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PROVISIONAL SUMMARY RECORD OF THE ONE HUNDRED AND EIGHTEENTH MEETING
Held at Caracas, Venezuela,
on Thursday, 11 May 1967, at 4.10 p.m.

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Chairman: Mr. HERNANDEZ SOLIS (Venezuela)

Rapporteur: Mr. MENDEZ (Colombia)

Corrections to this record should be submitted in one of the three working languages of the Commission (English, French or Spanish), preferably on a mimeographed copy of the record, to the Conference Officer, Miss Juana Eyzaguirre.

CONSIDERATION OF THE REPORT OF COMMITTEE I: DEVELOPMENT PLANNING (E/Cn.12/AC.59/1/Rev.1)

Mr. PARDO (Bolivia), in his capacity as Chairman of the Committee on Development Planning, presented the report approved by the Committee. It substantially embodied the discussions held and, in his view, contained conclusions which would contribute to progress in planning in each and all of the Latin American countries.

Mr. RODRIGUEZ (Cuba) requested that his disagreement with paragraph 23 of the report should be recorded in the summary record, since in the opinion of his delegation, the decisions on Latin American economic integration adopted by the Chiefs of State at the Punta del Este Meeting could not contribute towards Latin America's development.

The report of Committee I was adopted, subject to the reservation expressed.

CONSIDERATION OF THE REPORT OF COMMITTEE II: TRADE POLICY AND INTEGRATION (E/CN.12/AC.60/1/Rev.1)

Mr. G. MARTINEZ (Argentina), in his capacity as Chairman of the Committee on Trade Policy and Integration, presented the report of the Committee and stressed the valuable assistance provided by the secretariat in its preparation. The reservations and observations formulated by the various delegations had been recorded in the summary record of the last meeting of the Committee.

Mr. M. MARTINEZ (Honduras), Mr. BARALL (United States of America) and Mr. FAESLER (Mexico) pointed out that the names of the following persons had been omitted from paragraph 1: Mr. Rheinboldt (Honduras), Mr. González Sánchez, Mr. Alvarez Uriarte (Mexico), Mr. Courand (United States of America) and Mr. Tamayo (Venezuela). As all those persons had been members of the Committee, their names should be included in the paragraph concerned. They further requested that the name of the UNIDO observer, Mr. Lurié, should also be included.

It was so decided.

Mr. G. MARTINEZ (Argentina) suggested that certain drafting changes should be made in paragraphs 10 and 23 of the Spanish text.

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It was so decided.

Mr. LISETTE (France) observed that paragraph 11 did not accurately reflect the view expressed by all the delegations in the Committee. He therefore requested that it should be recorded that objections had also been raised by some delegations to the criticism expressed concerning the policy of developed countries with respect to international cocoa and sugar agreements.

Mr. C.R. RODRIGUEZ (Cuba) suggested that, in paragraph 15, the last sentence should begin with the words "Most of the delegations" instead of "Delegations".

It was so decided.

The report of Committee II was adopted as amended.

CONSIDERATION OF DRAFT RESOLUTIONS

Draft resolution approved by Committee I on "Planning and development"

Mr. C.R. RODRIGUEZ (Cuba) pointed out that not all the Latin American countries had been represented at the Meeting of Chiefs of State held at Punta del Este and that not all those present had subscribed to the decisions taken at the meeting. He therefore suggested that operative paragraph 2 (a) should read as follows; "so far as the countries signatories of the Declaration of the Presidents of America at the Punta del Este meeting, and of the countries acceding to it, are concerned strive, when preparing their national plans, to co-ordinate them in order to attain objectives in line with the decisions concerning Latin American economic integration made at that meeting;".

It was so agreed.

Mr. M. MARTINEZ (Honduras) suggested that, as a stylistic correction, the last two lines of the Spanish text should read as follows: "referente a asignación de recursos, precios y política financiera, monetaria y económica en general".

It was so agreed.

The CHAIRMAN, speaking as the representative of Venezuela, suggested that the resolution should contain a recommendation for publicizing the idea of planning among the broad masses of the population.

Mr. G.MARTINEZ (Argentina) and Mr. PARDO (Bolivia) supported the Chairman's proposal and suggested that the following text should be added at the end of operative paragraph 2 (e): "and take steps to institute appropriate procedures for spreading the idea of planning among the broad masses of the population".

Mr. C.R. RODRIGUEZ (Cuba) and Mr. FAESLER (Mexico) suggested that, in order to clarify the concept of the private sectors as understood by Committee I in its discussions, the words "the private sectors" in operative paragraph 2 (e) should be replaced by "entrepreneurs, urban and rural workers and other social groups".

Mr. BARALL (United States of America) recalled that his country, through the Agency for International Development, was helping to implement development plans in many Latin American countries, and suggested that the idea of plan implementation as well as planning should be included in the proposed addition to operative paragraph 2 (e).

The proposed amendments to operative paragraph 2 (e) were approved. The draft resolution was adopted as amended.

Sir Keith UNWIN (United Kingdom of Great Britain and Northern Ireland) said that, before the Commission began to consider in detail the resolutions approved by Committee II, he wished to express his intention to abstain, in any vote, on general resolutions about which he had reservations.

Thus, with regard to the recommendations contained in the draft resolution on "Access to markets in relation to integration agreements among developed countries", the United Kingdom could not accept previous conditions or disavow commitments already made. With regard to the studies referred to in the draft resolution on "Prices", he felt that they should not be given higher priority and that they should be allocated resources needed for more urgent work. He would abstain from voting on the draft resolutions on "Financing" and "Latin America and the second United Nations Conference on Trade and Development", because he could

only regard them as representing the aspirations of the developing countries members of the Commission and they should be submitted, after co-ordination with other developing countries, directly to the second Conference, where they should undoubtedly be the subject of negotiation. As for the draft resolution on "Access to markets", he considered that the ECIA developing countries should not make recommendations to develop countries that were also members of the Commission, as the representative of Canada had pointed out. The United Kingdom was in favour of free access to markets as a general principle and had sought to improve conditions of access to its own market as much as possible. However, he felt that the resolution singled out only one element of a recommendation adopted by UNCTAD (paragraph A.1 (c) of part II of recommendation A.II.1), which the United Kingdom had endorsed and which had been very difficult to elaborate because it was so complicated.

Finally, his Government was strongly opposed to the draft resolution on "Trade restrictions on grounds of market disruptions", and had opposed it in other international forums, because it considered that the question whether or not there had been market disruptions was a matter for internal decision by Governments, although it was both reasonable and normal that consultations should be held after measures had been taken to counteract the market disruption.

Mr. LISETTE (France) said that his delegation had witnessed the efforts of other delegations to find solutions to the problems Latin American countries were facing, at home and abroad, and had been prepared to help in those efforts. It had, however, been unable to concur with all the views expressed, in some instances because they reflected purely regional concerns and in others because they failed to recognize the economic imperatives of other parts of the world. His delegation believed, moreover, that in view of the significance of the forthcoming New Delhi conference for the future of world trade and for relations between developed and developing countries, no rigid positions should be taken in the resolutions of the current session on problems where alternative means might lead to realistic solutions on the questions with which the United Nations was concerned. During the proceedings of Committee II his delegation had expressed its views in detail on those aspects of the draft resolutions which, in its view, were not conducive to such solutions. It had

(b) Draft resolution on "Latin America and the second United Nations
Conference on Trade and Development", approved by Committee II
Mr. C.R. RODRIGUEZ (Cuba) said that, in conformity with his
delegation's position with regard to the Declaration of the Presidents
of America, he wished to place on record his reservations on the first
and third preambular paragraphs of the draft resolution; that would not,
however, prevent his delegation from voting in favour of the draft resolution
as a whole, since it found the operative part acceptable.

Mr. SOUTO-MAIOR (Brazil) stated that his acceptance of operative paragraph 3 (e) did not mean that his country had changed, or was prepared to change the position it had adopted at the first session of UNCTAD.

The draft resolution was adopted by 18 votes to none, with 5 abstentions.

- (c) <u>Draft resolution on "Latin American Economic Integration" approved by Committee II.</u>
 - The draft resolution was adopted by 21 votes to none, with 1 abstention.
- (d) <u>Draft resolution on "Objectives of the second United Nations Conference</u> on Trade and Development" approved by Committee II

Mr. SOUTO-MAIOR (Brazil said that he intended to abstain in the vote on the draft resolution, since he believed it might be interpreted as a recommendation that the provisional agenda for the second session of UNCTAD should be altered, which would go beyond what the Trade and Development Board had requested of ECLA. Moreover, Brazil could not support changes in an agenda approved by the group of seventy seven developing countries without previously consulting the other members of the group.

Mr. MARTINEZ (Honduras) said that the operative part of draft resolution should not be interpreted as a recommendation to the Trade and Development Board to change the provisional agenda already approved or as detracting from the importance of other items of that agenda.

The draft resolution was adopted by 18 votes to none, with 4 abstentions.

- (e) <u>Draft resolution on "Comparative study of world costs and prices in relation to trade in manufactures"</u>, approved by Committee II

 The draft resolution was adopted without dissent.
- (f) <u>Draft resolution on "Financing"</u>, approved by Committee II

 The draft resolution was adopted by 20 votes to none, with 5 abstentions.

done so when the developed countries were accused of having departed from the UNCTAD principles and recommendations and of not having fulfilled undertakings made within GATT. He therefore considered it unnecessary to repeat his explanations and would confine himself to voting according to the opinions he had expressed in the Committee.

Mr. BARALL (United States of America) also announced his delegation's intention to abstain in the vote on the draft resolutions relating to the second session of UNCTAD. He stressed that in his opinion the secretariat report (E/CN.12/773) was not a balanced account and did not reflect the opinion of the United States and other developed countries, that it contained unjustified charges and that, by stating the views of the developing countries alone, it tended to divide the member countries of ECLA into two groups and to exacerbate the differences of opinion among them. He considered that many of the draft resolutions took account only of the interests of the developing countries and he would therefore abstain if they were put to the vote. He requested that his observations should appear in the records of the twelfth session.

Mr. HENRIQUEZ (Netherlands) said that, despite his country's interest in Latin American affairs, he deplored the fact that at the current session the developed member countries of ECLA had been requested in draft resolutions to take measures which they were unable to adopt unilaterally without violating their commitments to the associated created at Rome which had set up the European Common Market. Although he understood the needs of the Latin American countries, he did not consider it advisable to adopt positions on matters which could more appropriately be dealt with at the UNCTAD meeting. He was therefore opposed to the text of a number of the draft resolutions and would abstain when they were put to the vote.

Mr. SUMMERS (Canada) said that he had explained his country's position on market, prices and other issues when they were discussed in Committee II and that he could not be a party to political attitudes which might embarass his Government. Canada would attend the UNCTAD Conference and his Government considered it inappropriate to take decisions on matters which should be dealt with in that forum. For that reason his delegation would abstain in the vote on several draft resolutions.

(g) Draft resolution on "United Nations Programme for the promotion of exports of manufactures and semi-manufactures from developing countries", approved by Committee II

Sir Keith UNWIN (United Kingdom of Great Britain and Northern Ireland) said that, although he did not disagree with the draft resolution, he would abstain from voting because he had received no instructions from his Government.

The draft resolution was adopted by 21 votes to none, with 5 abstentions.

- (h) <u>Draft resolution on "Access to markets"</u>, approved by Committee II

 The draft resolution was adopted by 20 votes to none, with 5 abstentions.
- (i) Draft resolution on "Prices", approved by Committee II.

 The draft resolution was adopted by 21 votes to none, with 5 abstentions.
- (j) Draft resolution on "Trade restrictions on grounds of market disruptions", approved by Committee II.

The draft resolution was adopted by 21 votes to 4, with 1 abstention.

- (k) <u>Draft resolution on "Formulation of programmes for executing the</u>
 agreements on foreign trade in the Declaration of the Presidents of
 <u>America"</u>, approved by <u>Committee II</u>.
 - The draft resolution was adopted by 24 votes to none, with 1 abstention.
- (1) Draft resolution on "Access to markets in relation to integration agreements among developed countries", approved by Committee II.

Mr. BARALL (United States of America) said that although he was in general agreement with the draft resolution, he would abstain in the vote because he had not had time to suggest minor changes which would have made it possible for him to approve it. Moreover, his country did not belong to any of the associations in which many of the developed countries were grouped.

The draft resolution was adopted by 21 votes to none, with 5 abstentions.

(m) Draft resolution on "Foreign Investment" submitted by Cuba.

The CHAIRMAN, in reply to a question from the representative of Argentina, said that the study referred to in the draft resolution had no financial implications.

Mr. BARALL (United States of America) said that his delegation would vote against the draft resolution, because the proposed study might duplicate studies already completed or in progress on the same subject and in the belief that it would impose an excessive burden on the secretariat. The draft resolution was adopted by 7 votes to 1, with 16 abstentions.

- (n) <u>Draft resolution on "International Symposium on Industrial Development"</u> <u>submitted by Chile, Mexico and Venezuela.</u> The draft resolution was adopted without dissent.
- (o) <u>Draft resolution on "Co-operation with the International Labour Organization" submitted by Mexico.</u>

 The draft resolution was adopted without dissent.
- (p) <u>Draft resolution on "Postage stamp to commemorate the twentieth</u>
 anniversary of the Economic Commission for Latin America" submitted
 by Chile.

Mr. CASTELLANOS (Venezuela) expressed support for the idea of commemorating the twentieth anniversary of ECLA and suggested that each country should launch a campaign to publicist the work ECLA had done for . Latin America since its inception.

Mr. BARALL (United States of America) said that he would abstain from voting on the draft resolution because United States legislation prohibited that kind of commemoration.

The draft resolution was adopted by 23 votes to none, with 1 abstention.

- (q) <u>Draft resolution on "Relations with the United Nations Organization</u> for Industrial Development" submitted by Bolivia, Colombia, Paraguay and United States of America.
- (r) Draft resolution on "Programme of work and priorities" submitted by Argentina, Colombia, Chile, Honduras, Janaica, Peru, United Kingdom of Great Britain and Northern Ireland and United States of America.

 The draft resolution was adopted without dissent.
- (s) <u>Draft resolution on "Co-operation with the Food and Agriculture</u>
 Organization" submitted by Chile and Ecuador.

Mr. RODRIGUEZ (Cuba) said that the first three preambular paragraphs provided sufficient motivation for the draft resolution, with which he agreed. He had reservations, however, on the fourth preambular paragraph, which, in his opinion, was not in accordance with the facts.

The draft resolution was adopted without dissent. The meeting rose at 8 p.m.