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~~CONFIDENTIAL~~IV. INTERNATIONAL INVESTMENT

Mr. Flanigan noted that a paper ("Investment Tactics in OECD") had been distributed and that it contained a report on his own trip to Europe the previous week as well as certain reactions to the points made in consultation from capitals he did not visit. He said our principal interest on investment reform at this time was to get an expression in the May 30 OECD Ministerial Communique of renewed emphasis on the organization's work on investment, and to be sure that the Ministers were really determined to proceed expeditiously and seriously with this work.

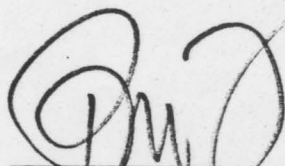
He reported that most countries consulted agreed with this proposal. He also noted that there was strong interest in pushing forward on the MNC part of the exercise, but he said we should maintain our opposition to a "lock-step" approach under which work on other aspects could be slowed to permit the MNC work to catch up. He also reported differences among countries on other issues such as the treatment of new investors and a possible examination in OECD of principles concerning security of investment.

He summarized the recommendations contained in the paper which had been distributed. Finally, he noted that agencies, which had previously expressed problems of detail with the original policy paper, had reached agreement on a revised text, which could now be considered as approved.

Mr. Enders said he had no problems with the first three elements of the recommendation for the content of the US delegate's remarks at the Ministerial but had some question about the desirability of pushing for a new review mechanism or committee on investment in OECD. He believed that a new committee could get bogged down in bureaucracies and that it would be better to leave the review and consultation process in the XCSS.

Mr. Flanigan said that the recommendation was not meant to exclude the retention of the XCSS as the right mechanism for this function, and that we could leave to the discretion of Deputy Secretary Rush whether he raises this issue at the Ministerial and how.

Approved by:


 Peter M. Flanigan

May 30, 1974

Date

DECLASSIFIED

E.O. 12958, SEC. 3.5

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NSC MEMO, 11/24/98, STATE DEPT. GUIDELINES

BY llh NARA DATE 9/6/05

MEETING OF THE EXECUTIVE COMMITTEE
OF THE COUNCIL ON INTERNATIONAL ECONOMIC POLICY

FRIDAY, MAY 17, 1974, 3:00 P.M.

ATTENDEES

CIEP
STATE
AID
TREASURY
AGRICULTURE
COMMERCE
LABOR
OMB
CEA
STR
NSC
CIEP
CIEP
CIEP
CIEP
CIEP

PETER M. FLANIGAN
THOMAS ENDERS
DANIEL PARKER & PHILIP BIRNBAUM
WILLIAM SIMON & HOWARD L. WORTHINGTON
CLAYTON YEUTTER & DON PAARLBERG
FREDERICK B. DENT & LAWRENCE FOX
JOEL SEGALL
ROY L. ASH
HERBERT STEIN & GARY SEEVERS
WILLIAM D. EBERLE & HAROLD MALMGREN
CHARLES COOPER
DEANE R. HINTON
DENNIS WOOD
RAY STERNFELD
RICHARD ERB
ROBERT MORRIS



2a

THE WHITE HOUSE

WASHINGTON

JUL 11 1974

MEMORANDUM FOR:

SECRETARY SIMON
HERB STEIN
KENNETH RUSH
AMBASSADOR EBERLE
ROY ASH
ROBERT INGERSOLL

FROM:

PETER FLANIGAN *PF*

SUBJECT:

CIEP Executive Committee Meeting,
July 2, 1974

The enclosed summary reflects the decisions taken at the CIEP Executive Committee Meeting of July 2, 1974. Also enclosed is a summary of UNCTAD working group on MNCs in Mexico City.

Copy to:

Chuck Cooper
Carlyle Maw



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SUMMARY OF CIEP EXECUTIVE COMMITTEE MEETING
JULY 2, 1974

I. International Capital Markets: A decision was reached to support a "full" foreign window proposal (Option I of Part A) and the Regulation M modification allowing foreign window loan reserve requirements to be held in government securities instead of sterile deposits (Option II of Part B). It was agreed that the Reg M subject had not been fully discussed earlier, and was subject to a full review of the Fed's position. After discussion of potential timing problems for submitting these proposals to Congress, it was decided that we should proceed promptly, with the realization that it would be some time before such a plan could be formally submitted.

It was agreed that Counsellor Rush and Secretary Simon would meet with Chairman Burns to discuss these proposals and seek Federal Reserve support.

II. Most Seriously Affected LDCs: It was agreed that on the issues related to the LDCs most seriously affected (MSAs) by the increase in oil and other prices that:

(1) A background statement containing our assessment and approach to the problem (see attached) would be made available to all interested agencies and become the basis for U.S. action bilaterally and in the UN, World Bank, IMF, C-20 "Development Council," OECD, EEC, and other relevant forums.

(2) These problems should be examined on a case-by-case basis, and the U.S. should resist pressures in multilateral forums for overall schemes and solutions requiring special country contributions. Within the U.S., we would proceed on the established course seeking Congressional approval on the multilateral and bilateral aid programs with decisions in July-August on the FY 75 P.L. 480 program.

(3) An interagency working group would be established to monitor the changing developments affecting the MSAs and to assure that a uniform U.S. position reflecting any necessary changes is maintained in the different international forums. The work of this group would be related to and affected by the OMB (Bridgewater) group on P.L. 480.



(4) Ray Sternfeld of the CIEP and Charles Cooper of NSC would discuss organization of the group, which would include representatives of State, Treasury, Agriculture, CIA, AID, FEA, NSC, OMB, and CEA. Names should be submitted to the CIEP Executive Secretariat (Phone: 456-2937).

III. U.S. Position on Expropriation and MNCs in International Forums:

The Executive Committee reaffirmed the President's 1972 statement on "Economic Assistance and Investment Security in Developing Nations" and the 1974 statement on "U.S. Policy and Objectives on International Investment." It was agreed that all U.S. negotiators dealing with expropriation and MNC matters should take their policy guidance from these two statements. The CIEP Executive Committee will review, as necessary, the position to be taken by U.S. negotiators in upcoming international discussions of these issues (e.g., UNCTAD, ECOSOC, Latin American Foreign Minister's Meeting and the OECD), and negotiators will secure CIEP Executive Committee approval for deviations from the stated policy.

Attachment



2c

BACKGROUND STATEMENT

Problems of Developing Countries Most Seriously Affected (MSA)
by Higher Petroleum and Other Prices

There are about 25 LDCs (see annex) which do not appear to be able to offset the effects of higher petroleum and other prices on their economies (particularly their balance of payments) without substantial reductions in living standards and interruptions in their economic development. The most recent USG analysis concludes that the financing problem for these MSAs is \$1.0 to \$1.5 billion in 1974 and 1975, probably towards the bottom of the range for 1974 and towards the top of the range in 1975. The hard core problem is thus equal to less than 10 percent of the normal capital flows from developed to developing countries -- assuming these latter countries at their present level -- but significant for some individual countries.

The U.S. approach to the MSA problems is as follows:

- (1) Over the next year and a half, the dimensions and timing of dealing with the problem appear serious but manageable assuming the political will is present and the appropriate actions are taken.
- (2) A reduction in oil and other prices is, of course, the preferred means, but it is unrealistic to believe that a roll-back to early 1973 levels will take place. However, this reinforces the need to sustain and increase pressures on the oil exporters to provide more assistance to the MSAs on concessional terms.
- (3) Donors should utilize all viable channels for providing and coordinating assistance. While the UN has a role, the U.S. does not believe that the UN can be involved in the operational management of funds provided for this effort. We expect that the Joint Ministerial Committee of the IMF and World Bank -- "International Development Council" -- originally proposed by the LDCs will become the most effective coordinating body involving the developed countries, oil exporters, and the LDCs. As a first order of priority, it has the MSA problem.
- (4) The U.S. response will be primarily a case-by-case approach through established channels. To support this effort, it is seeking to obtain congressional approval on the pending multilateral and bilateral aid programs and by July-August will be in a position to decide the levels of P.L. 480 programs.



- (5) Further analysis is necessary on other proposed international schemes, such as the sale by the IMF of gold on the private market with profits being made available for assistance to the MSAs.
- (6) Given the fast changes in world prices and other developments there will be periodic reviews of the impact on the MSA problem.

Attachment:

Annex: Listing of LDCs



ANNEX

LDCs Most Seriously Affected

Bangladesh

Cameroon

Chile

Costa Rica

Honduras

India

Ivory Coast

Kenya

Pakistan

Senegal

South Vietnam

Sri Lanka

Tanzania

Uruguay

Botswana

Cambodia

Guyana

Lesotho

Chad

Mali

Mauritania

Niger

Upper Volta

Sudan

Swaziland



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Treatment of Problems of Nationalization,
Multinational Corporations and Other
Major International Economic Questions
at the Fourth Session of the UNCTAD
Working Group on a Charter of Economic
Rights and Duties of States, Mexico
City, June 10-29, 1974

The Mexico City session of the UNCTAD Working Group on a Charter of Economic Rights and Duties of States failed to reach agreement on its central issues of permanent sovereignty over natural resources, regulation of foreign investment, treatment of multinational corporations, and nationalization of foreign property interests.

However, on last day of the session, Ambassador Brillantes of the Philippines, a leading spokesman of the Group of 77 developing countries, introduced in a personal capacity a compromise formulation on these issues, attached at Tab A. The Brillantes formulation was received warmly by the industrialized States, coolly by developing countries and negatively by the U.S.S.R. The industrialized States differ only with its last sentence, which, in subjecting rights of a State in this sphere to performance of its "commitments and undertakings", seemed to exclude the application of relevant customary international law. The developing countries for the most part object to the provisions on upholding investment undertakings and payment of just compensation, while approving the provision on treatment of multinational corporations. The U.S.S.R. objected to any provision for payment of just compensation.

In the absence of agreement on the comprehensive Brillantes formula, the Group of 77 and the industrialized States reintroduced their particular proposals as alternative texts in the draft Charter. Attached at Tab B are the contrasting texts on nationalization and multinational corporations.



On a number of other issues of importance for international economic policy, provisional, ad referendum agreement was reached: cooperation to encourage structural changes in national economies; effective participation by all States in international decision-making in the economic sphere; promotion of the transfer of technology; promotion of the expansion of world trade, including trade between countries having different economic and social systems; cooperation in extending assistance to developing countries "free of any conditions derogating from their sovereignty" and promotion of "increased net flows of real resources to developing countries"; extension of generalized tariff preferences in favor of developing countries; a duty of all States to conduct their mutual economic relations in a manner which takes into account the interests of other countries; and enhancement of the role of developing countries in the world invisible trade.

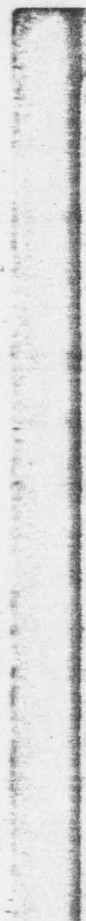
Among issues that remain unresolved, in addition to those on nationalization and multinational corporations, are those on unconditional most-favored nation and non-discrimination provisions sought by the U.S.S.R., producers' cartels, commodity agreements, secure supply of raw materials, and restitution for exploitation of colonial and occupied territories.



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2e

A



Text proposed by H.E. Mr. H.J. Brillantes in his
capacity as Chairman of Negotiating Group 2

Every State has permanent sovereignty over its natural wealth and resources and has the inalienable right fully and freely to dispose of them. Each State has the right:

- (a) to enact legislation and promulgate rules and regulations, consistent with its development objectives, to govern the entry and activities within its territory of foreign enterprises;
- (b) to freely enter into undertakings relating to the import of foreign capital which shall be observed in good faith;
- (c) to regulate and supervise the activities of transnational corporations within its national jurisdiction and take measures to ensure that such activities comply fully with its laws, rules and regulations and conform with its economic and social policies. Transnational corporations shall not intervene in the internal affairs of a host State. Every State should, with full regard for its sovereign rights, co-operate with other States in the application of relevant laws, rules and regulations;
- (d) to nationalize, expropriate or requisition property, provided that in the case of foreign property just compensation shall be paid in the light of all relevant circumstances;
- (e) to require that recourse be had to its national jurisdiction in any case where the treatment of foreign investment or compensation therefor is in controversy, unless otherwise agreed by the parties;



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- (f) to settle disputes where so agreed by the parties concerned through negotiations, good offices, inquiry, fact-finding, conciliation, mediation, arbitration or international adjudication on the basis of the principles of sovereign equality of States and free choice of means.

States taking measures in the exercise of this right shall fulfil in good faith their international commitments or undertakings.



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Multinational Corporations

Proposal of the U.S., the European Community and Japan

"Every State has the right to regulate and supervise the activities of transnational corporations within its jurisdiction by taking measures to ensure that such corporations comply fully with its laws, rules and regulations. In exercising this right, every State shall treat transnational corporations equitably and in a non-discriminatory fashion and otherwise observe applicable international obligations. Transnational corporations shall respect the sovereignty and laws of the countries in which they operate, refraining from any intervention in their internal affairs.

States shall co-operate in good faith to resolve conflicts of jurisdiction in the application of their law to transnational corporations, due regard being paid to applicable international obligations and to the interests of each country concerned."

Proposal of Developing Countries

"Every State has the right to regulate and control the transnational corporations operating within its national jurisdiction in accordance with its laws, rules and regulations and to take measures to ensure that such corporations comply fully with such laws, rules and regulations, conform with its national economic and social policies and refrain from any intervention in its internal affairs. All States should co-operate in the exercise of this right."

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Nationalization

Proposal of the European Community

"States endowed with natural resources have the right on grounds or reasons of public utility, security or the national interest to dispose of these resources including the right on such grounds or reasons to nationalize, expropriate or requisition them. The sovereignty and rights in question shall be exercised in accordance with the applicable rules of international law, in particular with regard to the payment to the owners of prompt, adequate and effective compensation.

"The exercise of this sovereignty and these rights shall take account of the requirements and interdependence of the economies of all States and the necessity to contribute to the balanced expansion of the world economy."

Proposal of Developing Countries

"(a) Each State has the inalienable right to the full exercise of its permanent sovereignty over its wealth and natural resources and accordingly has the right freely and fully to dispose of them. Coastal States have the right to dispose of the marine resources within the limits of their national jurisdiction, which must take duly into account the development and welfare needs of their people. This right includes the application of nationalization as an expression of the State's sovereignty in order to safeguard its natural wealth and resources.

"Nationalization implies that each State is entitled to determine the amount of appropriate compensation and the mode of payment; and that any dispute which might arise shall be settled in accordance with the national legislation of each State carrying-out such measures, and by their tribunals.

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"(b) The above-mentioned right covers all natural wealth and resources of the States on land, sea and continental shelf within the limits of their national jurisdiction.

"(c) Any action directed against this right shall be considered a violation of the principles of the United Nations, and could constitute a threat to international peace and security."



THE WHITE HOUSE
WASHINGTON

June 27, 1974

MEMORANDUM FOR:

SECRETARY SIMON
HERB STEIN
KENNETH RUSH
AMBASSADOR EBERLE
ROY ASH
ROBERT INGERSOLL

FROM:

RJ RANDY JAYNE, Assistant to the
Executive Director

SUBJECT:

CIEP Executive Committee Meeting,
Tuesday, July 2, 1974, ~~3:00 P.M.~~
Roosevelt Room *10:30 AM*

The following three items constitute the agenda for Tuesday's meeting:

1. International Capital Markets: Proposed creation of a "Foreign Window" and Modifications of Reserve Requirements (Reg. M) A discussion paper is attached at Tab I.
2. Most Seriously Affected LDC's: U.S. policy toward financial proposals to assist countries hardest hit by oil and other price increases. The paper at Tab II provides a basis for discussion.
3. U.S. Positions on Expropriation and Treatment of MNC's Taken in International Forums: The paper at Tab III provides basis for discussion. Additionally, we hope to review the recent Mexico City drafting session for the UN Charter of Economic Rights and Duties.

Please confirm attendance with Mary Barron at 456-2361.

Confidential Attachments (3)

cc: Chuck Cooper
Tom Enders



Item 3 - U.S. Position on Expropriation and Treatment of MNC's in International Forums

Mr. Flanigan introduced the subject by outlining the work now under way in a number of international organizations concerning MNC and expropriation issues and by summarizing the main points of the 1972 policy statement on expropriation and the 1974 statement on international investment policy.

He pointed out that the major problem for consideration by the CIEP Executive Committee was that our stated expropriation and investment policies were in danger of being eroded in the upcoming negotiations in various international forums. A number of international economic issues are usually considered together and there is some temptation to compromise on our investment, MNC and expropriation matters to obtain agreement on other issues. In short, there is danger that tradeoffs will erode our established policies.

As an example of this potential erosion, Mr. Maw indicated he felt it was a grave error for the U.S. not to have cast a negative vote in the April 1974 UN General Assembly Special Session on raw materials and development. The fact that we did not has created real problems for us in the UNCTAD negotiations in Mexico City and may create problems for the U.S. in the Latin American Foreign Ministers meetings and when ECOSOC consideration of the Eminent Persons Report. Mr. Maw also indicated that we may have to vote against the UNCTAD charter of economic rights and duties in the Fall session of the UN General Assembly. Most of the developed



countries wanted to compromise with the ^{group} ~~class~~ of 77 which, inter alia, refused to acknowledge that they are bound by international law -- saying that they were not involved in creating the current body of international law and therefore find it "imposed" law.

Mr. Maw feels that the U.S. should begin an effort to move some of the ^g group of 77 off its current position. He noted that it would be a shame for the U.S. to stand alone and cast the only negative vote but that this might be the only alternative for us in a number of international forums.

Mr. Flanigan noted that we should emphasize that most investment is in developed countries and that we should continue to give high priority to the work in the OECD. Mr. Rush concurred in the general notion that we may need to make a conscious decision with respect to our investment policy and not see them eroded by negotiations.

Therefore, the meeting agreed to:

1. reaffirm the 1972 statement on "Economic Assistance and Investment Security in Developing Nations" and the recently approved 1974 statement on "U.S. Policy and Objectives on International Investment;"
2. make it known to all people involved in negotiations dealing with investment, expropriation and MNC issues that our policy is to be guided by such statements; and
3. use the CIEP Executive Committee ^{to} review the position to be taken by U.S. negotiators ^{State} _{Objectives} in international discussions of such issues (e.g. UNCTAD, ECOSOC, Latin American Foreign Ministers



meeting and the OECD) and to obtain CIEP Executive Committee approval
for all deviations from the stated policy.



Rush, DRAF, Ebele, Ash, Simon, Bennett, Cooney, Maw, Ingersoll
Kuosnicka, Wood, Erb, Stempel, JM, Weintraub, Joyce
Stein

Foreign Window:

Rush asks re
Fed involve

1. For economic value - Fed concern & need to consult
2. Timing - Simon feel wrong time gives Franklin
& Heinstadt. Let cool. Rush seems to agree.
(a) Take out of Fed control & enable them
to get into some problem or foreign mts:

3. Stein: allow us Rhs behind on their branches
& elim orbit impact of location = Foreign window.
Elim Reg m - elim distinct tween us & foreign
Rhs.

Given recycle problem, something to be
sought for ↑ US participation.

CEA - CIEP decide what window
but leave Reg m until get Fed view.

4. ^{DRAF} Considerations:
 - (1) keep as we are:
 - (2) Foreign window - joint deposits:
 - (3) Complete foreign window:

5. Ingersoll question timing - not ↑ hazard but merely
ambition. No foreign policy problems → Start with Reg m

6. Ebele → favor if help memory addit flow of \$.



7. Simon wonders whether Burns
would ever agree to foreign window.
PORF not - Burns not completely against

8. Simon - favors the full foreign window
Ach

9. Ach ~~concern~~ favors full foreign window⁺

10. Stein - not real big re circumvention
(or can do it now) So favors full foreign window.

11. PORF full foreign window but feels (or does
Stein) as that need further talk re Reg 17.

12. Push open or open window

13. ^{All} Agree That (i) full open window | Set together case
(ii) obtain Reg 17 | + push to
Burns.



MASA-LDC'S

Concerns into - outgrowing w/g in intl energy

(1) Main issue:- (a) Great no of groups dealing w. MASA + need to keep in focus w. US\$

(3) Pondering that critical size problem is smaller than before eg 1-1.5 B.

(a) Simon: US\$ effort in what do is Italy + other major consumers.

(4) DoAF - issue for this meeting - if agree on size of problem, then we have to take consistent view re size of MASA problem in OECD, EC

(5) Inverell says he surprised at low figures re MASA

vs. other LDC's who can handle problem so long.

(6) Simon says for how long - cites Italy example
Simon says oil p story up - he includes Italy + Japan as MASA's.

(7) DoAF says Rush should put someone to focus on problem - Don forget LDC's + focus on indiv countries.

(8) Bennett - main course to keep pressure on oil producers + not panic

Dimensions are much more important.



9. Everle need a background paper cable out to key places + force USG into a candidate position.

10. Seriousness of problem - Stein - High - we can now not not > problem.

11. Ash → as Δ size of problem, perhaps more on core by core ~~loss~~ ^{loss} multilateral as problem not so overwhelming.

12. Worn: look at size of ^{financial} program + revenue questions
~~THE~~ IDA, bilateral, PL 480, etc | But USG needs to make additional contributions.
Go ahead on normal program.

13. Simon - immediate effects on world price of oil

14. DAF - (a) ORU:

(b) work group - core by core - bilateral.



TAMC'S

1. POAF - refers to the joint commission TAMC + exp issues - LDC dev. and OECD work.

POAF 2. Current policy ① 1972 export statement ⁽¹⁾/₍₂₎
② refers to recent I policy statement which was to serve as guidelines for negotiators in various free + POAF trade free

3. Problem: In various negotiations, our policy may be eroded as give TAMC issues to get on other issues. Tradeoffs may erode.

From Amputations due to not no vote: give error + we should have stood up + be counted. Created real problems in Mexico City + Business Persons

4. POAF - need to ① Drop 1972 statement + recent statement to all people involved.

② Push use CITP Ex Com to review position of us negotiators + if push is to very



Row ① next place come up CAPP
postponed 5-6 weeks

② For City - UNGA in UNCTAD
& may have to vote against &
may be done. Next 6 DIS want
to compromise w 77 who
not allow use of int'l law (say
they not involved in making
& imposing law).

(a) Row wants to start promoting
torture + having 77 on its side.

PMF - next I'm developed nations &
work in OECD.

Thick - need to make decision dec
& not slide into session.

Row - should be alone & rely on vote
but may have to.



TASA ① Message to all interested parties

① Working group of OMB-CLEP + create PL-410

TATE - neppim - 1972 SNA

① Policy Study

① Before my resignation be discussed
in CLEP meeting

① Distribute background papers by TASA

④ try drafting a memo + get out
with re utah.





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ACTION EB-11

INFO OCT-01 IO-14 ISO-00 FRB-03 OMB-01 TAR-02 SP-03 SWF-02
AGR-20 AID-20 CIAE-00 COME-00 INR-11 LAB-06 NSAE-00
OIC-04 RSC-01 SIL-01 STR-08 TRSE-00 CIEP-03 CEA-02
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EO 11652: N/A
TAGS: EGEN, ETRD, UNCTAD
SUBJ: UNCTAD TDB XIV: ITEM 4(B): DRAFT RESOLUTION ON
DECLARATION AND PROGRAM OF ACTION

1. GROUP OF 77 SUBMITTED DRAFT RESOLUTION ON
IMPLEMENTATION OF DECLARATION AND PROGRAM OF ACTION
ON SEPTEMBER 5. TEXT WILL BE REFERRED TO PLENARY
CONTACT GROUP WHICH WILL HOLD FIRST MEETING SEPTEMBER
6. GROUP B HAS NOT YET DISCUSSED, BUT GIVEN
SIMILARITIES WITH SECTION A OF ECOSOC OMNIBUS
RESOLUTION, WE WOULD EXPECT POSITIONS TAKEN THERE
WILL BE REFLECTED AT THIS BOARD.



2. TEXT OF DRAFT RESOLUTION FOLLOWS:

THE TRADE AND DEVELOPMENT BOARD

RECALLING GENERAL ASSEMBLY RESOLUTIONS 3201 (S-VI) AND 3202

(S-VI) ON THE DECLARATION AND PROGRAMME OF ACTION ON THE ESTABLISHMENT



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OF A NEW INTERNATIONAL ECONOMIC ORDER IN WHICH ALL ORGANIZATIONS, INSTITUTIONS, SUBSIDIARY BODIES AND CONFERENCES OF THE UNITED NATIONS SYSTEM HAVE BEEN ENTRUSTED WITH THE IMPLEMENTATION OF THE PROGRAMME OF ACTION;

RECALLING FURTHER ECOSOC RESOLUTION 1911 (LVII) CALLING UPON

ALL ORGANIZATIONS, INSTITUTIONS, SUBSIDIARY ORGANS AND CONFERENCES OF THE UNITED NATIONS SYSTEM TO SUBMIT PROGRESS REPORTS ON THE IMPLEMENTATION OF THE DECLARATION AND THE PROGRAMME OF ACTION, WITHIN THEIR RESPECTIVE FIELDS OF COMPETENCE, TO THE FIFTY-EIGHTH SESSION OF ECOSOC;

BEARING IN MIND THE ROLE ASSIGNED TO UNCTAD IN GENERAL ASSEMBLY

RESOLUTION 1995 (XIX) FOR PROMOTING INTERNATIONAL TRADE AND DEVELOPMENT AND THEREBY CONTRIBUTING TO THE ESTABLISHMENT OF THE NEW INTERNATIONAL ECONOMIC ORDER;

CONSIDERING THAT THE DECLARATION AND THE PROGRAMME OF ACTION

COMPLEMENT AND STRENGTHEN IN A MUTUALLY SUPPORTING MANNER THE GOALS AND OBJECTIVES OF THE INTERNATIONAL DEVELOPMENT STRATEGY AND MINDFUL THAT THE STRATEGY SHOULD BE ADAPTED ON A CONTINUING BASIS TO NEW REQUIREMENTS AND CHANGING CIRCUMSTANCES;

1. URGES THE GOVERNMENTS OF ALL MEMBER STATES TO TAKE THE NECESSARY POLITICAL DECISIONS AND SPECIFIC AND CONCRETE MEASURES, INDIVIDUALLY AND COLLECTIVELY, REQUIRED FOR THE IMPLEMENTATION OF THE PROVISIONS OF THE DECLARATION AND THE PROGRAMME OF ACTION;

2. REQUESTS THE SECRETARY-GENERAL OF UNCTAD

(A) TO KEEP THE PROVISIONS OF THE DECLARATION AND THE PROGRAMM

OF ACTION UNDER CONSTANT REVIEW, IN THE LIGHT OF THE DISCUSSIONS IN THE BOARD AND ITS SUBSIDIARY ORGANS;



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- (B) TO IDENTIFY AND SUGGEST NEW ISSUES WHICH REQUIRE FURTHER INTERGOVERNMENTAL CONSIDERATION IN THE CONTINUING MACHINERY OF UNCTAD AND TO MAKE SUGGESTIONS FOR CONCRETE MEASURES;
- (C) TO UNDERTAKE, WITH THE HELP OF EXPERTS WHEREEVER APPROPRIATE, SUCH STUDIES ON SPECIFIC ISSUES AS MAY BE REQUIRED BY THE BOARD AND ITS SUBSIDIARY BODIES, WITH A VIEW TO ASSISTING THEM IN CONSIDERING AND TAKING FURTHER ACTION FOR THE IMPLEMENTATION OF THE DECLARATION AND PROGRAMME OF ACTION;
- (D) TO MAKE APPROPRIATE PROVISIONS IN THE BUDGET ESTIMATES OF UNCTAD AND PROPOSALS FOR THE NECESSARY ADAPTATION AND REORIENTATION IN THE WORK PROGRAMME OF UNCTAD AND TO SUBMIT HIS PROPOSALS TO THE BOARD IN CONNEXION WITH ITS CONSIDERATION OF THE IMPLEMENTATION OF THE DECLARATION AND THE PROGRAMME OF ACTION;
- (E) TO INCLUDE IN HIS REPORT ON THE MID-TERM REVIEW AND APPRAISAL OF THE INTERNATIONAL DEVELOPMENT STRATEGY A COMPREHENSIVE REVIEW OF THE IMPLEMENTATION OF THE DECLARATION AND PROGRAMME OF ACTION, INCLUDING AN IDENTIFICATION OF THE PROGRESS MADE AND SHORTFALLS IN THEIR ACHIEVEMENT AND OF POLICIES THAT ARE NOT CONSISTENT WITH THE ATTAINMENT OF THE OBJECTIVES OF THE STRATEGY, THE DECLARATION AND PROGRAMME OF ACTION AS WELL AS RECOMMENDATIONS TO OVERCOME THESE SHORTFALLS.

3. REQUESTS THE SUBSIDIARY ORGANS TO GIVE PRIORITY ATTENTION

TO THE PROVISIONS OF THE DECLARATION AND THE PROGRAMME OF ACTION ON MATTERS FALLING WITHIN THEIR TERMS OF REFERENCE AND TO ADOPT SPECIFIC RECOMMENDATIONS FOR THEIR EFFECTIVE IMPLEMENTATION.

4. DECIDES TO CONSIDER AT ITS SIXTH SPECIAL SESSION NEW

COMMITMENTS, CHANGES, WITHIN THE FIELD OF COMPETENCE OF UNCTAD

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TAKING INTO ACCOUNT THE DECLARATION AND PROGRAMME OF ACTION ON THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER.

5. DECIDES THAT, IN THE CONSIDERATION OF THE PROVISIONAL

AGENDA FOR THE FOURTH UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT BY THE BOARD, AS WELL AS IN ITS PREPARATION AND DURING THE DELIBERATIONS AT THE CONFERENCE, THE CONTINUATION OF THE PROCESS REFERRED TO IN THE PRECEDING PARAGRAPH SHOULD BE ENSURED.

6. REQUESTS THE SECRETARY-GENERAL OF THE UNITED NATIONS TO

ENSURE THAT ADEQUATE RESOURCES ARE MADE AVAILABLE TO UNCTAD IN ORDER TO FACILITATE THE IMPLEMENTATION OF THIS RESOLUTION.

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