exploitation;

7. Calls upon the developed countries to make available to the developing countries, at their request, assistance, including capital goods and know-how for the exploitation and marketing of their natural resources in order to accelerate their economic development, and to refrain from placing on the world market non-commercial reserves of primary commodities which may have an adverse effect on the foreign exchange earnings of the developing countries;

8. Recognizes that national and international organizations set up by the developing countries for the development and marketing of their natural resources play a significant role in ensuring the exercise of the permanent sovereignty of those countries in this field, and as such should be encouraged;

9. Recommends to the regional economic commissions of the United Nations for Asia and the Far East, for Latin America, for Africa and the Economic and Social Office in Beirut, in the execution of their functions, to keep under review the question of the permanent sovereignty over natural resources in the countries of the regions concerned, as well as the problem of the economic utilization of these resources in the national interests of their peoples;

II

Requests the Secretary General:

(a) To co-ordinate the activities of the Secretariat in the field of natural resources with those of other United Nations organs and programmes, including the United Nations Conference on Trade and Development, the United Nations Development Programme, the regional economic commissions, the Economic and Social Office in Beirut, the specialized agencies and the International Atomic Energy Agency, and in particular with those of the United Nations Industrial Development Organization;

(b) To undertake necessary steps to facilitate, through the work of the Centre for Development Planning, Projections and Policies, the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization and the Advisory Committee on the Application of Science and Technology to Development, the inclusion of the exploitation of the natural resources of the developing countries into programmes for their accelerated economic growth;

(c) To submit to the General Assembly at its twenty-third session, a progress report on the implementation of the present resolution.
