



General Assembly
Economic and Social Council

Distr.
GENERAL

A/40/347
E/1985/121
31 May 1985
ENGLISH
ORIGINAL: RUSSIAN

GENERAL ASSEMBLY
Fortieth session
Items 12 and 84 of the preliminary list*
REPORT OF THE ECONOMIC AND SOCIAL COUNCIL
DEVELOPMENT AND INTERNATIONAL ECONOMIC
CO-OPERATION

ECONOMIC AND SOCIAL COUNCIL
Second regular session of 1985
Item 12 of the provisional
agenda**
INDUSTRIAL DEVELOPMENT
CO-OPERATION

Letter dated 22 May 1985 from the Permanent Representative
of the Union of Soviet Socialist Republics to the United
Nations addressed to the Secretary-General

In connection with the transmission to you of the instrument of ratification by the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics of the Constitution of the United Nations Industrial Development Organization (UNIDO), I have been instructed to state the following on behalf of the Government of the Soviet Union.

In taking this action, the Soviet side assumes that the agreements on the conditions for converting UNIDO into a specialized agency that were confirmed in General Assembly resolution 39/231 of 18 December 1984, including the agreement on the equitable geographical distribution of posts and, in particular, the allocation of one of the posts of Deputy Director-General to the socialist countries, will be fully and strictly observed. This will ensure the universal character of the new organization's activities in the interests of all countries members of UNIDO.

UNIDO activities aimed at promoting industrial development in the developing countries and at those countries' attainment of economic independence must be based on the progressive provisions and principles of the Charter of Economic Rights and Duties of States, the Declaration on the Establishment of a New International Economic Order and the Lima and New Delhi Declarations on international industrial development co-operation.

* A/40/50/Rev.1.

** E/1985/100.

The Soviet Union believes that those goals can be achieved only by means of a fundamental restructuring of the existing unjust international economic relations, the conduct of progressive social and economic reforms, the strengthening of the state sector of the economy and the implementation of national plans and programmes for social and economic development.

UNIDO must combat the acts of economic aggression, diktat, blackmail and interference in the internal affairs of States that are perpetrated by the forces of imperialism. It must oppose the policies of those States that are striving not only to maintain but also to increase the neo-colonialist exploitation of the developing countries.

Of particular significance is UNIDO's active promotion of the establishment of effective control of the activities of transnational corporations with a view to restricting their negative influence on the economies of developing countries and on international economic relations and development as a whole.

In the Constitution of the United Nations Industrial Development Organization the members of UNIDO express their determination to contribute to international peace and security and to the prosperity of all nations; that determination should be reflected in the Organization's decisions and in its practical activities. Only under conditions of peace, and only when real disarmament measures are implemented, can significant additional resources be released for the needs of economic and social development, including the industrialization of the developing countries. The importance and urgency of that task was reaffirmed in the Declaration entitled "Maintenance of peace and international economic co-operation" adopted at the high-level economic conference of the member countries of the Council for Mutual Economic Assistance held in June 1984.

The Soviet Union bases its position on the need to apply consistently in practice the provision of the Constitution of UNIDO with regard to the purposes for which the regular and operational budgets of the Organization may be utilized, and on the need not to permit the expenditure of resources for programmes and projects, including "advisory services", that could serve for the penetration of foreign private capital into the economies of the developing countries. In order to ensure the effective and economical use of the resources of the regular budget, the level of that budget must be established on a stable basis.

At the United Nations Conference on the Establishment of the United Nations Industrial Development Organization as a Specialized Agency, the delegations of the socialist countries announced, on 7 April 1979, their opposition in principle to the use of funds from the regular budget of UNIDO for the provision of technical assistance.

In connection with the provision of the Constitution of UNIDO on the allocation of six per cent of the regular budget to technical assistance, the Soviet Union states that the corresponding portion of its convertible currency contribution to the UNIDO budget will be credited to a separate account in the Foreign Trade Bank of the USSR. The Soviet Union will make use of those funds to participate in the provision through UNIDO of technical assistance to interested countries.

The Soviet Union firmly expects that its positions of principle on the activities of UNIDO, as contained in this statement and as expressed in the course of the consultations on the conversion of UNIDO into a specialized agency, will be duly taken into account and acted upon. The nature and the extent of the Soviet Union's co-operation with UNIDO will depend on the implementation of the agreements reached, on the nature and direction of the practical activities of UNIDO and on that organization's real observation of the basic United Nations decisions relating to international economic development and the restructuring of international economic relations on an equitable and democratic basis.

I request you to consider this letter as official notification of the Soviet Union's agreement to the entry into force of the Constitution of the United Nations Industrial Development Organization, in accordance with article 25, paragraph 1, of that Constitution.

I also request you to take the necessary measures to circulate this letter as an official document of the General Assembly, under items 12 and 84 of the preliminary list, and of the Economic and Social Council, under item 12 of the provisional agenda of its second regular session of 1985.

(Signed) O. TROYANOVSKY
