

## COMMITTEE ON NATURAL RESOURCES

## REPORT ON THE FOURTH SESSION

(24 March-4 April 1975)

## ECONOMIC AND SOCIAL COUNCIL

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## NOTE

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

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- I. QUESTIONS THAT REQUIRE ACTION BY, OR ARE BROUGHT TO THE ATTENTION OF, THE ECONOMIC AND SOCIAL COUNCIL
- 1. The Committee on Natural Resources recommends to the Economic and Social Council the adoption of the following draft resolutions and draft decision:

#### DRAFT RESOLUTION I

## Problems of availability and supply of natural resources

A

The Economic and Social Council,

Taking into account the importance of natural resources, inter alia, for world economic development,

Noting the great importance of non-fuel minerals such as copper and some others.

Recognizing the importance of training national personnel of the developing countries,

## Requests the Secretary-General:

- (a) To co-ordinate and strengthen the research and dissemination of information with regard to projections of supply, demand, consumption and reserves of natural resources, especially in the medium term, drawing upon the work carried out within and outside the United Nations system of organizations;
- (b) That serious attention be given in the next few years not only to oil and gas but also to the problems of the development of alternative sources of energy, both from fossil fuel and renewable sources, which can play an important part in the economic development of all countries, particularly the developing countries, taking into account the environmental aspects of the problem;
- (c) To prepare for the Committee on Natural Resources at its fifth session comprehensive reports on the following:
  - (i) The status of the use of coal, oil shale and geothermal energy in developed and developing countries and of rational measures for expanding the use of those sources of energy;
  - (ii) Dissemination of world experience in the use of fossil coal and oil shale as a chemical raw material and as a raw material for obtaining high-calorie liquid and gaseous fuel;
- (d) To organize an international seminar on the evaluation and working of coal deposits and the planning of mining enterprises for the coal industry within the next few years;

(e) To submit to the Committee on Natural Resources at its fifth session a comprehensive report containing a 10- to 15-year evaluation of prospects for development of the raw materials base for the copper industry and also of the demand for copper, including its recycling; the report should pay special attention to the evaluation of measures being taken to assist the developing countries in that field; within the limits of available resources, similar studies should be undertaken in relation to other non-ferrous metals.

B

## The Economic and Social Council,

Recognizing the need to find agreement on terminology used in categorizing mineral resources so that there should be comparable and generally agreed upon statistics,

Having due regard to the work of the International Geological Correlation Programme and the International Union of Geological Sciences Committee on Storage and Automatic Retrieval of Geological Data,

## 1. Requests:

- (a) The Centre for Natural Resources, Energy and Transport to review present definitions and terminology for reserves, production and consumption that are being used in the mineral resources field;
- (b) The Secretary-General to convene afterwards a group of experts selected on an equitable geographic basis to prepare a report recommending a common set of definitions and terminology which might be used internationally for the purpose of reporting to the United Nations on mineral resources;
- 2. <u>Also requests</u> the Secretary-General to submit the report of the abovementioned group of experts to the Committee on Natural Resources at its sixth session.

C

#### The Economic and Social Council,

Taking fully into account General Assembly resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974 containing respectively the Declaration and the Programme of Action on the Establishment of a New International Economic Order,

Fully conscious of the Charter of Economic Rights and Duties of States contained in General Assembly resolution 3281 (XXIX) of 12 December 1974,

Recalling paragraph 2 of Economic and Social Council resolution 1911 (LVII) of 2 August 1974,

Bearing in mind the relevant provisions of the Declaration and the Programme of Action on the Establishment of a New International Economic Order and of the Charter of Economic Rights and Duties of States on the principle of permanent sovereignty over natural resources,

- 1. Recognizes the need for increased use of natural resources by developing countries for their national development;
- 2. Stresses the need for urgent measures to avoid the irrational and wasteful consumption and use of natural resources of all countries, particularly those of developing countries;
- 3. Expresses the conviction that reserves of natural resources should be viewed in a dynamic context in the light of changing technology, scientific advancement and economic structures;
- 4. Asserts the need to take measures to promote the processing of raw materials in the producer developing countries, and to establish appropriate processing arrangements which would allow the fullest benefits to developing countries;
- 5. Considers that there is an urgent need to promote the development and transfer of technology in the field of production and use of natural resources in order to accelerate the development efforts of the developing countries;
- 6. Emphasizes the crucial importance of securing a fair and equitable return on natural resources exported in any form by the developing countries;
- 7. Underlines the importance of promoting co-operation among developing countries in the field of natural resources as provided for by the Programme of Action on the Establishment of a New International Economic Order within the framework of interdependence without prejudice to over-all co-operation;
  - 8. Requests the Secretary-General:
- (a) To continue to collect, and to provide information on natural resources including relevant data on processing, transportation and the structure and operations of industries in natural resources sectors;
- (b) To provide assistance to developing countries, at their request, in their efforts to improve data on their resources as well as the methodologies necessary for national forecasting of supply and demand of natural resources, and in formulating appropriate policies, consistent with the needs of their national development plans;
- (c) To take appropriate action to strengthen and intensify international co-operation by promoting:
  - (i) The organization of specific research and development programmes in developing countries directed towards their energy needs, including the special requirements in rural areas;
  - (ii) Exchange of information between countries on energy research and development, its conservation and greater efficiency in fuel use, and on the non-conventional sources such as solar energy, geothermal energy, wind power, oil shales and biogas;
  - (d) To develop and promote the standardization of concepts, terminology and

methods of measurement of natural resources reserves, supplies and consumption, taking into account the special interests of developing countries;

- (e) To examine the problems of natural resources, reserves and supplies in the light of world economic and monetary conditions;
- (f) To work closely with the regional economic commissions and the United Nations Conference on Trade and Development in the implementation of the above recommendation.

D

## Survey of current problems in the fields of energy and minerals

## The Economic and Social Council,

Aware of the urgency of developing alternative sources of energy,

Recognizing the importance of geothermal and solar energy as energy sources which could provide relatively low-cost alternative energy in the short term in various parts of the world,

Recognizing also the important work that is being done through training courses sponsored by the United Nations Educational, Scientific and Cultural Organization, and by the Pisa Geothermal Data Bank, in co-operation with the United Nations,

Noting, however, that the development and wider application of geothermal energy is hampered by lack of exploration and of trained personnel,

<u>Further noting</u> that the Council of the newly established United Nations University has decided to include the management and use of natural resources among its initial programme priorities,

- 1. Recommends that the Council of the United Nations University should consider including in its programme of priorities research in the field of geothermal and solar energy and the practical applications of these energy sources;
- 2. <u>Invites</u> the Administrator of the United Nations Development Programme, in collaboration with all relevant organs of the United Nations system and bilateral technical assistance programmes, to give favourable consideration to the funding of information systems, training courses and seminars in the exploration and utilization of geothermal energy, and of research and development in solar energy, and to support the developing countries in participating in these.

H

# Medium-term and long-term projections of reserves, supply and demand of energy, minerals and water resources

#### The Economic and Social Council,

Recognizing the increasing need of strengthening voluntary exchange of information on natural resources on a global basis,

Affirming the role of the United Nations as a clearing-house for information on natural resources,

Emphasizing the importance of intensifying the capabilities of the United Nations information services concerning energy, mineral and water resources,

Recalling its resolution 1761 B (LIV) of 18 May 1973,

Bearing in mind that the General Assembly, in its resolution 3345 (XXIX) of 17 December 1974, has requested the Secretary-General to provide facilities for research in related fields and to report on the result of this research on a continuing basis to the Economic and Social Council,

- 1. Requests the Secretary-General to submit to it, at one of its sessions in 1976, a proposal for the implementation of the recommendations concerning the intensification of United Nations information services in the natural resources field as agreed upon by the Committee on Natural Resources at its fourth session as well as the implementation of Economic and Social Council resolution 1761 B (LIV), and to indicate the total estimate of funds and manpower resources required for the programme;
- 2. Decides to formulate a programme after its deliberation on the proposal to be submitted by the Secretary-General in accordance with paragraph 1 above.

#### DRAFT RESOLUTION II

Α

## Preparatory work for the United Nations Water Conference

The Economic and Social Council,

Recalling its resolution 1761 C (LIV) of 18 May 1973,

Taking note of chapter IV of the report of the Committee on Natural Resources on its fourth session, which contains the comments made by members of the Committee at that session,

- 1. <u>Decides</u> to authorize the Committee on Natural Resources to act as the preparatory committee to assist the Secretary-General in the preparation and organization of the United Nations Water Conference and to hold, to this end, special sessions as it may be required, with the further suggestion that the first such session should be held early in 1976;
- 2. Approves the revised provisional agenda for the United Nations Water Conference contained in the annex to the progress report of the Secretary-General (E/C.7/48), based on the agenda proposed by the Intergovernmental Panel of Specialists, 1/ with the understanding that the provisional agenda should be finalized by the Committee on Natural Resources acting as the preparatory committee for the Conference;
- 3. Emphasizes the importance of regional meetings as part of the preparatory process for the United Nations Water Conference as outlined in the progress report of

<sup>1/</sup> E/C.7/31.

the Secretary-General and, to this end, requests the regional economic commissions to hold the regional meetings before the end of 1976;

- 4. Decides to convene the United Nations Water Conference in Argentina from 7 to 18 March 1977;
- 5. Requests the Secretary-General to ensure, throughout the process of the preparatory work of the United Nations Water Conference, full co-ordination with the preparatory work for the United Nations Conference on Desertification in order to ensure the appropriate contributions from the Water Conference to the Conference on Desertification;
- 6. Recommends that the Governments which have not yet done so should start the preparation of their contribution to the United Nations Water Conference, which could include, if they deem it necessary, the establishment of national water conference committees;
- 7. Requests the Secretary-General to continue with the preparation for the United Nations Water Conference as suggested in his progress report in close co-operation with the specialized agencies concerned, the regional economic commissions and organs of the United Nations, together with intergovernmental and international non-governmental institutions in a position to contribute to the preparations for the Conference, and to submit a report on the progress accomplished to the Committee on Natural Resources acting as the preparatory committee for the Conference.

Note by the Secretariat: In connexion with draft resolution II A on the preparatory work for the United Nations Water Conference, the Council's attention is also drawn to paragraph 112 of this report in which the Committee has recommended that a special session of the Committee on Natural Resources be held early in 1976 to consider preparations for the United Nations Water Conference to be held in 1977. Should this session prove sufficient as regards preparations for the Water Conference, there might not be a need for a second special session of the Committee before the Water Conference. If this is the case the Committee should hold its next regular session after the Water Conference.

B

#### International river basin development

The Economic and Social Council,

Bearing in mind the need for co-operation in the implementation of General Assembly resolutions 2669 (XXV), 2780 (XXVI), 2926 (XXVII), 3071 (XXVIII) and 3315 (XXIX) referring to the study of the law of the non-navigational uses of international watercourses by the International Law Commission,

Recalling General Assembly resolution 3129 (XXVIII) of 13 December 1973 on co-operation in the field of the environment concerning natural resources shared by two or more States, in which the Assembly took note with satisfaction of the relevant parts in this regard of the Economic Declaration 2/ adopted by the Fourth Conference of Heads of State or Government of Non-Aligned Countries, held at Algiers in September 1973,

<sup>2/</sup> A/9330 and Corr.1, p. 57.

Recalling also General Assembly resolution 3281 (XXIX) of 12 December 1974 on the Charter of Economic Rights and Duties of States in which the Assembly further confirmed the same principles stated in its resolution 3129 (XXVIII),

- 1. Requests the Secretary-General to utilize the experience, knowledge and capacity of the Centre for Natural Resources, Energy and Transport and other organizations of the United Nations system having direct interest in the field:
- (a) For assisting the International Law Commission in its study of the law of the non-navigational uses of international watercourses by providing the necessary advice on related technical, scientific and economic problems, so as to enable the International Law Commission to decide on the principles and methods for determining criteria for equitable sharing of responsibilities and benefits in the management and integrated development of international river basins;
- (b) For co-operating with the United Nations Environment Programme in its implementation of General Assembly resolution 3129 (XXVIII), which should be read with General Assembly resolution 3281 (XXIX);
- 2. Requests the Secretary-General to submit the reports on the action taken on the basis of the decisions mentioned above to the Committee on Natural Resources at its fourth session;
- 3. Appeals to the International Law Commission to give priority to the study of the law of non-navigational uses of international watercourses and to submit a progress report to the United Nations Water Conference, which is to take place in 1977.

#### DRAFT RESOLUTION III

## Permanent sovereignty over natural resources

## The Economic and Social Council,

Recalling the pertinent provisions of the Declaration and the Programme of Action for the Establishment of a New International Economic Order, contained in General Assembly resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, and of the Charter of Economic Rights and Duties of States, contained in General Assembly resolution 3281 (XXIX) of 12 December 1974,

Reaffirming the inviolable principle that every State has the right to adopt the economic and social system which it deems most favourable to its development,

Reiterating that the inalienable right of each State to the full exercise of national sovereignty over its natural resources has been repeatedly recognized by the international community in numerous resolutions of various organs of the United Nations,

- 1. Strongly reaffirms the inalienable rights of States to exercise full permanent sovereignty over all their wealth, natural resources and economic activities;
- 2. Reaffirms that the application of the principle of nationalization carried out by States, as an expression of their sovereignty in order to safeguard

their natural resources, implies that each State is entitled to determine the amount of possible compensation and the mode of payment, and that any disputes which might arise should be settled in accordance with the national legislation of each State carrying out such measures;

- 3. Also reaffirms the right of all States to associate in organizations of primary commodity producers;
- 4. <u>Considers</u> it to be indispensable for States to regulate and supervise the activities of transnational corporations within their national jurisdiction and take measures to ensure that such activities comply with their laws, rules and regulations and conform with their economic and social policies;
- 5. Re-emphasizes that actions, measures or legislative regulations by States aimed at coercing, directly or indirectly, other States or peoples engaged in the reorganization of their internal structure or in the exercise of their sovereign rights over their natural resources are in violation of the Charter of the United Nations and the principles contained in the Charter of Economic Right and Duties of States;
- 6. Requests the Secretary-General to update, in the light of the outcome of the seventh special session of the General Assembly and of any other relevant developments and taking into consideration the views expressed in the Committee on Natural Resources at its fourth session, his recent reports on the subject of permanent sovereignty over natural resources. 3/

#### DRAFT RESOLUTION IV

Comprehensive plan of action for and co-ordination of programmes within the United Nations system in the field of natural resources development

Α

#### The Economic and Social Council,

Taking into account the importance of co-ordinating the programmes of the United Nations organs and agencies operating in the field of natural resources and with a view to eliminating duplication and wastage of resources and concentrating efforts in the most important directions,

1. Recommends that the States members of the Committee on Natural Resources and other States concerned and organizations of the United Nations system operating in the field of natural resources should consider carefully the data compiled by the Secretariat on the work programmes of the United Nations system relating to natural resources and submit to the Secretary-General within one year possible specific proposals concerning the improvement of those programmes from the standpoint of their co-ordination and reallocation of resources;

<sup>3/</sup> A/9716 and Corr.1; E/5425 and Corr.1 and E/5549.

2. Recommends that the Secretary-General should submit for consideration by the Committee on Natural Resources at its fifth session a comprehensive plan for the co-ordination of the activities of the United Nations system in the field of natural resources, drawn up in the light of the observations received.

P

## The Economic and Social Council,

Emphasizing the important role of the Committee on Natural Resources, pursuant to Economic and Social Council resolution 1535 (XLIX) of 27 July 1970, in providing guidance and making appropriate recommendations to the Council in the programming and co-ordination of activities in the United Nations system in the field of natural resources,

Considering that the documentation submitted by the Secretariat (E/C.7/47 and Add.1-3), pursuant to Economic and Social Council resolution 1761 (LIV) of 18 May 1973 provides for the first time a comprehensive picture of various United Nations activities in the field of natural resources, constituting as such a first step towards improved co-ordination of programmes within the United Nations system in the field of natural resources,

Recalling the "Guidelines for action in the development of natural resources" 4/ adopted by the Committee on Natural Resources at its second session, which provide the United Nations system with an initial plan of action to guide agency programming,

Recognizing that the preparation of a more broadly based plan of action will require far-reaching efforts in joint interagency programme analysis and planning,

Conscious of the need to overcome as rapidly as possible the constraints on programme planning referred to in the report of the Secretary-General (see E/C.7/47, paras. 8-10),

- 1. <u>Urges</u> all United Nations organs and agencies to co-operate under the auspices of the Economic and Social Council in programming an expanded and joint Plan of Action for the development of natural resources, based, <u>inter alia</u>, on the Guidelines and on relevant decisions of the United Nations organs and decision-making bodies of related agencies; in order to perform this task objectives should be defined and programme planning procedures used by the various participating bodies should be reviewed and harmonized;
- 2. Requests the Secretary-General, in co-operation with the organizations and programmes concerned, to prepare reports to be submitted to each ordinary session of the Committee on Natural Resources along the following lines:
- (a) The reports should reflect as fully as possible the ongoing and planned programme activities on natural resources to be undertaken by all bodies of the United Nations system, including information on the financial implications of various programme elements;

<sup>4/</sup> Official Records of the Economic and Social Council, Fifty-second Session, Supplement No. 5, para. 20.

- (b) Particular emphasis should be placed on programme activities of world-wide and multidisciplinary nature, relating to the most urgent needs of the developing countries;
  - (c) Possible gaps and overlapping of activities should be identified;
- (d) The reports should be prepared in a way which would provide the Committee on Natural Resources with the necessary analytical capability to carry out functions of co-ordination and priority setting;
- 3. Further recommends that the Secretary-General, in co-operation with the United Nations organs and agencies concerned, in particular the United Nations Development Programme, should undertake the necessary arrangements to reach a better co-ordination and harmonization of operational activities in the field of natural resources at the country level, if necessary on an experimental basis, and suggests that the Secretary-General should submit a report on the results to the Committee on Natural Resources at its fifth session.

#### II. PROBLEMS OF AVAILABILITY AND SUPPLY OF NATURAL RESOURCES

## A. Survey of current problems in the fields of energy and minerals

- 2. The Committee considered agenda item 4 (a) at its 74th, 75th and 76th meetings. It had before it two reports of the Secretary-General (E/C.7/50 and Corr.1 and E/C.7/51 and Corr.1) on current problems in the fields of energy and minerals respectively, and a note by the Secretary-General (E/C.7/45 and Corr. 1) on the development of some alternative sources of energy.
- 3. The item was introduced by the Director of the Centre for Natural Resources, Energy and Transport, who reviewed the developments in the field of energy since the third session of the Committee and the measures taken by those affected in response to the significant changes that had occurred. He stressed the need for new policies and measures to alleviate the problems of the developing oil-importing countries. He also outlined the Programme of Action of the United Nations in this area.
- 4. With regard to the mineral situation, the Director emphasized the growing world-wide interdependence and the need to establish new mineral reserves in order to avoid future shortages. He referred to the establishment of the United Nations Revolving Fund for Natural Resources Exploration as a means toward that end, and suggested that new international mechanisms might be required for mineral development. He also drew attention to the potential importance of sea-bed mining and the need for an international régime for such activities. Finally, he pointed to the opportunities offered by small-scale mining for many developing countries.
- 5. Discussion in the Committee on the item was wide-ranging. Several delegations which participated were at some pains to relate the situation now existing in the energy and mineral sectors both to their national and to global economic circumstances. Many delegations agreed that the Committee should come to grips, as a priority, with the problems of the oil-importing developing countries.
- 6. Many delegations provided the Committee with summaries of national action which had been taken in response to the new energy situation as well as with respect to the development of the mineral sector. In this respect, particularly, the summary records of the relevant meetings of the Committee will provide important and useful background material of continuing utility.
- 7. In discussing the reports of the Secretary-General, many delegations expressed their appreciation to the Secretariat for the quality of the documents before the Committee at its current session. However, many delegations expressed the view that the objectives of the resolutions adopted at the sixth special session of the General Assembly should have been more fully reflected in the documentation, and in the work of the Committee and Secretariat. Others stated that the environmental aspects of the production of energy from various sources should have been taken more fully into account. The global interdependence of States was also noted.
- 8. Several delegations stressed the fundamental importance of natural resources

in the development programmes of the developing countries and it was emphasized that the Committee had an important role to play, although one delegation stated that that role should be confined to the technical aspects of those questions. Several delegations underlined the importance of co-operation between producers and consumers in solving the world's energy and mineral resource problems, and several delegations observed that the Committee was an important and appropriate forum for a constructive consideration of the co-ordination of interests of producers and consumers of energy and raw materials.

- While some delegations expressed doubts as to the existence of shortages in energy or minerals, at least for the medium term, it was recognized that with regard to energy, at least short-term problems would be acute, due essentially to the increase in prices, and that for the longer term, alternative and non-conventional sources of energy would have to be developed. Several delegations saw an important role for the United Nations in promoting and co-ordinating activities for the development of alternative sources of energy, in particular coal. A number of delegations stressed the necessity of increasing the utilization of coal as a major source of energy and it was proposed that this topic should be included in the Committee's programme of work. Others referred to the need for expanded development of potential hydroelectric sources, although the capital outlay was high. Still others thought that greater emphasis should be given to new sources of energy such as oil shale or solar and geothermal energy, and several delegations noted the need for the convening of training seminars. One delegation suggested the possible establishment of a United Nations geothermal research institute.
- 10. The problems of rural energy supplies were also discussed and it was suggested that small-scale sources of energy such as solar energy, wind power or biogas might be particularly appropriate in their solution. It was proposed that a United Nations consultative group on rural energy supplies might be contemplated.
- 11. There was widespread agreement that, in the light of the energy situation prevailing, there was a need for energy policy formulation and planning as part of the over-all economic development programmes of individual developing countries. Such countries would have to plan for high rates of growth of energy consumption in view of their low current levels of energy use. Measures to promote the efficient use of energy and to conserve energy by all means had to be adopted by all countries. The indigenous energy resources of developing countries had to be reassessed and the development of alternative sources started, taking into account the ecological impact of such programmes. The Committee was, however, reminded that, apart from the technical difficulties involved, measures to develop alternative sources of energy faced problems of profitability in relation to competing sources of energy as well as the problem of raising adequate capital for such new investments.
- 12. Several delegations referred to the necessity for the developed world to consume a smaller proportion of the world's energy and mineral resources and to utilize energy and minerals in a more efficient and rational fashion so as to leave available financial resources for the development of more of those scarce natural resources to meet the needs of the developing world. It was proposed that the United Nations should organize regional seminars and conferences in order to promote the more efficient development and use of energy and mineral resources. Support and assistance in the convening of such meetings was offered.

- 13. With regard to the proposals for energy development in the report of the Secretary-General (E/C.7/50 and Corr.1), some delegations felt that they could make a contribution to the solution of the energy problems of developing countries and offered endorsement for the proposals. Others, however, expressed reservations with regard to the proposed programme, while some indicated that they would be able to support only certain elements of the proposals. Some delegations, among the latter two categories cited, suggested that the proposals concerned should be further refined by the Secretary-General with a view to presenting concrete recommendations to the Committee at its fifth session.
- 14. In response to statements referring to the negative impact of higher oil prices on the economies of oil-importing nations, many delegations stated that world-wide inflation had preceded the increase in oil prices and the adverse movement of the terms of trade against developing countries.
- 15. General satisfaction was expressed with the documentation prepared by the Secretariat on minerals and it was suggested that the conclusions contained in paragraphs 43-48 of the report of the Secretary-General (E/C.5/51 and Corr.1) should specifically be drawn to the attention of the Economic and Social Council. Some delegations indicated that the mineral field was a particularly appropriate area for the Committee to emphasize in its work programme.
- 16. Concern was expressed as to the adequacy of mineral exploration activities, particularly in the developing countries. While it was agreed that the world's mineral resources appeared adequate for the foreseeable future, it was believed that the level of exploration and exploitation was inadequate and could lead to future shortages and violent price fluctuations. In that connexion, a number of delegations felt that the United Nations Revolving Fund for Natural Resources Exploration could make an important contribution towards closing the exploration gap in developing countries and called for more widespread and tangible support for the Fund. It was hoped that the Revolving Fund would obtain sufficient financial support to enable it to assist in exploration for new minerals. However, some delegations thought that, in view of the far more substantial financial and technological requirements of mining development, as distinct from exploration, new international mechanisms might be necessary which could offer mutual benefits to all parties concerned. Some delegations expressed interest in the possibility of certain international arrangements for mining development, such as those suggested in paragraph 31 of document E/C.7/51, and thought that that approach required further examination. However, one delegation expressed some reservations over that approach while a few others stressed the need for the establishment or maintenance of conditions in host countries which would attract the risk capital required. The need for the Committee to examine cases of successful relationships and operations with respect to new types of arrangements between private petroleum and mining firms and national governments was also suggested.
- 17. Certain delegations warned that violent fluctuations in raw material prices could have an adverse effect upon the orderly progress of natural resources development programmes and it was suggested that, in view of the importance of minerals in international trade, mineral commodity agreements, such as already applied to tin, should be concluded between producers and consumers in order to stabilize the prices of each of the most important commodities. Several delegations stressed the importance of securing for the developing countries a fair return on their resources, keeping in view movements in the prices of manufactured and capital goods.

- 18. The desire of mineral-producing nations to process their minerals to the greatest degree possible before export was widely endorsed and received broad support. It was recognized that the expansion of on-site processing of raw materials would require substantial external financial support, technical assistance and assured export markets and that local processing of raw materials was not equally feasible in all countries and for all raw materials.
- 19. Interest was indicated by certain delegations in the mineral potential of the sea-bed and additional information was requested regarding the probable impact of sea-bed mining development on market prices for minerals. The view was expressed that, since the demand for minerals was likely to increase faster than production, and since the cost of sea-bed mining operations was likely to be higher than land-based mining, the competitive position of mineral-exporting developing countries should not be weakened. The establishment of an international régime governing the exploitation of sea-bed minerals was endorsed by a number of delegations and hope was expressed that such a régime would soon be established by the United Nations Conference on the Law of the Sea.
  - B. Medium-term and long-term projections of reserves, supply and demand of energy, minerals and water resources
- 20. The Committee considered agenda item 4 (b) at its 77th and 78th meetings. It had before it a progress report by the Secretary-General (E/C.7/52), supplemented by an addendum (E/C.7/52/Add.1) concerning estimates of reserves and resources. In addition, the Committee had before it a background paper on the activities of the Council for Mutual Economic Assistance in the field of natural resources projections, provided by the Council specifically for the Committee. Several delegations made available information concerning the activities of their Governments in that field.
- 21. The item was introduced by the Director of the Centre for Natural Resources, Energy and Transport who described the gradualist approach taken by the Secretariat in the implementation of Economic and Social Council resolution 1761 B (LIV) on medium-term and long-term projections of natural resources. He pointed out the serious deficiencies in methodologies that had been highlighted by recent developments, and the inadequacy of the information base required for policy-making, particularly in developing countries. He also emphasized the importance of medium-term projections as a tool for planning and policy formulation, in spite of the limitations in the methodologies. He further emphasized the need for solid information, reliable methods and knowledge of economic and technological trends as a prerequisite for good projections. He also indicated that, at the current stage, the implementation of resolution 1761 B (LIV) in the field of water resources would be carried out in conjunction with the preparatory work of the United Nations Water Conference.
- 22. The representative of the United Nations Educational, Scientific and Cultural Organization (UNESCO) stressed the need for a better understanding of the importance of modern geological methods in appraising the existence of mineral deposits. He pointed out that the International Geological Correlation Programme was striving toward better understanding of deposits of likely economic interest. The Committee was also informed of relevant projections carried out in the Economic Commission for Europe (ECE) and the Economic and Social Commission for Asia and the Pacific (ESCAP) regions.

- 23. A number of delegations expressed support for the conclusions and recommendations contained in the report of the Secretary-General, with particular emphasis on the need for standardizing concepts, terminology and methods of measurement and reporting of resources and reserves as an important step toward providing a more reliable information base.
- 24. The relevance of medium-term and long-term projections was generally recognized as a useful, though imperfect, tool for national planning and policy formulation. Delegations agreed on the need for improvement of methodologies, as well as of the information base, in order to gain a better understanding of the relationship between the economy and the dynamism of the mineral and energy sectors in each country.
- 25. The Committee emphasized the need for systematic collection and analysis of economic and technological information concerning developments in the field of natural resources, in comparable form from all countries. In addition, the Committee underlined the importance of systematic dissemination of information on trends concerning reserves, supply and demand of energy and minerals, particularly to help governments and planners in developing countries. One delegation drew attention to the need also to gain a better knowledge of production cost structures, marketing and related operations, recognizing that some of the data involved, like data on reserves, often have been regarded as confidential. Several delegations warned against putting excessive faith in projections for natural resources which were subject to many unpredictable forces, and the danger of misapplication in development planning.
- 26. Members of the Committee emphasized the need for an information system to draw on, rather than duplicate, the activities of intergovernmental, governmental and non-governmental organizations. A number of delegations stressed the need to ensure, through the careful analysis of assumptions and methodologies, the factual and objective character of the information collected and disseminated. A number of participants expressed the view that the present information capabilities of the United Nations could be expanded to provide an information system for the benefit of developing countries. In that connexion, it was the view of most delegations that the Centre for Natural Resources, Energy and Transport should be primarily concerned with monitoring and assessing the evaluation and utility of various methodologies for resource projections and serving as a clearing-house for information and projections developed elsewhere rather than themselves becoming involved in the actual preparation of such projections.
- 27. Some delegations pointed out that environmental and ecological considerations must be taken into account, including long-term thermo-dynamic consequences. It was also considered that a cross-reference should be made to the work to be undertaken concerning the interrelationships between population, resources and development, under General Assembly resolution 3345 (XXIX) of 17 December 1974.
- 28. Delegations generally were of the view that the methodology of establishing information systems of the type outlined above should be made available to developing countries, on request. That advice should be available for the establishment or improvement of their national information and projection systems and capabilities, and for national planning and policy formulation.
- 29. Suggestions were made for an expert group to be convened to identify the work being undertaken on mineral resource appraisals around the world, to initiate work

on standardization, and to define the functions that could best be undertaken by the United Nations in this field. The result of such work should serve to improve the capability of the United Nations in its function as an information system.

30. A number of delegations underlined the importance of the problem of natural resources for world economic development. They indicated that serious attention should be given in the next few years not only to oil and gas but also to the problems of the development of such sources of energy as coal, oil shale, and geothermal and solar energy. All of the above can play an important part in the economic development of all countries, particularly the developing countries.

## Action taken by the Committee

- 31. At the 87th meeting, the Chairman of the Working Group introduced, on behalf of their various sponsors, four draft recommendations and one draft resolution. The Committee discussed those proposals and took action on them at its 87th and 88th meetings.
- 32. The first draft recommendation (E/C.7/L.23/Rev.1) was submitted by the delegations of the group of Socialist countries. It was adopted, as orally amended, at the 87th meeting (for the text, see chap. I above, draft resolution I A).
- 33. The second draft recommendation (E/C.7/L.24/Rev.1) was submitted by the delegation of Canada. It was adopted, as orally amended, at the same meeting (see chap. I above, draft resolution I B). In an oral statement made by the Secretary the Committee was informed that the financial implications of the draft resolution would be \$162,000.
- 34. A draft resolution (E/C.7/L.27/Rev.1) was submitted by the delegations belonging to the Group of 77. It was adopted at the 87th meeting (see chap. I above, draft resolution I C). The representatives of Austria and the United Kingdom reserved their delegations' positions on the draft resolution. The representatives of France, the Federal Republic of Germany, Italy, Japan and the United States of America also entered reservations and reaffirmed the positions taken by their delegations on General Assembly resolutions 3201 (S-VI), 3202 (S-VI) and 3281 (XXIX) when those resolutions were adopted. The representatives of Australia and Canada entered specific reservations on paragraph 4 of the draft resolution and the representative of Australia also expressed a reservation on paragraph 6. He stated that the objectives specified in paragraphs 4 and 6 were also those of Australia, a developed producer country, and indicated that it was the policy of the Australian Government to promote the further processing of raw materials in Australia and to secure fair and equitable returns on the raw materials Australia exports. The Australian delegation would have preferred, therefore, that the provisions of paragraphs 4 and 6 had not been confined to developing countries. The remarks of the representative of Canada were in the same vein as those of the representative of Australia and included an observation that it was a declared objective of the Canadian Government to process further Canadian natural resources in Canada, where it was economically feasible to do so.

- 35. The third draft recommendation (E/C.7/L.31) was submitted by the delegations of Iceland, India, Italy, Japan and Kenya. It was adopted, as orally amended, at the 87th meeting (see chap. I above, draft resolution I D).
- 36. The fourth draft recommendation (E/C.7/L.35) was submitted by the delegation of Japan. It was adopted, as orally revised by the sponsor, at the 88th meeting (see chap. I above, draft resolution I E).

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

- 37. The Committee considered agenda item 5 at its 78th and 79th meetings. It had before it a report of the Secretary-General (E/C.7/54), prepared in consultation with the Administrator of the United Nations Development Programme (UNDP), which provided a brief account of action taken by the Governing Council of UNDP at its eighteenth and nineteenth sessions concerning the operational procedures and administrative arrangements of the United Nations Revolving Fund for Natural Resources Exploration as contained in the report of the Secretary-General prepared for the eighteenth session of the Governing Council (DP/53). The decision of the Governing Council, at its nineteenth session, in which it postponed final consideration of the operational procedures and administrative arrangements of the Fund until its twentieth session, was contained in annex I of document E/C.7/54.
- 38. The item was introduced by the Director of the Centre for Natural Resources, Energy and Transport. He recalled that the idea of establishing the Fund had originated in the Committee which, according to Economic and Social Council resolution 1762 (LIV), had a continuing function in this respect.
- 39. The Committee noted that the Governing Council of UNDP would resume consideration of the item at its twentieth session and urged the Council to finalize the operational procedures and administrative arrangements.
- 40. A number of delegations welcomed the fact that the Fund would provide a form of co-operation to developing countries in the field of natural resources. The question of co-operation among developing countries was an important element for the establishment of a new international economic order. The view was also expressed that the operation of the Fund should reflect the decisions taken at the sixth special session of the General Assembly.
- 41. Several delegations felt that, notwithstanding the fact that the Governing Council of UNDP had provisionally approved the operational procedures and administrative arrangements (see DP/53), certain features required further clarification or modification before final endorsement. One delegation considered that the Fund could have been activated provisionally and that the practical experience gained would have contributed significantly to the resolution of those outstanding problems.
- 42. Some delegations thought that the level of voluntary contributions should be considerably higher than the figure shown in paragraph 31 of document DP/53, in order to bring a more satisfactory number of projects to the feasibility stage. Some delegations mentioned a capitalization figure of \$100 million as the desirable target for the first two years, stabilizing at \$200 million in the seventh and eighth years. In this connexion, some delegations considered that if a high level of contributions were achieved, exploration for energy and water resources might also become possible. Several delegations expressed their disappointment that UNDP had apparently concluded that the initial contributions would probably be insufficient to go beyond the exploration of solid minerals.

- 43. Some delegations pointed out that replenishment contributions at the rate of 2 per cent of gross production value might, in some cases, be too high to permit economic production, and some modification might therefore be necessary. Others expressed concern that the replenishment contribution proposed in document DP/53 might in some cases result in disproportionately high payments, particularly when large and valuable resources were concerned and, consequently, a ceiling on replenishment would be in order. On the other hand, it was pointed out that the successful projects were supposed not only to pay for their own exploration costs but also for the many others that, as experience showed, did not result in economic production. One delegation made a related point concerning retroactivity should terms be changed in the period following the signing of an agreement with respect to a particular project. Another delegation considered that transport facilities should not be a factor during preliminary decision-making on the feasibility of the Fund's undertaking a project.
- 44. The Committee recognized that the use of local expertise and the training of local experts were important elements in strengthening countries' own capabilities and the Fund's projects could have a favourable effect in those respects. However, UNDP assistance should continue to be available for exploration, institution building, and training.
- 45. In response to the discussion on various issues raised by a number of delegations, the representative of UNDP recalled that during its twentieth session in June 1975, the Governing Council was expected to take the necessary decisions for the Fund to become fully operational. In preparation, Governments had been provided with a draft model agreement for projects for their study and comments prior to the twentieth session of the Governing Council. In addition, a group of mining experts was being convened by the Administrator to consider issues arising from the Governing Council's earlier discussions. Negotiations on projects were in the meantime continuing and, subject to the Governing Council's decisions, some projects might be initiated in the second half of this year. The representative of UNDP then clarified a number of issues raised on the operational procedures and administrative arrangements contained in document DP/53. These clarifications may be found in the relevant summary records.
- 46. In winding up the discussion, the Director of the Centre for Natural Resources, Energy and Transport said that he thought the Committee had reviewed the current status of the Fund, as requested by the Economic and Social Council, and suggested that the views of the Committee, including the summary records, should be transmitted to the Governing Council.

#### Action taken by the Committee

47. At its 87th and 88th meetings the Committee discussed and took action on a draft resolution (E/C.7/L.32/Rev.1) submitted by the delegations of Japan, Kenya, the Netherlands, the Sudan, Uganda and the Upper Volta. Before adopting it, the Committee discussed practical modalities whereby the provisions of the draft resolution could be brought to the attention of the Governing Council of UNDP at its twentieth session. The difficulty lay in the fact that the Governing Council session would precede the Economic and Social Council session at which the Committee's report would be considered. The matter was resolved on the understanding that the Secretary-General would take all necessary steps to have the draft resolution in question available for the use of the Governing Council,

but that the formal proposal to bring it to the attention of the Governing Council must come from a member of that body who was also a member of the Committee on Natural Resources.

48. At the 88th meeting, the Committee adopted the draft resolution, the text of which read as follows:

## "The Committee on Natural Resources,

"Having considered the report of the Secretary-General (E/C.7/54) and the reports referred to therein (DP/53 and DP/85),

"Taking fully into account Economic and Social Council resolution 1762 (LIV) of 18 May 1973 that set out the aims and objectives of the United Nations Revolving Fund for Natural Resources Exploration,

"Bearing in mind the relevant chapter of its report on its third session, 5/

- "1. Takes note of the concern expressed during its fourth session on some of the operational procedures and administrative arrangements referred to in the report of the Secretary-General (E/C.7/54), and set out in the report of the Secretary-General prepared for the eighteenth session of the Governing Council of the United Nations Development Programme (DP/53);
- "2. Reaffirms all the aims and objectives of the United Nations
  Revolving Fund for Natural Resources Exploration as outlined in Economic and
  Social Council resolution 1762 (LIV);
- "3. Appeals to all countries, particularly the developed countries, to contribute generously to the Fund;
- "4. Further reaffirms that considerable financial resources will be necessary to assist the Fund to undertake all stages of exploration, including feasibility studies, as stipulated in Economic and Social Council resolution 1762 (LIV); to this end, the Administrator of the United Nations Development Programme should intensify his efforts to raise financial resources to the Fund, by proposing where necessary, an appropriate target for contributions;
- "5. Recommends that, as far as possible, the Fund should utilize local experts so as to minimize total costs for each project, and provide training of local personnel so as to facilitate the transfer of operative technology from developed to developing countries;
- "6. Further recommends that the Governing Council of the United Nations Development Programme at its twentieth session, should review the replenishment formula as contained in paragraph 20 of the report of the Secretary-General (DP/53), taking into account the views expressed at the fourth session of the Committee on Natural Resources and the recommendations of the Special Group of Mining Experts on this subject."

<sup>5/</sup> Ibid., Fifty-fourth Session, Supplement No. 4.

49. Following the adoption of the draft resolution, the representative of Sweden, speaking also on behalf of the delegation of Norway, made the following statement of reservation:

"The Swedish and Norwegian Governments are not yet convinced that by the establishment of the new Fund, a basis has been laid for activities that could not have been undertaken within the framework of UNDP-assisted programmes. The situation will, of course, be different when the Fund becomes fully revolving. In the meantime, Sweden and Norway will continue to contribute to the exploration of natural resources in developing countries through their UNDP contributions. Additional contributions for this purpose through the Revolving Fund are not for the moment contemplated. With the reservations that consequently must be made vis-a-vis paragraph 3 of the draft resolution (E/C.7/L.32/Rev.1), our delegations are able to join in a consensus on its adoption."

50. Also following the adoption of the draft resolution, the delegations of the Federal Republic of Germany, the United Kingdom and the Union of Soviet Socialist Republics reaffirmed positions earlier adopted by their delegations on the Revolving Fund.

#### IV. WATER RESOURCES DEVELOPMENT

# A. Preparatory work for the United Nations Water Conference

- 51. The Committee considered agenda item 6 (a) at its 80th and 81st meetings. It had before it a progress report by the Secretary-General (E/C.7/48).
- 52. 'The item was introduced by the Director of the Centre for Natural Resources, Energy and Transport. He summarized the action taken since the third session of the Committee and the adoption of Economic and Social Council resolution 1761 C (LIV), including consultations with member States. Those consultations had led to the streamlining and simplification of the agenda first proposed in 1972 by the Intergovernmental Panel of Specialists. 6/ The Conference would therefore concentrate on major problems of water management and focus on action needed to avoid water resources crises in the future. Topics I and II, on assessment of the world water situation and on technology, would set the stage for the main work of the Conference, namely, the consideration of options in water policy under topic III and of action proposals under topic IV.
- 53. A series of regional meetings was planned for 1976 to prepare action proposals and study policy options. The preparatory work was progressing as a fully co-ordinated joint effort by the United Nations system, including UNESCO, FAO, WHO, WHO, IBRD and UNDP, with the assistance of major non-governmental organizations, such as the International Water Law Association, the International Water Resources Association, the International Commission on Irrigation and Drainage, etc. The International Law Commission should also be involved. Heavy reliance would be placed on the regional economic commissions.
- 54. The nucleus of the Conference secretariat had been established at United Nations Headquarters. The United Nations Environment Programme (UNEP) was expected to collaborate in the preparations for the Conference and assist in the organization of regional preparatory meetings. In order to secure support at the national level, a suggestion had been made for the establishment of national water conference committees, which could, where appropriate, be built around the existing International Hydrological Programme and Operational Hydrology Programme committees. Several of the Governments which responded to the Secretary-General's inquiry in 1973 had favoured the establishment of an intergovernmental preparatory committee to provide governmental guidance.
- 55. Delegations expressed their appreciation to the Government of Argentina which had offered to act as host to the Conference.
- 56. Many delegations commended the revised version (E/C.7/48/Annex) of the simplified and streamlined agenda which was based on the work by the Panel of Intergovernmental Specialists in 1972. It was thought that that proposed agenda provided a good framework for focusing attention on key water-policy issues and concerns and that it should be adopted at the current session of the Committee.

<sup>6/</sup> E/C.7/31.

However, some delegations suggested that the agenda be kept flexible and finalized only after taking into account the results of the regional meetings.

- 57. In the course of the discussion of the agenda, comments were made by delegations both on its general thrust and on specific subject areas. A number of delegations favoured the emphasis which the proposed agenda placed on policy and related questions. However, some delegations thought that the emphasis of the agenda should be in the direction of the technological aspect of water-related problems, including techniques of management, since those were of universal interest.
- 58. In a more specific vein, several suggestions were made. Some delegations stressed the need to devise practical action proposals to avert future droughts. Some delegations stressed that the Conference should consider the need for study and assessment of the utilization of ground water. One delegation expressed a specific reservation about the Conference taking up questions relating to the more efficient joint use of international water resources, while another delegation believed that the subject was of vital importance and should not be excluded from the agenda. Among the subjects that were singled out for special consideration by the Conference were: rational utilization of all water resources; water management, taking into account environmental aspects; flood control; studies of growth of water demand; and water conveyance. A point was made that the Conference should focus more on well-proven technologies rather than on sophisticated technologies which were either yet to be proven or not relevant to conditions in developing countries. Another delegation drew attention to the importance of the role of the State in planning for the development of water resources. One delegation said that the Conference should lay the basis for strengthened technical and financial assistance.
- 59. During the discussion, considerable attention was paid to the preparatory process for the Conference. There was general agreement that the projected regional meetings would be of crucial importance and that they should, therefore, be carefully organized. The meetings would be of particular value in collecting information, assimilating past experience and helping to identify priority interests. On the question of an intergovernmental preparatory committee, there was clear support for the proposal that the Committee on Natural Resources, with open-ended membership, act as the preparatory committee, holding a special session for that purpose in New York in early 1976.
- 60. It was noted that UNEP had been approached for support in financing the regional meetings. A number of delegations welcomed that prospect, and one delegation indicated it would support the idea at the third session of the Governing Council of UNEP, scheduled for mid-April 1975. The representative of ESCAP, speaking on behalf of the regional commissions represented, indicated that plans for the regional meetings, subject to UNEP financing, including an agenda framework capable of identifying the priority questions, had already been worked out in a preliminary fashion. In addition to the objectives outlined in paragraph 59 above, the regional meetings would provide an opportunity to take stock of water resources and to determine management needs for future development goals.
- 61. There were several expressions of appreciation of the degree of co-ordination and co-operation within the United Nations system already evident in the early stages of preparation of the Conference. The Committee noted with interest the

statement of the WMO representative who reviewed progress made at the interagency meeting to plan work for the Water Conference, held a fortnight earlier under the auspices of the Administrative Committee on Co-ordination (ACC) sub-committee on water resources development. That meeting had worked out a fully co-ordinated plan of action and the regional approach had been given special attention. He stressed the need to have definite guidance on the substance of the Conference from the current session of the Committee, since time was short.

- 62. With respect to other aspects of the preparatory process, a number of delegations believed that national water conference committees should be established to ensure careful national preparation. Some of those delegations also thought that the existing International Hydrological Programme and Operational Hydrology Programme committees would not be adequate since membership of those committees was highly technical in nature and lacked the breadth of perspective necessary for the consideration of policy issues. On the other hand, a number of delegations believed that the existing committees could be easily enlarged to include persons with policy responsibilities. Commenting on this point the representative of UNESCO informed the Committee that, according to their experience, the International Hydrological Programme committees, particularly in developing countries, often included persons who had policy responsibilities. Some delegations reported that they had already set up national water conference committees. The Committee was of the view that the need for, as well as the composition of, those committees would vary from country to country, and therefore only the national government concerned could assess the requirements, inter alia, in the light of existing administrative arrangements.
- 63. The Committee expressed concern at the number of world conferences being planned and stressed the need for effective co-ordination to avoid duplication. Special mention was made of the need to institute co-operative relationships with the planning of the Conference on Desertification in the second half of 1977. The objectives of the two conferences were different but there was a clear interrelationship, dictating the need to ensure effective co-ordination.
- 64. In response to requests from a number of delegations, the Director of the Centre for Natural Resources, Energy and Transport gave a report on the status of the funding for the Conference, in which he indicated it was being planned on a cost-conscious basis.

#### B. International river basin development

- 65. The Committee considered agenda item 6 (b) at its 81st and 82nd meetings. It had before it a note by the Secretary-General (E/C.7/49 and Corr.1 and 2) on the technical and economic aspects of international river basin development, containing suggested additions and amendments to the 1972 report on the subject. 7/ The Committee also had before it a progress report by the Secretary-General on international river basin development (E/C.7/46 and Corr.1).
- 66. The Director of the Centre for Natural Resources, Energy and Transport, introducing the item, said that at its third session the Committee had discussed the technical and economic aspects of international river basin development and

<sup>7/</sup> E/C.7/35.

had requested the Secretary-General "to prepare a revised and more complete version of the note, as well as a progress report on related activities for the fourth session of the Committee". 8/ In response to that request the two documents, which were of an informative nature, had been prepared. It was, of course, a continuing project and the information would be updated for the United Nations Water Conference. In the course of its consideration of the item, the Committee might wish to take note of several major international programmes that had been initiated in the last two years and clarify its own role in promoting the implementation of recent General Assembly resolutions, involving activities of the International Law Commission and UNEP.

- 67. Several delegations commended the Secretariat on the useful reports which served to disseminate a wide range of relevant information on matters pertaining to international river basin development. A number of delegations believed that the Budapest seminar planned for September 1975 would help to increase knowledge on the subject. Members of the Committee noted that this work would progress toward the preparation of a comprehensive report, to be ready at the time of the Water Conference. However, one delegation pointed out that the report could be published even earlier and need not be delayed till the Conference in 1977.
- 68. One delegation pointed out that the definition of a river basin, used in the 1972 report was too broad. A river basin should be considered primarily in terms of a geographic area drained by a single river. However, it was noted that in subjects dealing with technical definitions, the question of sovereignty remained paramount.
- 69. One delegation emphasized that there was no special distinction between national and international river basins from the resource-development and water-management point of view. The methodology and techniques applied to both were the same. For waters shared between two or more jurisdictions, development should take place as decided upon in bilateral or multilateral agreements and treaties, in such a way as to take fully into account the characteristics of each basin. Moreover, any institutionalized arrangements on international co-operation should not impair the sovereignty of the countries concerned. The sharing of waters was no different from the sharing of any other resource and the principle of sovereignty should be kept intact.
- 70. Other delegations believed that international river basin development was a subject of very special significance and provided opportunities for joint co-operative development and equitable sharing. There were instances of shared authority by mutual agreement in that respect. The development of international river basins required full co-operation between countries sharing the basin and developments should take into account the various ecological, economic and social environments of each region.
- 71. It was also noted that the Secretary-General had been given a role to play in river basin development by certain legislative organs of the United Nations.
- 72. The Committee noted that the International Law Commission began consideration of the law of the non-navigational uses of international water courses at its

<sup>8/</sup> See Official Records of the Economic and Social Council, Fifty-fourth Session, Supplement No. 4, para. 137.

twenty-sixth session in 1974. Some delegations thought that the Committee should take the initiative in making available the assistance, as required, of the Committee to the Commission. However, a few other delegations did not favour the Committee's formulating views on its own potential role in assisting the Commission, pending a request from the latter specifying the assistance needed. The point was also made that the report of the United Nations Panel of Experts on Legal and Institutional Implications of International Water Resources Development could be usefully drawn upon by the Commission.

73. On the subject of implementation of General Assembly resolution 3129 (XXVIII) on co-operation in the field of the environment concerning natural resources shared by two or more States, some delegations considered that it was necessary to await the decision of the Governing Council of UNEP for delineation of the scope of its proposed work programme. These delegations observed that, as the resolution in question dealt with environmental co-operation, UNEP was the appropriate body to determine how implementation should be effected. Some other delegations thought that the Committee should even now be active in co-operating with and supporting UNEP in that respect.

#### Action taken by the Committee

74. At its 87th and 88th meetings, the Committee considered two draft recommendations, one of them (E/C.7/L.29/Rev.1) submitted by the delegations of Algeria, Argentina, India, Iraq, the Netherlands, Peru, the Upper Volta and Yugoslavia, and the other (E/C.7/L.26/Rev.1) submitted by the delegations of Algeria, Argentina, India, Iraq, the Libyan Arab Republic, Pakistan, Peru, the Sudan and Yugoslavia.

75. After the draft recommendations were circulated, but before their formal introduction in the Committee, a statement was made by the representative of Brazil in which he announced the decision of his Government to withdraw from the fourth session of the Committee. The Brazilian representative explained that draft recommendation E/C.7/L.26/Rev.1 was unacceptable to his delegation. In its opinion, natural resources were "shared" only when sovereignty itself was shared. Moreover, it was not possible in its view to establish different régimes for resources that, being equally fluid, move from one territorial sovereignty to another. Misinterpretations of the idea of "shared" resources, as well as concepts like "previous consultations" and "optimization" - especially if employed in the name of abstract general interests by those which were currently stronger and more powerful - would jeopardize the trend of developing countries to assert permanent sovereignty over their natural resources. The draft recommendation in question was also considered unacceptable to his delegation because it was based on General Assembly resolution 3129 (XXVIII) and article 3 of the Charter of Economic Rights and Duties of States, both of which had been voted against by Brazil, since they dealt with the questions of shared resources in an undefined and vague manner. In addition, Brazil considered the present draft recommendation unacceptable because it interfered with the programming and priorities of the International Law Commission and, furthermore, because it prejudged both the content of the Commission's study of the law of the non-navigational uses of international watercourses and the source of technical expertise the Commission might decide to choose for assisting it in the preparation of that study. On the other hand, the draft recommendation envisaged the involvement of the Centre of Natural Resources, Energy and Transport in a task that had been entrusted to UNEP. The Brazilian

representative indicated that draft recommendation E/C.7/L.29/Rev.l was also unacceptable to his delegation. In such conditions, the Brazilian Government had decided to re-examine the opportunity, timing and place of the proposed Conference. Before concluding, the Brazilian representative requested that his statement be issued as an official document of the Committee. The Committee subsequently agreed to the request of the Brazilian representative and his statement was issued as document E/C.7/L.36.

- 76. The Committee, having considered the progress report of the Secretary-General on the preparatory work for the United Nations Water Conference (E/C.7/48) took note with satisfaction that the Conference secretariat had been established at Headquarters, and appealed to UNEP to assist in funding the regional preparatory meetings for the United Nations Water Conference. The Committee then adopted a new revised version (E/C.7/L.29/Rev.2) of the draft recommendation (for the text, see chap. I above, draft resolution II A). The delegation of Sweden joined the sponsors at the 88th meeting.
- 77. The Committee, having considered the progress report of the Secretary-General on international river basin development (E/C.7/46 and Corr.1), in particular paragraphs 41 (a) and 41 (b), adopted the draft recommendation (E/C.7/L.26/Rev.1) (see chap. I above, draft resolution II B).
- 78. The representatives of France, the Federal Republic of Germany, Italy, Japan and the United States of America registered their delegations' reservations on draft resolution II B, on the grounds that it was based on General Assembly resolution 3129 (XXVIII), which their delegations had not supported. The representatives of France, the Federal Republic of Germany and Japan also reaffirmed the position their delegations had taken when General Assembly resolution 3281 (XXIX) was adopted. The representatives of the German Democratic Republic and the Union of Soviet Socialist Republics also reiterated their delegations' positions. The representative of Austria reserved his delegation's position fully on the draft resolution.

#### V. PERMANENT SOVEREIGNTY OVER NATURAL RESOURCES

- 79. The Committee considered agenda item 7 at its 84th and 85th meetings. It had before it a report by the Secretary-General (E/C.7/53).
- 80. The item was introduced by the Assistant Director of the Centre for Development Planning, Projections and Policies, who emphasized that the question of permanent sovereignty over natural resources had been under consideration in many forums for a number of years, including the General Assembly and the Economic and Social Council, and more recently, in the Commission on Transnational Corporations. The present document updated and supplemented recent reports on the same subject 9/ and focused on developments in countries exporting petroleum, bauxite, aluminum, copper and iron-ore. He suggested that future work on the subject might concentrate on in-depth case studies, including legislative and court decisions, and experiences during and after the exercise of permanent sovereignty. When sufficient progress had been made in those studies, they could constitute the necessary background for a more comprehensive study.
- 81. In discussing the report of the Secretary-General, many delegations referred to the relevant provisions in the Declaration on the Establishment of a New International Economic Order (General Assembly resolution 3201 (S-VI)), the Programme of Action on the Establishment of a New International Economic Order (General Assembly resolution 3202 (S-VI)) and the Charter of Economic Rights and Duties of States (General Assembly resolution 3281 (XXIX)) and also to General Assembly resolution 3171 (XXVIII). They recalled, in particular, that when the question of compensation for nationalization gave rise to controversy, it should be settled under domestic law. Other delegations, while supporting the principle of permanent sovereignty over natural resources, including the right to nationalization, reiterated their position that action in that regard should be in accordance with transnational or international law and compensation should be prompt, adequate and effective.
- 82. Many delegations, referring to General Assembly resolution 3175 (XXVIII) and 3336 (XXIX), attached special importance to the subject, including the relevance of the subject to occupied territories and territories under colonial administration. One delegation referred to the inability of the Palestinian people to exercise permanent sovereignty over their national resources. The exercise of permanent sovereignty was essential for economic independence and therefore also for political independence. At the same time, some delegations pointed out that the objective was not to seek confrontation but to secure a fair share of the benefits of exploitation of natural resources and to contribute to better international relations. Indeed, exercise of permanent sovereignty had not been limited to developing countries, but it was also observable in several developed countries. The Secretariat should continue to report on both these developments.
- 83. Several delegations stressed the relevance of the activities of the transnational corporations in that area. Those activities did not always coincide

<sup>9/</sup> A/9716 and Corr.1; E/5425 and Corr.1 and E/5549.

with the interests of countries in which they operated. One delegation pointed out that while permanent sovereignty over natural resources was explicit in its national constitution, the need for national organizations to enter into service contracts with foreign organizations for financial and technical assistance for development of natural resources was also recognized.

- 84. It was generally agreed that the item should continue to receive high priority in the work programme of the Committee. In that connexion, co-operation with the Commission on Transnational Corporations would be desirable.
- 85. Most delegations considered the review of recent developments in the report of the Secretary-General illuminating. Some delegations urged that greater emphasis should be placed on the broad legal and political aspects of the subject. The suggestion for in-depth case studies was supported. It was pointed out, however, that such studies should be carried out only with the consent of the countries concerned.
- 86. Some delegations, cognizant of the complexity of the question involved and the need to co-ordinate efforts in solving related problems, thought that the Committee on Natural Resources should remain the main advisory body for the Economic and Social Council on matters relating to the principle of permanent sovereignty of States over their natural resources.

#### Action taken by the Committee

87. At its 88th meeting the Committee adopted a draft resolution (E/C.7/L.33) submitted by the delegations of the Group of 77 (for the text, see chap. I above, draft resolution III). The following delegations expressed their disagreement or reservations concerning the draft resolution:

## Australia:

With reference to operative paragraph 1 of draft resolution E/C.7/L.33, "while Australia is committed to asserting greater national control over its own natural resources and while it recognises the right of States to nationalise, it also believes that there is a corresponding duty on the part of the expropriating State to effect prompt, effective and adequate compensation. In cases of dispute over terms of compensation, Australia considers that where national means of jurisdiction have been exhausted and where the result of the legal process is still unsatisfactory to a foreign State, then there exists a dispute at the international level which should be settled by international adjudication."

## Austria:

"The Austrian delegation reserves its position on draft resolution E/C.7/L.33, in particular in view of operative paragraph 2. The attitude of the Austrian Federal Government about the application of the generally recognized principles of international law concerning compensation for nationalized property is well known."

### Canada:

"While the Canadian delegation can support many of the provisions in draft

resolution E/C.7/L.33, it is not able to support the draft resolution as a whole because of the serious difficulties it encounters in operative paragraphs 1 and 2. I do not wish to take up the time of the Committee in reiterating the Canadian position on the subject matter of paragraphs 1 and 2, because I think it is well known. However, let me simply say that our objections to such as these provisions are set out fully in the Canadian explanation of vote on General Assembly resolution 3281 (XXIX), particularly on article 2, paragraphs 1, 2 (a) and 2 (c), which was delivered at the 2315th plenary meeting of the Assembly on 12 December 1974."

## France:

"The French delegation wishes to make it clear that the draft resolution proposed is unacceptable to the French Government, in particular in view of operative paragraph 2 which repeats a text concerning conditions of nationalization, a text that France had voted against in the General Assembly."

## Germany (Federal Republic of):

"Before the draft resolution of the Group of 77 is adopted, I wish to indicate that I cannot agree to it. It contains several points that are not consistent with the well-known position of my Government. This applies especially to the first preambular paragraph and operative paragraphs 1, 2 and 3. Had a vote been taken, I would have voted against."

## Italy:

The Italian delegation indicated that it could not support draft resolution E/C.7/L.33.

#### Japan:

"The delegation of Japan, while recognizing the right of all countries to develop and utilize their natural resources for their economic developments and improvement of their people's welfare, namely, the principle of permanent sovereignty over natural resources, objected to such application of the principle of nationalization as provided for in operative paragraph 2 of the draft resolution and expressed a reservation on the right to associate in organizations of primary commodity producers as contained in operative paragraph 3. It also maintained all its previous reservations and interpretations on relevant resolutions of the General Assembly, which were related to the provisions of this draft resolution."

#### Netherlands:

"The Netherlands delegation regrets that a draft resolution worded this way should be debated in the Committee on Natural Resources. The political and juridical aspects of permanent sovereignty over natural resources should and are being dealt with elsewhere. The Netherlands delegation recalls its Government's position on the Charter of Economic Rights and Duties of States and the Action Programme adopted at the Second General Conference of the United Nations Industrial Development Organization with respect to their provisions on permanent sovereignty.

Had a vote been taken, the Netherlands delegation would have abstained, provided it had had an opportunity to vote separately on some paragraphs, particularly paragraph 2 on which it would have cast a negative vote."

### Sweden:

"The Swedish delegation would like to state for the record that, had there been a vote on the draft resolution before the Committee, it would have abstained in view of the fact that operative paragraph 2 is worded in a way which does not reflect the view of the Swedish Government, concerning the procedures for settlement of disputes arising from nationalization of foreign-owned property. While recognizing the sovereign right of States to nationalize foreign property, the Swedish Government still holds the view, which is in conformity with General Assembly resolution 1803 (XVII), that in cases where national means of justice have been exhausted and the result of this process still appears unsatisfactory to a foreign State there exists a dispute on the international level, a dispute which in the view of the Swedish Government should be settled by international arbitration or a decision by an international court."

The representative of Norway associated himself with the remarks made by the representative of Sweden concerning the draft resolution.

## United Kingdom:

"The United Kingdom delegation opposed draft resolution E/C.7/L.33 on the basis of its reservations on the decisions taken at the sixth special session of the General Assembly, its negative vote on resolution 3281 (XXIX) and its own statement during the debate on this item."

#### United States of America:

The United States representative stated that draft resolution E/C.7/L.33 was completely, wholly and totally unacceptable to his delegation. In the event of a vote the United States delegation would have voted no.

- VI. COMPREHENSIVE PLAN OF ACTION FOR AND CO-ORDINATION
  OF PROGRAMMES WITHIN THE UNITED NATIONS SYSTEM
  IN THE FIELD OF NATURAL RESOURCES DEVELOPMENT
- 88. The Committee considered agenda item 8 at its 82nd, 83rd and 84th meetings. It had before it the report of the Secretary-General (E/C.7/47 and Add.1-3) which had been prepared in response to Economic and Social Council resolution 1761 A (LIV) and in co-operation with all organizations and programmes having activities in the field of natural resources. The Committee had also received a note by the Secretariat (E/C.7/L.22) transmitting an extract from the Secretary-General's draft programme budget for 1976-1977 covering the section on natural resources and energy. Various programme budget and medium-term plan documents 10/were also made available. The report of the Secretary-General was introduced by the representative of the Office for Inter-Agency Affairs and Co-ordination.
- 89. The details of the Committee's discussion will be found in the relevant summary records.
- 90. In general, delegations considered that the presentation and content of the report constituted a significant improvement over the one submitted to the third session. For the first time the Committee had a reasonable picture of what the various United Nations organizations and programmes were doing in the field of natural resources.
- 91. In particular, several delegations stressed the usefulness of the section of the report dealing with water resources and noted that it reflected the significant improvements in intersecretariat co-operation in that key area. The well-co-ordinated preparations for the forthcoming United Nations Water Conference confirmed the progress that had been registered in that respect.
- 92. On the other hand, it was noted that the report before the Committee did not give an adequate basis fully to carry out its functions of co-ordination and priority-setting. It would also be desirable to have a format which would make it easier to identify the gaps, or duplications in that area. One delegation doubted the value of a comprehensive action plan, at least until greater co-ordination had been achieved.
- 93. A number of suggestions to improve future reports were made. It was generally agreed that the interrelationships of programmes and projects should be shown more clearly. One suggestion was that the next report should be prepared in the light of specific proposals by members of the Committee and organizations concerned. It was also suggested by some delegations that the scope of the report might be widened, for example, to include relevant space satellite applications and sea-bed resources, and to incorporate information on related activities being carried out by other intergovernmental and non-governmental organizations and by Governments.

<sup>10/</sup> E/5613, E/5614; sects. 4-10 of document A/10006 (Official Records of the General Assembly, Thirtieth Session, Supplement No. 6), to be issued later.

- 94. A number of delegations referred to areas that they felt deserved priority attention. It was suggested, for example, that special importance should now be attached to an appraisal of activities in the fields of minerals and energy. The possibility was raised of the Committee establishing working groups which could meet intersessionally and carry out such appraisals for consideration by the Committee. It was also suggested by one delegation that ACC, for its part, might establish sub-committees for minerals and energy on the pattern of its Sub-Committee on Water Resources Development. It was also urged that activities such as training, natural resources legislation, planning and management merited particular emphasis.
- 95. Support was given to the existing distribution of financial resources whereby more than 90 per cent of them were devoted to field projects. However, future reports of the Secretary-General should continue to stress the general projects, since that was the realm in which the Committee could exercise its main influence. It was recognized that successful general projects could furnish Governments with the capability of making their field activities more effective.
- 96. Several delegations stressed the importance of relating the operational activities of the United Nations system to the country programmes of individual recipient countries and of achieving co-ordination at the national level.
- 97. One delegation, in a related point, suggested that member States might report on national co-ordination efforts, using a standard format drawn up by the Secretariat.
- 98. While the Committee did not make detailed comments regarding the programme and planning documents for 1976-1979, some comments were made on the distribution of budget resources. Given the basic role of natural resources, surprise was expressed at the reduction in the percentage of the total United Nations budget allocated to that sector.
- 99. Several delegations stressed the importance of joint planning of programmes at an early stage. Support was given to the suggestion of the Secretary-General that efforts along those lines should be initiated in selected areas. One delegation stressed the importance of focusing efforts on developmental areas such as water use and re-use, rural water supply and energy supply, and development of small-scale mining projects.
- 100. The importance of system-wide programme planning was generally recognized. Delegations were also aware of the constraints on planning in the sphere of natural resources as described in the report of the Secretary-General. Those constraints should be removed as rapidly as possible to permit a unified, integrated approach to planning and programming. It was also recognized that some flexibility should be retained to permit programme adjustments where necessary.
- 101. The relationship between developmental and environmental activities in natural resources was briefly considered. Some delegations noted that adequate machinery existed within the framework of the ACC to deal with the complex interrelationships of those activities and that the Office for Inter-Agency Affairs and Co-ordination would be working with UNEP and other organizations concerned to ensure the closest possible co-operation in that area.

102. Several delegations drew attention to the guidelines adopted by the Committee at its second session, which should continue to orient its work. The possibility of revising those guidelines was also raised in view of the many changes that had occurred in the sphere of natural resources since 1972.

## Action taken by the Committee

103. At its 88th meeting the Committee considered the draft resolutions submitted by the delegations from the group of socialist countries (E/C.7/L.30/Rev.1) and by the delegations of the Netherlands, Norway and Sweden (E/C.7/L.34/Rev.1).

104. At the same meeting, the Committee adopted the two draft resolutions (for the text, see chap. I above, draft resolutions IV A and IV B).

105. Following the adoption of draft resolution E/C.7/L.34/Rev.1 the representative of Norway urged that, in implementing the draft resolution, all relevant organizations of the United Nations system would co-operate fully within the framework of ACC. The Norwegian representative also expressed the hope that the Secretary-General would take into account the relevant activities of intergovernmental organizations outside the United Nations system.

#### VII. CONSIDERATION OF THE PROVISIONAL AGENDA FOR THE FIFTH SESSION

- 106. The Committee considered the item at its 85th and 88th meetings. It had before it the provisional agenda for the fifth session (E/C.7/55).
- 107. The Director of the Centre for Natural Resources, Energy and Transport introduced the item, noting that the formulation of agenda item 7 of the provisional agenda depended upon whether the next session of the Committee was held before or after the United Nations Water Conference in 1977.
- 108. Several delegations supported a proposal that item 9 (Co-ordination) of the provisional agenda (E/C.7/55) should become item 4, in order to reflect more accurately the importance the Committee attached to the co-ordination of programmes. It was also suggested that the item on co-ordination should be divided into two subitems. The first subitem would provide an overview of relevant activities within the United Nations system, while the other would focus on the comprehensive plan of action, which essentially should be an updated version of the guidelines adopted at the second session of the Committee. One delegation suggested that the item on co-ordination should be linked to the item on the review of the energy and minerals situation.
- 109. Some delegations suggested that the Committee should accord particular importance to the question of transfer of technology and training of personnel in natural resources fields and that a separate agenda item to that effect should be included in the provisional agenda. To that end the Secretary-General was requested to prepare a report on training and transfer of applied techniques for the next session of the Committee. The report should also cover transfer of resources within and co-operation among developing countries.
- 110. Some delegations proposed that a high priority be accorded to the problems of increasing aridity and desert creep. However, some other delegations believed that while desertification was a very important problem, there were a number of other United Nations bodies already seized of that and related problems and therefore some caution should be exercised before committing the Committee on Natural Resources to activities in that area. It was generally agreed that close links between the Water Conference and the Conference on Desertification were necessary. The Director of the Centre for Natural Resources, Energy and Transport stated that the report on the subject to the Committee would be of an informative nature, indicating what the United Nations organizations were doing. The substantive work of the Centre on the subject would be confined to some aspects of water as it concerned arid lands.
- lll. One delegation suggested that at the fifth session of the Committee, the agenda item on the provisional agenda for the sixth session should include provision for a longer-term work programme for the Committee.
- 112. On the timing of the next session, the Committee recommended to the Council that a special session of the Committee be held early in 1976 to consider preparations for the United Nations Water Conference to be held in 1977. Should that special session prove sufficient as regards preparations for the Water

Conference, there might not be a need for a second special session of the Committee before the Water Conference. The Committee should hold its next regular session after the Water Conference. No recommendation was made with regard to the venue of the fifth regular session of the Committee.

113. On the suggestion of the Rapporteur, the Committee agreed in principle to the provisional agenda (E/C.7/55) on the understanding that: (a) the provisional agenda would be redrafted to take into account the views of the Committee as expressed above; and (b) that the revised provisional agenda would be discussed by the Bureau, following which it would be circulated to all members of the Committee for comments (for the text of the provisional agenda for the fifth session, see annex II of the present report).

#### VIII. ADOPTION OF THE REPORT OF THE COMMITTEE

- 114. Following the adoption of the draft resolutions and decision which appear in chapters I and III of the present report some delegations made general statements of principle.
- 115. The delegation of the Union of Soviet Socialist Republics stated that, since all the financial implications would not be available on some of the draft resolutions until the latter came before the Economic and Social Council for consideration, it reserved its final position on those draft resolutions.
- 116. The representative of Iraq indicated how his delegation understood and interpreted those parts of the draft resolutions in which the Secretary-General was requested to seek the co-operation of, and co-ordination with, non-governmental organizations in preparing his reports and studies on the problems of availability and supply of natural resources. No such consultation, co-ordination, co-operation or exchange of information should be undertaken with any non-governmental organization, agency or institution that had any links, direct or indirect, overt or covert, formal or informal, or any relationship whatsoever with any transnational or multinational corporation or conglomerate.

#### IX. ORGANIZATION OF THE SESSION

## Opening and duration of the session

- 117. The Committee on Natural Resources, at the invitation of the Government of Japan, held its fourth session at Tokyo, from 24 March to 4 April 1975. The summary records of the meetings are contained in documents E/C.7/SR.73-88.
- 118. The session was opened by the Acting Chairman, Mr. Gabriel Van Laethem, Under-Secretary-General for Economic and Social Affairs. His Excellency Mr. Kiichi Miyazawa, Minister for Foreign Affairs of Japan addressed the Committee. The Under-Secretary-General for Economic and Social Affairs made a statement. Representatives of the regional groups made statements thanking the Government of Japan. The statements are recorded in the summary record of the 73rd meeting.

#### Membership and attendance

- 119. By Economic and Social Council resolution 1621 A (LI), the membership of the Committee was increased to 54 as from 1 January 1972. Two seats remain to be filled.
- 120. The following States members of the Committee were represented: Algeria, Argentina, Australia, Austria, Bolivia, Brazil, Canada, Chile, France, German Democratic Republic, Germany (Federal Republic of), Ghana, Iceland, India, Iran, Iraq, Italy, Jamaica, Japan, Kenya, Libyan Arab Republic, Netherlands, Norway, Pakistan, Peru, Philippines, Poland, Romania, Sudan, Sweden, Trinidad and Tobago, Uganda, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Upper Volta, Uruguay, Venezuela and Yugoslavia.
- 121. The following States Members of the United Nations participated in the session as observers: Belgium, Cuba, Ecuador, Finland, Greece, Guinea, Israel and the United Republic of Tanzania.
- 122. The United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Bank for Reconstruction and Development (IBRD) and the World Meteorological Organization (WMO) were represented at the session. The United Nations Development Programme (UNDP), the Economic Commission for Europe (ECE), the Economic and Social Commission for Asia and the Pacific (ESCAP), the Economic Commission for Latin America (ECLA), the Economic Commission for Africa (ECA) and the Economic Commission for Western Asia (ECWA) were also represented.

## Election of officers

123. At its 73rd meeting, the Committee elected the following officers by acclamation: Chairman: Mr. Senjin Tsuruoka (Japan); Vice-Chairmen: Mr. Peter Bagrii (Ukrainian Soviet Socialist Republic), Mr. François Moanack (Venezuela) and Mr. Joab Omino (Kenya); Rapporteur: Mr. Reid Morden (Canada).

## Agenda and documentation

- 124. The text of the agenda for the session (E/C.7/44), adopted by the Committee at its 73rd meeting, is reproduced in annex I of the present report.
- 125. The documents before the Committee at its fourth session are listed in annex III.

#### Method of work

- 126. At its 73rd meeting, the Committee agreed, following the practice at previous sessions, to take decisions by consensus. In the event that consensus was not possible but a majority readily discernible, the Committee would decide the matter accordingly. The fact that there was some disagreement with the decision would be recorded in the report, together with the reasons for the disagreement.
- 127. The Committee's attention was drawn to a note by the Secretary-General, 11/submitted at the third session of the Committee, on the form of presentation of the United Nations budget and duration of the budget cycle, pursuant to a decision taken by the Economic and Social Council at the 1973 organizational meetings. The Committee similarly took note of Council decisions regarding the calendar of conferences, agenda and documentation. 12/
- 128. The Committee established a working group at its 83rd meeting to consider all draft proposals and make recommendations on them to the Committee.
- 129. In the course of the consideration of the draft recommendations and resolutions before them, the members of the Committee exchanged views on the limits to the Committee's competence to act without first receiving the approval of the Economic and Social Council. There were differing views on the subject and it appeared to be an area where the members of the Committee would welcome guidance from the Council.

#### Summary records

- 130. At its 1937th plenary meeting, on 15 January 1975, the Economic and Social Council adopted decision 65 (ORG-75) whereby it authorized the Committee on Natural Resources to have summary records for particular discussions when needed and requested it to limit the provision of such records to those items for which summary records were deemed essential.
- 131. At its 75th meeting, the Committee, on the recommendation of the Bureau, agreed to decide upon having summary records for each item on the agenda before commencing its consideration of that particular item. The Committee decided to retain summary records for items 4, 5, 6, 7, 8 and 9 of its agenda.
- 132. The Committee did not take a decision in principle with regard to summary records at future sessions.

<sup>11/</sup> E/C.7/L.7.

<sup>12/</sup> E/INF.134/Rev.1.

#### Annex I

#### AGENDA FOR THE FOURTH SESSION

- 1. Opening of the session
- 2. Election of officers
- 3. Adoption of the agenda and organization of work
- 4. Problems of availability and supply of natural resources:
  - (a) Survey of current problems in the fields of energy and minerals
  - (b) Medium-term and long-term projections of reserves, supply and demand of energy, minerals and water resources
- 5. The United Nations Revolving Fund for Natural Resources Exploration
- 6. Water resources development:
  - (a) Preparatory work for the United Nations Water Conference
  - (b) International river basin development
- 7. Permanent sovereignty over natural resources
- 8. Comprehensive plan of action for and co-ordination of programmes within the United Nations system in the field of natural resources development
- 9. Consideration of the provisional agenda for the fifth session
- 10. Adoption of the report of the Committee

### Annex II

#### PROVISIONAL AGENDA FOR THE FIFTH SESSION

- 1. Opening of the session
- 2. Election of officers
- 3. Adoption of the agenda and organization of work
- 4. Review of the world energy and minerals situation
- 5. Projections of reserves, supply and demand of energy, minerals and water resources
- 6. The United Nations Revolving Fund for Natural Resources Exploration
- 7. The United Nations Water Conference
- 8. Permanent sovereignty over natural resources
- 9. Co-ordination of programmes within the United Nations system in the field of natural resources development
- 10. Consideration of the provisional agenda for the sixth session
- 11. Adoption of the report of the Committee

Annex III
LIST OF DOCUMENTS BEFORE THE COMMITTEE AT ITS FOURTH SESSION

Document No.	Agenda item	Title
E/C.7/44	3	Annotated provisional agenda
E/C.7/45 and Corr.1	4 (a)	Some energy resources development alternatives: note by the Secretary-General
E/C.7/46 and Corr.1	6 (b)	Progress report of the Secretary-General on related activities
E/C.7/47 and Add.1-3	8	Report of the Secretary-General
E/C.7/48	6 (a)	Progress report of the Secretary-General
E/C.7/49 and Corr.1 and 2	6 (b)	Technical and economic aspects of international river basin development: note by the Secretary-General
E/C.7/50 and Corr.1	4 (a)	Overview of the world energy situation: report of the Secretary-General
E/C.7/51 and Corr.1	4 (a)	The world mineral situation: report of the Secretary-General
E/C.7/52 and Add.1	4 (b)	Progress report of the Secretary-General
E/C.7/53	7	Report of the Secretary-General
E/C.7/54	5	Report of the Secretary-General
E/C.7/55	9	Draft provisional agenda for the fifth session
E/C.7/INF/6		List of documents before the Committee
E/C.7/L.21	3	Organization of work
E/C.7/L.22	8	Draft programme budget for the biennium 1976-1977: note by the Secretariat
E/C.7/L.23/Rev.1	4 (ъ)	Group of Socialist Countries: draft recommendation
E/C.7/L.24/Rev.1	4 (b)	Canada: draft recommendation
E/C.7/L.25 and Add.1-3	10	Draft report of the Committee
E/C.7/L.26/Rev.1	6 (ъ)	Algeria, Argentina, India, Iraq, Libyan Arab Republic, Pakistan, Peru, Sudan and Yugoslavia: draft recommendation
E/C.7/L.27/Rev.1	4 (a)	Group of 77: draft resolution
E/C.7/28	6 (b)	India: draft recommendation

Document No.	Agenda item	<u>Title</u>
E/C.7/L.29/Rev.1	6 (a)	Algeria, Argentina, India, Iraq, Netherlands, Peru, Upper Volta and Yugoslavia: draft recommendation
E/C.7/L.29/Rev.2	6 (a)	
E/C.7/L.30/Rev.1	8	Group of Socialist Countries: draft resolution
E/C.7/L.31	4 (a)	Iceland, India, Italy and Kenya: draft recommendation
E/C.7/L.32/Rev.1	5	Japan, Kenya, Netherlands, Sudan, Uganda and Upper Volta: draft resolution
E/C.7/L.33	7	Group of 77: draft resolution
E/C.7/L.34/Rev.1	8	Netherlands, Norway and Sweden: draft resolution
E/C.7/L.35	4 (ъ)	Japan: draft recommendation
E/C.7/L.36	6 (ъ)	Statement by the Brazilian delegation
DP/53	5	Operational procedures and administrative arrangements of the Revolving Fund for Natural Resources Exploration: report of the Secretary-General

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