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THE ECONOMIC AND SOCIAL COUNCIL AND THE ECONOMIC
COMMISSION FOR LATIN AMERICA

Note by the secretariat

The secretariat has pleasure in remitting to the representatives to the sixteenth session of the Commission, under item 4 of the Programme, the present document containing resolutions 2626 (XXV), 3201 (S-VI), 3202 (S-VI), 3281 (XXIX) and 3343 (XXIX) adopted by the United Nations General Assembly; resolutions 1896 (LVII) and 1911 (LVII) of the Economic and Social Council, and resolutions 310 (XIV) of the Economic Commission for Latin America.

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2626 (XXV) INTERNATIONAL DEVELOPMENT STRATEGY FOR
THE SECOND UNITED NATIONS
DEVELOPMENT DECADE

The General Assembly

1. Proclaims the Second United Nations Development Decade starting from 1 January 1971;
2. Adopts the following International Development Strategy for the Decade:

PREAMBLE

1. On the threshold of the 1970s, Governments dedicate themselves anew to the fundamental objectives enshrined in the Charter of the United Nations twenty-five years ago to create conditions of stability and well-being and to ensure a minimum standard of living consistent with human dignity through economic and social progress and development.
2. The launching in 1961 of the First United Nations Development Decade marked a major world-wide endeavour to give concrete substance to this solemn pledge. Since then attempts have continued to be made to adopt specific measures and to fashion and employ new institutions of international co-operation for this purpose.
3. However, the level of living of countless millions of people in the developing part of the world is still pitifully low. These people are often still undernourished, uneducated, unemployed and wanting in many other basic amenities of life. While a part of the world lives in great comfort and even affluence, much of the larger part suffers from abject poverty, and in fact the disparity is continuing to widen. This lamentable situation has contributed to the aggravation of world tension.
4. The current frustrations and disappointments must not be allowed to cloud the vision or stand in the way of the development objectives being really ambitious. Youth everywhere is in ferment, and the 1970s must mark a step forward in securing the well-being and happiness not only of the present generation but also of the generations to come.
5. The success of international development activities will depend in large measure on improvement in the general international situation, particularly on concrete progress towards general and complete disarmament under effective international control, on the elimination of colonialism, racial discrimination, apartheid and occupation of territories of any State and on the promotion of equal political, economic, social and cultural rights for all members of society. Progress towards general and complete disarmament should release

substantial additional resources which could be utilized for the purpose of economic and social development, in particular that of developing countries. There should, therefore, be a close link between the Second United Nations Development Decade and the Disarmament Decade.

6. In the conviction that development is the essential path to peace and justice, Governments reaffirm their common and unswerving resolve to seek a better and more effective system of international co-operation whereby the prevailing disparities in the world may be banished and prosperity secured for all.

7. The ultimate objective of development must be to bring about sustained improvement in the well-being of the individual and bestow benefits on all. If undue privileges, extremes of wealth and social injustices persist, then development fails in its essential purpose. This calls for a global development strategy based on joint and concentrated action by developing and developed countries in all spheres of economic and social life; in industry and agriculture, in trade and finance, in employment and education, in health and housing, in science and technology.

8. The international community must rise to the challenge of the present age of unprecedented opportunities offered by science and technology in order that the scientific and technological advances may be equitably shared by developed and developing countries, thus contributing to accelerated economic development throughout the world.

9. International co-operation for development must be on a scale commensurate with that of the problem itself. Partial, sporadic and half-hearted gestures, howsoever well intentioned, will not suffice.

10. Economic and social progress is the common and shared responsibility of the entire international community. It is also a process in which the benefits derived by the developing countries from the developed countries are shared by the world as a whole. Every country has the right and duty to develop its human and natural resources, but the full benefit of its efforts can be realized only with concomitant and effective international action.

11. The primary responsibility for the development of developing countries rests upon themselves, as stressed in the Charter of Algiers;^{1/} but however great their own efforts, these will not be sufficient to enable them to achieve the desired development goals as expeditiously as they must unless they are assisted through increased financial resources and more favourable economic and commercial policies on the part of developed countries.

12. Governments designate the 1970s as the Second United Nations Development Decade and pledge themselves, individually and collectively, to pursue policies designed to create a more just and rational world economic and social order in which equality of opportunities should be as much a prerogative of nations as of individuals within a nation. They subscribe to the goals and objectives of the Decade and resolve to take the measures to translate them into reality. These aims and measures are set out in the following paragraphs.

GOALS AND OBJECTIVES

13. The average annual rate of growth in the gross product of the developing countries as a whole during the Second United Nations Development Decade should be at least 6 per cent, with the possibility of attaining a higher rate in the second half of the Decade to be specified on the basis of a comprehensive mid-term review. This target and those derived from it are a broad indication of the scope of convergent efforts to be made during the Decade at the national and international levels; it should be the responsibility of each developing country to set its own target for growth in the light of its own circumstances.

^{1/} Proceedings of the United Nations Conference on Trade and Development, Second Session, vol. I and Corr.I and Add.1 and 2, Report and Annexes (United Nations publication, Sales No: E.60.II.D.14), p. 431.

14. The average annual rate of growth of gross product per head in developing countries as a whole during the Decade should be about 3.5 per cent with the possibility of accelerating it during the second half of the Decade in order at least to make a modest beginning towards narrowing the gap in living standards between developed and developing countries. An average annual growth rate of 3.5 per cent per head will represent a doubling of average income per head in the course of two decades. In countries with very low incomes per head, efforts should be made to double such incomes within a shorter period.

15. The target for growth in average income per head is calculated on the basis of an average annual increase of 2.5 per cent in the population of developing countries, which is less than the average rate at present forecast for the 1970s. In this context, each developing country should formulate its own demographic objectives within the framework of its national development plan.

16. An average annual rate of growth of at least 6 per cent in the gross product of developing countries during the Decade will imply an average annual expansion of:

- (a) 4 per cent in agricultural output;
- (b) 8 per cent in manufacturing output.

17. For attaining the overall growth target of at least 6 per cent per annum there should be an average annual expansion of:

- (a) 0.5 per cent in the ratio of gross domestic saving to the gross product so that this ratio rises to around 20 per cent by 1980;
- (b) Somewhat less than 7 per cent in imports and somewhat higher than 7 per cent in exports.

18. As the ultimate purpose of development is to provide increasing opportunities to all people for a better life, it is essential to bring about a more equitable distribution of income and wealth for promoting both social justice and efficiency of production, to raise substantially the level of employment, to achieve a greater degree of income security, to expand and improve facilities for education, health

nutrition, housing and social welfare, and to safeguard the environment. Thus, qualitative and structural changes in the society must go hand in hand with rapid economic growth, and existing disparities - regional, sectoral and social - should be substantially reduced. These objectives are both determining factors and end-results of development; they should therefore be viewed as integrated parts of the same dynamic process, and would require a unified approach:

(a) Each developing country should formulate its national employment objectives so as to absorb an increasing proportion of its working population in modern-type activities and to reduce significantly unemployment and underemployment;

(b) Particular attention should be paid to achieving enrolment of all children of primary school age, improvement in the quality of education at all levels, a substantial reduction in illiteracy, the reorientation of educational programmes to serve development needs, and, as appropriate, the establishment and expansion of scientific and technological institutions;

(c) Each developing country should formulate a coherent health programme for the prevention and treatment of diseases and for raising general levels of health and sanitation;

(d) Levels of nutrition should be improved in terms of the average caloric intake and the protein content, with special emphasis being placed on the needs of vulnerable groups of population;

(e) Housing facilities should be expanded and improved, especially for the low-income groups and with a view to remedying the ills of unplanned urban growth and lagging rural areas;

(f) The well-being of children should be fostered;

(g) The full participation of youth in the development process should be ensured;

(h) The full integration of women in the total development effort should be encouraged.

POLICY MEASURES

19. The above goals and objectives call for a continuing effort by all peoples and Governments to promote economic and social progress in developing countries by the formulation and implementation of a coherent set of policy measures. Animated by a spirit of constructive partnership and co-operation, based on the interdependence of their interests and designed to promote a rational system of international division of labour, and, reflecting their political will and collective determination to achieve these goals and objectives, Governments, individually and jointly, solemnly resolve to adopt and implement the policy measures set out below.

20. The policy measures should be viewed in a dynamic context, involving continuing review to ensure their effective implementation and adaptation in the light of new developments, including the far-reaching impact of rapid advance in technology, and to seek new areas of agreement and the widening of the existing ones. Organizations of the United Nations system will appropriately assist in the implementation of these measures and in the search for new avenues of international co-operation for development.

International trade

21. All efforts will be made to secure international action before 31 December 1972, including, where appropriate, the conclusion of international agreements or arrangements on commodities mentioned in the relevant resolution 2/ adopted by the United Nations Conference on Trade and Development at its second session, in accordance with the procedure agreed upon at that session, and on the basis of a time-table for the consideration of those matters to be drawn up by the Conference.

22. Commodities already covered by international agreements or arrangements will be kept under review with a view to strengthening the working of such agreements or arrangements and to renewing, where appropriate, agreements or arrangements due to expire.

2/ Ibid., p.34, resolution 16 (II).

23. All possible resources for the pre-financing of bufferstocks, when necessary, will be considered while concluding or reviewing commodity agreements incorporating bufferstock mechanisms.

24. Efforts will be made to reach agreement, before the third session of the United Nations Conference on Trade and Development, on a set of general principles on pricing policy to serve as guidelines for consultations and actions on individual commodities. As one of the priority aims of pricing policy, particular attention will be paid to securing stable, remunerative and equitable prices with a view to increasing the foreign exchange earnings from exports of primary products from the developing countries.

25. No new tariff and non-tariff barriers will be raised nor will the existing ones be increased by developed countries against imports of primary products of particular interest to developing countries.

26. Developed countries will accord priority to reducing or eliminating duties and other barriers to imports of primary products, including those in processed or semi-processed form, of export interest to developing countries through international joint action or unilateral action with a view to ensuring that developing countries have improved access to world markets and to market growth for products in which they are presently or potentially competitive. This objective will be sought to be achieved through the continuance and intensification of intergovernmental consultations with the aim of reaching concrete and significant results early in the Decade. Efforts will be made with a view to achieving these results before 31 December 1972.

27. Implementation of the provisions of paragraphs 25 and 26 above should take into account the resolutions, decisions and agreements which have been or may be reached in the United Nations Conference on Trade and Development or in other relevant intergovernmental bodies and organizations of the United Nations system.

28. Developed countries will give increased attention within the framework of bilateral and multilateral programmes to supplement the resources of the developing countries in their endeavour to accelerate the diversification of their economies with a view to the expansion of

the production and exports of semi-manufactures and manufactures, as well as of semi-processed and processed commodities, broadening the patterns of exports in favour of commodities with relatively dynamic demand conditions and increasing food production in food deficient countries. Specific funds for diversification will be one of the features of commodity arrangements wherever considered necessary.

29. Appropriate action, including the provision of finance, will be taken, as far as practicable, to initiate intensive research and development efforts designed to improve market conditions and cost efficiency and to diversify the end uses of natural products facing competition from synthetics and substitutes. In their financial and technical assistance programmes, developed countries and the international organizations concerned will give sympathetic consideration to requests for assistance for developing countries producing natural products which suffer serious competition from synthetics and substitutes, in order to help them to diversify into other areas of production including processing of primary products. Where natural products are able to satisfy present and anticipated world market requirements, in the context of national policies no special encouragement will be given to the creation and utilization of new production, particularly in the developed countries, of directly competing synthetics.

30. The machinery for consultation on surplus disposal which existed during the 1960s will be widened and reinforced in order to avoid or minimize possible adverse effects of disposals of production surpluses or strategic reserves, including those of minerals, on normal commercial trade, and to take account of the interest of both surplus and deficit countries.

31. Special attention will be given to the expansion and diversification of the export trade of developing countries in manufactures and semi-manufactures, particularly for enabling them to attain increased participation, commensurate with the needs of development, in the growth of international trade in these commodities.

32. Arrangements concerning the establishment of generalized, non-discriminatory, non-reciprocal preferential treatment to exports of developing countries in the markets of developed countries have been drawn up in the United Nations Conference on Trade and Development and considered mutually acceptable to developed and developing countries. Preference-giving countries are determined to seek as rapidly as possible the necessary legislative or other sanction with the aim of implementing the preferential arrangements as early as possible in 1971. Efforts for further improvements of these preferential arrangements will be pursued in a dynamic context in the light of the objectives of resolution 21 (II) of 26 March 1968,^{3/} adopted by the United Nations Conference on Trade and Development at its second session.

33. Developed countries will not, ordinarily, raise existing tariff or non-tariff barriers to exports from developing countries, nor establish new tariff or non-tariff barriers or any discriminatory measures, where such action has the effect of rendering less favourable the conditions of access to the markets of manufactured and semi-manufactured products of export interest to developing countries.

34. Intergovernmental consultations will be continued and intensified with a view to giving effect early in the Decade to measures for the relaxation and progressive elimination of non-tariff barriers affecting trade in manufactures and semi-manufactures of interest to developing countries. Efforts will be made with a view to implementing such measures before 31 December 1972. These consultations will take into account all groups of processed and semi-processed products of export interest to developing countries.

35. Developed countries, having in mind the importance of facilitating the expansion of their imports from developing countries, will consider adopting measures and where possible evolving a programme early in the Decade for assisting the adaptation and adjustment of industries and workers in situations where they are adversely affected or may be threatened to be adversely affected by increased imports of manufactures and semi-manufactures from developing countries.

^{3/} Ibid., p. 38.

36. Developing countries will intensify their efforts to make greater use of trade promotion as an instrument for the expansion of their exports both to developed countries and to other developing countries.

For this purpose, effective international assistance will be provided.

37. Restrictive business practices particularly affecting the trade and development of the developing countries will be identified with a view to the consideration of appropriate remedial measures, the aim being to reach concrete and significant results early in the Decade. Efforts will be made with a view to achieving these results before 31 December 1972.

38. The socialist countries of Eastern Europe will take duly into consideration the trade needs of the developing countries, and in particular their production and export potential, when quantitative targets are fixed in their long-term economic plans, adopt appropriate measures designed to maximize and diversify imports of primary commodities from developing countries and undertake measures so that imports of manufactures and semi-manufactures from developing countries constitute a growing element in their total imports of manufactures and semi-manufactures. They will promote the diversification of the structure and geographical basis of their trade with developing countries in order that the largest possible number of developing countries derive the maximum benefit from this trade. Socialist countries of Eastern Europe will take the necessary action fully to implement, by the beginning of the Decade, and in any case not later than 1972, recommendations contained in section II of resolution 15 (II) of 25 March 1968,^{4/} adopted by the United Nations Conference on Trade and Development at its second session. As no uniform method of introducing multilateralism in payments relations between developing countries and socialist countries is practical at this time, it is considered desirable that elements of flexibility and multilateralism be progressively introduced or extended in such payments arrangements by appropriate consultations among the countries concerned, taking into account specific circumstances and patterns of trade.

^{4/} Ibid., p. 32.

Trade expansion, economic co-operation and regional
integration among developing countries

39. The developing countries will continue their efforts to negotiate and put into effect further commitments for instituting the schemes for regional and subregional integration or measures of trade expansion among themselves. They will, in particular, elaborate mutually beneficial and preferential trade arrangements which foster the rational and outward-looking expansion of production and trade, and avoid undue injury to the trading interests of third parties, including third developing countries.

40. The developed market economy countries will, through the extension of financial and technical assistance or through action in the field of commercial policy, support initiatives in regional and subregional co-operation of developing countries. In this connexion, they will specifically consider what help can be given to any concrete proposals that may be put forward by developing countries. In the efforts of developing countries to carry out trade expansion, economic co-operation and regional integration among themselves, the socialist countries of Eastern Europe will extend their full support within the framework of their socio-economic system.

Financial resources for development

41. Developing countries must, and do, bear the main responsibility for financing their development. They will, therefore, continue to adopt vigorous measures for a fuller mobilization of the whole range of their domestic financial resources and for ensuring the most effective use of available resources, both internal and external. For this purpose, they will pursue sound fiscal and monetary policies and, as required, remove institutional obstacles through the adoption of appropriate legislative and administrative reforms. They will pay particular attention to taking, as appropriate, the necessary steps to streamline and strengthen their systems of tax administration and undertake the necessary tax reform measures. They will keep the increase in their current public expenditure

under close scrutiny with a view to releasing maximum resources for investment. Efforts will be made to improve the efficiency of public enterprises so that they make increasing contribution to investment resources. Every effort will be made to mobilize private savings through financial institutions, thrift societies, post office savings banks and other savings schemes and through expansion of opportunities for saving for specific purposes, such as education and housing. The available supply of saving will be channelled to investment projects in accordance with their development priorities.

42. Each economically advanced country should endeavour to provide by 1972 annually to developing countries financial resource transfers of a minimum net amount of 1 per cent of its gross national product at market prices in terms of actual disbursements, having regard to the special position of those countries which are net importers of capital. Those developed countries which have already met this target will endeavour to ensure that their net resource transfers are maintained and envisage, if possible, an increase in them. Those developed countries which are unable to achieve this target by 1972 will endeavour to attain it not later than 1975.

43. In recognition of the special importance of the role which can be fulfilled only by official development assistance, a major part of financial resource transfers to the developing countries should be provided in the form of official development assistance. Each economically advanced country will progressively increase its official development assistance to the developing countries and will exert its best efforts to reach a minimum net amount of 0.7 per cent of its gross national product at market prices by the middle of the Decade.

44. Developed countries members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development will exert best efforts to reach as soon as possible, and in any case before 31 December 1971, the norms set out in the Supplement to the 1965 Recommendation on Financial Terms and Conditions adopted by the Development Assistance Committee on

12 February 1969,^{5/} designed to soften and harmonize the terms and conditions of assistance to developing countries. Developed countries will consider measures aimed at the further softening of the terms and will endeavour to arrive at a more precise assessment of the circumstances of the individual developing countries and at a greater harmonization of terms given by individual developed countries to individual developing countries. Developed countries will consider, in the further evolution of their assistance policy and with a view to attaining concrete and substantive results by the end of the Decade, the specific suggestions contained in decision 29 (II) of 28 March 1968,^{6/} adopted by the United Nations Conference on Trade and Development at its second session and made in other international forums for further softening of the terms and conditions of aid.

45. In the light of the relevant decision of the Conference at its second session, financial assistance will, in principle, be untied. While it may not be possible to untie assistance in all cases, developed countries will rapidly and progressively take what measures they can in this respect both to reduce the extent of tying of assistance and to mitigate any harmful effects. Where loans are tied essentially to particular sources, developed countries will make, to the greatest extent possible, such loans available for utilization by the recipient countries for the purchase of goods and services from other developing countries.

46. Financial and technical assistance should be aimed exclusively at promoting the economic and social progress of developing countries and should not in any way be used by the developed countries to the detriment of the national sovereignty of recipient countries.

^{5/} Organisation for Economic Co-operation and Development, Development Assistance, 1969 Review, annex III.

^{6/} Proceedings of the United Nations Conference on Trade and Development, Second Session, vol. I and Corr.1 and 3 and Add.1 and 2, Report and Annexes (United Nations publication, Sales No: E.68.II.D.14), p. 40.

47. Developed countries will provide, to the greatest extent possible, an increased flow of aid on a long-term and continuing basis and by simplifying the procedure of the granting and effective and expeditious disbursement of aid.

48. Arrangements for forecasting, and if possible, forestalling debt crises will be improved. Developed countries will help in preventing such crises by providing assistance on appropriate terms and conditions, and developing countries by undertaking sound policies of debt management. Where difficulties do arise, the countries concerned will stand ready to deal reasonably with them within the framework of an appropriate forum in co-operation with the international institutions concerned, drawing upon the full range of the available methods including, as may be required, measures such as arrangements for rescheduling and refinancing of existing debts on appropriate terms and conditions.

49. The volume of resources made available through multilateral institutions for financial and technical assistance will be increased to the fullest extent possible and techniques will be evolved to enable them to fulfil their role in the most effective manner.

50. Developing countries will adopt appropriate measures for inviting, stimulating and making effective use of foreign private capital, taking into account the areas in which such capital should be sought and bearing in mind the importance for its attraction of conditions conducive to sustained investment. Developed countries, on their part, will consider adopting further measures to encourage the flow of private capital to developing countries. Foreign private investment in developing countries should be undertaken in a manner consistent with the development objectives and priorities established in their national plans. Foreign private investors in developing countries should endeavour to provide for an increase in the local share in management and administration, employment and training of local labour, including personnel at the managerial and technical levels, participation of local capital and reinvestment of profits. Efforts will be made to

foster better understanding of the rights and obligations of both host and capital-exporting countries, as well as of individual investors.

51. In the context of the search for appropriate means for dealing with the problem of disruption of development arising from adverse movements in the export proceeds of developing countries, the International Bank for Reconstruction and Development has been requested to pursue its efforts at working out a scheme of supplementary financing. The Bank is invited to give further consideration to the adoption of supplementary financial measures at the earliest practicable opportunity.

52. As soon as adequate experience is available on the working of the scheme of Special Drawing Rights, serious consideration will be given to the possibility of the establishment of a link between the allocation of new reserve assets under the scheme and the provision of additional development finance for the benefit of all developing countries. The question will, in any case, be examined before the allocation of Special Drawing Rights in 1972.

Invisibles including shipping

53. The objective is to promote, by national and international action, the earnings of developing countries from invisible trade and to minimize the net outflow of foreign exchange from those countries arising from invisible transactions, including shipping. In pursuance of the objective, action should be taken, inter alia in the following areas, by Governments and international organizations and, where necessary, appropriately involving liner conferences, shippers' councils and other relevant bodies:

- (a) The principle that the national shipping lines of developing countries should be admitted as full members of liner conferences operating in their national maritime trade and have an increasing and substantial participation in the carriage of cargoes generated by their foreign trade should be implemented in the Decade;

- (b) Further, Governments should invite liner conferences to consider favourably, fairly and on equal terms applications of the national shipping lines, in particular of developing countries, for admission as full members to way-port trades related to these countries' own foreign trade, subject to the rights and obligations of conference membership, as provided in section II, paragraph 4, of resolution 12 (IV) of 4 May 1970,^{7/} adopted by the Committee on Shipping;
- (c) In order that the developing countries have an increasing and substantial participation in the carriage of maritime cargoes, and recognizing the need to reverse the existing trend whereby the share of the developing countries in the world merchant fleet has been declining instead of increasing, developing countries should be enabled to expand their national and multinational merchant marines through the adoption of such measures as may be appropriate to permit their shipowners to compete in the international freight market and thus contribute to a sound development of shipping;
- (d) It is also necessary that further improvements be made in the liner conference system, and all unfair practices and discrimination where such exist in liner conference practices should be eliminated;
- (e) In the determination and adjustment of liner freight rates, due consideration should be given, as is commercially possible and/or appropriate, to:
 - (i) The needs of developing countries, in particular their efforts to promote non-traditional exports;
 - (ii) The special problems of the least developed among the developing countries, in order to encourage and promote the import and export interests in these countries;
 - (iii) Port improvements leading to a reduction of the cost of shipping operations in ports;

^{7/} Official Records of the Trade and Development Board, Tenth Session, Supplement No 5 (TD/B/301), annex I.

- (iv) Technological developments in maritime transport;
- (v) Improvements in the organization of trade.
- (f) Governments of developed countries members of the United Nations Conference on Trade and Development should, upon request made by developing countries within the framework of their overall development priorities, duly consider extending, directly or through international institutions, financial and technical assistance, including training, to developing countries to establish and expand their national and multinational merchant marines, including tanker and bulk carrier fleets, and to develop and improve their port facilities. Within assistance programmes, special attention should be paid to projects, including training projects, for developing the shipping and ports of the least developed among the developing countries and for reducing their maritime transport costs;
- (g) The terms and conditions on which bilateral aid and commercial credit are available for the purchase of ships by developing countries should be kept under review in the light of relevant resolutions of the United Nations Conference on Trade and Development, namely, Conference resolution 12 (II) of 24 March 1968 8/ and resolution 9 (IV) of 4 May 1970, 9/ adopted by the Committee on Shipping.
- (h) Freight rates, conference practices, adequacy of shipping services and other matters of common interest to shippers and shipowners should be the subject of consultation between liner conferences and shippers and, where appropriate, shippers' councils or equivalent bodies and interested public authorities. Every effort should be made to

8/ Proceedings of the United Nations Conference on Trade and Development, Second Session, vol. I and Corr.1 and 3, and Add.1 and 2, Report and Annexes (United Nations publication, Sales No: E.68.II.D.14), p. 49.

9/ Official Records of the Trade and Development Board, Tenth Session, Supplement No 5 (TD/B/301), annex I.

encourage the institution and operation of shippers' councils, where appropriate, or equivalent bodies and the establishment of effective consultation machinery. Such machinery should provide for consultation by liner conferences well before publicly announcing changes in freight rates;

- (i) In view of the common interest of member countries of the United Nations Conference on Trade and Development, shippers and shipowners in improving ports, thus lowering the cost of maritime transport and permitting reductions in freight rates, a concerted national and international effort should be evolved in the course of the Decade to promote the development and improvement of port facilities of developing countries;
- (j) Maritime transport costs, the level and structure of freight rates, conference practices, adequacy of shipping services and related matters should continue to be kept under review within the United Nations Conference on Trade and Development, and additional measures to attain the objectives set out in this field should be considered within the work programme of the permanent machinery of the Conference.

54. Reduction in the cost of insurance and reinsurance for developing countries, especially the foreign exchange cost, will be brought about by appropriate measures, bearing in mind the risks involved, to encourage and assist the growth of national insurance and reinsurance markets in developing countries and the establishment to this end, where appropriate, of institutions in these countries or at the regional level.

55. Developing countries will expand their tourist industry through the building of tourist infrastructure, adoption of promotional measures and relaxation of travel restrictions. Developed countries will assist in this endeavour. They will try to avoid exchange restrictions on the travel of their residents to developing countries and, where restrictions do exist, to remove them as soon as practicable and to facilitate such travel in other ways.

Special measures in favour of the least developed among
the developing countries

56. While it is the objective of the Decade to achieve the rapid economic and social progress of all developing countries, special measures will be taken to enable the least developed among them to overcome their particular disabilities. Every possible effort will be made to ensure the sustained economic and social progress of these countries and to enhance their capacity to benefit fully and equitably from the policy measures for the Decade. Wherever necessary supplementary measures will be devised and implemented at the national, subregional, regional and international levels. Organizations and bodies of the United Nations system will consider initiating early in the Decade special programmes to alleviate the critical development problems of the least developed among the developing countries; developed countries will assist in the implementation of these programmes.

57. Concerted efforts will be made early in the Decade by developed countries and international organizations through their programmes of technical assistance and through financial aid, including grants and/or exceptionally soft loans, to meet the needs of the least developed among the developing countries and designed to enhance their absorptive capacity. In particular, attention will be paid to overcoming their problem of the scarcity of indigenous technical and managerial cadres, to building economic and social infrastructure, to the exploitation by these countries of their natural resources and to assisting them in the task of formulating and implementing national development plans.

58. Special measures will be taken early in the Decade by national and international organizations to improve the capacity of the least developed among the developing countries to expand and diversify their production structure so as to enable them to participate fully in international trade. Moreover, in the field of primary commodities, special consideration will be given to commodities of interest to

these countries and, in concluding commodity agreements, the interest of these countries will receive due attention. In the field of manufactures and semi-manufactures, measures in favour of developing countries will be so devised as to allow the least developed among developing countries to be in a position to derive equitable benefits from such measures. Particular consideration will be given to the question of including in the general system of preferences products of export interest to these countries. Special attention will also be paid by developed countries and international organizations to the need of these countries to improve the quality of their production for export as well as of marketing techniques in order to enhance their competitive position in world markets. These countries, in co-operation with other developing countries, will intensify their efforts for subregional and regional co-operation, and the developed countries will facilitate their task through technical assistance and favourable financial and trade policy measures.

Special measures in favour of the land-locked
developing countries

59. National and international financial institutions will accord appropriate attention to the special needs of land-locked developing countries in extending adequate financial and technical assistance to projects designed for the development and improvement of the transport and communications infrastructure needed by these countries, in particular of the transport modes and facilities most convenient to them and mutually acceptable to the transit and land-locked developing countries concerned. All States invited to become parties to the Convention on Transit Trade of Land-locked States of 8 July 1965 ^{10/} which have not already done so, will investigate the possibility of ratifying or acceding to it at the earliest possible date. Implementation of measures designed to assist the land-locked countries in overcoming the handicaps of their land-locked position should take into account

^{10/} United Nations, Treaty Series, vol. 597 (1967), No 8641.

the relevant decisions and resolutions which have been or may be adopted in the United Nations Conference on Trade and Development.

Science and technology

60. Concerted efforts will be made by the developing countries, with appropriate assistance from the rest of the world community, to expand their capability to apply science and technology for development so as to enable the technological gap to be significantly reduced.

61. Developing countries will continue to increase their expenditure on research and development and will endeavour to attain, by the end of the Decade, a minimum average level equivalent to 0.5 per cent of their gross product. They will endeavour to inculcate, among their people, an appreciation of the scientific approach which will influence all their development policies. The research programme will be oriented to the development of technologies that are in line with the circumstances and requirements of individual countries and regions. They will put particular stress on applied research and seek to develop the basic infrastructure of science and technology.

62. Full international co-operation will be extended for the establishment, strengthening and promotion of scientific research and technological activities which have a bearing on the expansion and modernization of the economies of developing countries. Particular attention will be devoted to fostering technologies suitable for these countries. Concentrated research efforts will be made in relation to selected problems the solutions to which can have a catalytic effect in accelerating development. Assistance will also be provided for building up and, as appropriate, for expanding and improving research institutions in developing countries, especially on a regional or subregional basis. Efforts will be made to promote close co-operation between the scientific work and staff of the research centre in developing countries and between those in developed and developing countries.

63. Within the framework of their individual aid and technical assistance programmes, developed countries will substantially increase their aid for the direct support of science and technology in developing countries during the Decade. Consideration will be given to the question of setting a target equivalent to a specified percentage of the gross national product of developed countries at the time of the first biennial review, taking fully into account the relevant factors. Moreover the developed countries will, in their research and development programmes, assist in seeking solutions to the specific problems of developing countries and for this purpose will endeavour to provide adequate resources. Serious consideration will be given during the first biennial review to the question of setting a specified target in this field. Developed countries will make all efforts to incur in developing countries a significant proportion of their research and development expenditure on specific problems of developing countries. In co-operation with the developing countries, developed countries will continue to explore the possibility of locating some of their research and development projects in developing countries. Private foundations, institutions and organizations will be encouraged to provide further assistance for expanding and diversifying research activities of benefit to developing countries. In relation to their aid and investment policies, developed countries will assist developing countries in identifying technologies which are appropriate for their circumstances and in avoiding the utilization of scarce resources for inappropriate technologies.

64. Developed and developing countries and competent international organizations will draw up and implement a programme for promoting the transfer of technology to developing countries, which will include, inter alia, the review of international conventions on patents, the identification and reduction of obstacles to the transfer of technology to developing countries, facilitating access to patented and non-patented technology for developing countries under fair and reasonable terms and conditions, facilitating the utilization of technology transferred to developing countries in such a manner as to assist these

countries in attaining their trade and development objectives, the development of technology suited to the productive structure of developing countries and measures to accelerate the development of indigenous technology.

Human development

65. Those developing countries which consider that their rate of population growth hampers their development will adopt measures which they deem necessary in accordance with their concept of development. Developed countries, consistent with their national policies, will upon request provide support through the supply of means for family planning and further research. International organizations concerned will continue to provide, when appropriate, the assistance that may be requested by interested Governments. Such support or assistance will not be a substitute for other forms of development assistance.

66. Developing countries will make vigorous efforts to improve labour force statistics in order to be able to formulate realistic quantitative targets for employment. They will scrutinize their fiscal, monetary, trade and other policies with a view to promoting both employment and growth. Moreover, for achieving these objectives they will expand their investment through a fuller mobilization of domestic resources and an increased flow of assistance from abroad. Wherever a choice of technology is available, developing countries will seek to raise the level of employment by ensuring that capital-intensive technology is confined to uses in which it is clearly cheaper in real terms and more efficient. Developed countries will assist in this process by adopting measures to bring about appropriate changes in the structures of international trade. As part of their employment strategy, developing countries will put as much emphasis as possible on rural employment, and will also consider undertaking public works that harness manpower which would otherwise remain unutilized. These countries will also strengthen institutions able to contribute to constructive industrial relations policies and appropriate labour standards. Developed countries and international organizations will assist developing countries in attaining their employment objectives.

67. Developing countries will formulate and implement educational programmes taking into account their development needs. Educational and training programmes will be so designed as to increase productivity substantially in the short run and to reduce waste. Particular emphasis will be placed on teacher-training programmes and on the development of curriculum materials to be used by teachers. As appropriate, curricula will be revised and new approaches initiated in order to ensure at all levels expansion of skills in line with the rising tempo of activities and the accelerating transformations brought about by technological progress. Increasing use will be made of modern equipment, mass media and new teaching methods to improve the efficiency of education. Particular attention will be devoted to technical training, vocational training and retraining. Necessary facilities will be provided for improving the literacy and technical competence of groups that are already productively engaged as well as for adult education. Developed countries and international institutions will assist in the task of extending and improving the systems of education of developing countries, especially by making available some of the educational inputs in short supply in many developing countries and by providing assistance to facilitate the flow of pedagogic resources among them.

68. Developing countries will establish at least a minimum programme of health facilities comprising an infrastructure of institutions, including those for medical training and research for bringing basic medical services within the reach of a specified proportion of their population by the end of the Decade. These will include basic health services for the prevention and treatment of diseases and for the promotion of health. Each developing country will endeavour to provide an adequate supply of potable water to a specified proportion of its population, both urban and rural, with a view to reaching a minimum target by the end of the Decade. Efforts of the developing countries to raise their levels of health will be supported to the maximum feasible extent by developed countries, particularly through assistance

in the planning of health promotion strategy and the implementation of some of its segments, including research, training of personnel at all levels and supply of equipment and medicines. A concerted international effort will be made to mount a world-wide campaign to eradicate by the end of the Decade, from as many countries as possible, one or more diseases that still seriously afflict people in many lands. Developed countries and international organizations will assist the developing countries in their health planning and in the establishment of health institutions.

69. Developing countries will adopt policies consistent with their agricultural and health programmes in an effort towards meeting their nutritional requirements. These will include development and production of high-protein foods and development and wider use of new forms of edible protein. Financial and technical assistance, including assistance for genetic research, will be extended to them by developed countries and international institutions.

70. Developing countries will adopt suitable national policies for involving children and youth in the development process and for ensuring that their needs are met in an integrated manner.

71. Developing countries will take steps to provide improved housing and related community facilities in both urban and rural areas, especially for low-income groups. They will also seek to remedy the ills of unplanned urbanization and to undertake necessary town planning. Particular effort will be made to expand low-cost housing through both public and private programmes and on a self-help basis, and also through co-operatives, utilizing as much as possible local raw materials and labour-intensive techniques. Appropriate international assistance will be provided for this purpose.

72. Governments will intensify national and international efforts to arrest the deterioration of the human environment and to take measures towards its improvement, and to promote activities that will help to maintain the ecological balance on which human survival depends.

Expansion and diversification of production

73. Developing countries will take specific steps to augment production and improve productivity in order to provide goods and services necessary for raising levels of living and improving economic viability. While this will be primarily their own responsibility, production policies will be carried out in a global context designed to achieve optimum utilization of world resources, benefiting both developed and developing countries. Further research will be undertaken, by the international organizations concerned, in the field of optimal international division of labour to assist individual countries or groups of countries in their choice of production and trading structures. Depending on the social and economic structure and particular characteristics of individual countries, consideration will be given to the role which the public sector and co-operatives might play in augmenting production.

74. Full exercise by developing countries of permanent sovereignty over their natural resources will play an important role in the achievement of the goals and objectives of the Second United Nations Development Decade. Developing countries will take steps to develop full potential of their natural resources. Concerted efforts will be made, particularly through international assistance, to enable them to prepare an inventory of natural resources for their more rational utilization in all productive activities.

75. Developing countries will formulate, early in the Decade, appropriate strategies for agriculture (including animal husbandry, fisheries and forestry) designed to secure a more adequate food supply from both the quantitative and qualitative viewpoints, to meet their nutritional and industrial requirements, to expand rural employment and to increase export earnings. They will undertake, as appropriate, reform of land tenure systems for promoting both social justice and farm efficiency. They will adopt the necessary measures for providing adequate irrigation, fertilizers, improved varieties of seeds and suitable agricultural implements. They will also take steps

to expand the infrastructure of marketing and storage facilities and the network of agricultural extension services. They will make increasing provisions for the supply of rural credit to farmers. They will encourage co-operatives for the organization of many of these activities. They will adopt appropriate agricultural pricing policies as a complementary instrument for implementing their agricultural strategies. Developed countries will support this endeavour by providing resources to developing countries for obtaining the essential inputs; through assistance in research and for the building of infrastructure and by taking into account in their trade policies the particular needs of developing countries. International organizations will also provide appropriate support.

76. Developing countries will take parallel steps to promote industry in order to achieve rapid expansion, modernization and diversification of their economies. They will devise measures to ensure adequate expansion of the industries that utilize domestic raw materials, that supply essential inputs to both agriculture and other industries, and that help to increase export earnings. They will seek to prevent the emergence of unutilized capacity in industry, especially through regional groupings wherever possible. Developed countries and international organizations will assist in the industrialization of developing countries through appropriate means.

77. Developing countries will ensure adequate expansion of their basic infrastructure by enlarging their transport and communication facilities and their supplies of energy. As appropriate, they will seek to achieve this purpose through regional and subregional groupings. International financial and technical assistance will be extended in support of their endeavour.

Plan formulation and implementation

78. Developing countries will, as appropriate, establish or strengthen their planning mechanisms, including statistical services, for formulating and implementing their national development plans during the Decade. They will ensure that their development plans are both realistic and ambitious enough to have an impact on the imagination of the people, internally consistent, and widely understood and accepted. Every effort will be made to secure the active support and participation of all segments of the population in the development process. They will pay special attention to the orientation and organization of their public administration at all levels for both the effective formulation and implementation of their development plans. Where necessary, they will seek international assistance in carrying out their planning tasks.

REVIEW AND APPRAISAL OF BOTH OBJECTIVES AND POLICIES

79. Appropriate arrangements are necessary to keep under systematic scrutiny the progress towards achieving the goals and objectives of the Decade - to identify shortfalls in their achievement and the factors which account for them and to recommend positive measures, including new goals and policies as needed. Such reviews and appraisals will be carried out at various levels, involving both developing and developed countries, keeping in view the need for streamlining the existing machinery and avoiding unnecessary duplication or proliferation of review activities.

80. At the national level, each developing country will, where appropriate, establish evaluation machinery or strengthen the existing one and, whenever necessary, seek international assistance for this purpose. Particular attention will be devoted to improving and strengthening national programming and statistical services.

81. For appraisals at the regional level, regional economic commissions and the United Nations Economic and Social Office in Beirut, in co-operation with regional development banks and subregional groupings, and with the assistance of other organizations of the United Nations system, will assume the main responsibility.

82. The United Nations Conference on Trade and Development, the United Nations Industrial Development Organization and the specialized agencies of the United Nations will continue to review progress in their respective sectors according to the procedures already established and to be adapted as necessary.

83. An overall appraisal of the progress in implementing the International Development Strategy will be made by the General Assembly through the Economic and Social Council, on the basis of the above-mentioned reviews and of comments and recommendations, within the framework of a specific mandate, by the Committee for Development Planning. In order to assist in this task, the Secretary-General will prepare and submit appropriate documentation and reports. The overall appraisal will be made biennially, the second biennial appraisal being in the nature of a mid-term review.

MOBILIZATION OF PUBLIC OPINION

84. An essential part of the work during the Decade will consist of the mobilization of public opinion in both developing and developed countries in support of the objectives and policies for the Decade. Governments of the more advanced countries will continue and intensify their endeavour to deepen public understanding of the interdependent nature of the development efforts during the Decade - in particular of the benefits accruing to them from international co-operation for development - and of the need to assist the developing countries in accelerating their economic and social progress. The efforts which developing countries themselves are making to meet the requirements of their economic and social progress need to be more clearly and more generally made known in developed countries. Similarly, Governments of the developing countries will continue to make people at all levels aware of the benefits and sacrifices involved and to enlist their full participation in achieving the objectives of the Decade. The mobilization of public opinion has to be the responsibility mainly of national bodies.

Governments may give consideration to the establishment of new national bodies or to strengthening the existing ones designed to mobilize public opinion, and, as a long-term measures, to give increasing development orientation to the educational curricula. Considering that leadership can make a significant contribution to the mobilization of public opinion, the formulation of concrete aims by the competent authorities is indispensable. The role of the organizations of the United Nations system will be to assist the various national information media, in particular by supplying adequate basic information from which these media may draw both substance and inspiration for their work. There is also an urgent need for increasingly co-ordinating the information activities already being undertaken by many organizations within the United Nations system. The information stemming from international sources will be aimed primarily at strengthening the sense of interdependence and partnership implicit in the concept of the Decade.

3201 (S-VI). Declaration on the Establishment of
a New International Economic Order

The General Assembly

Adopts the following Declaration:

DECLARATION ON THE ESTABLISHMENT OF A
A NEW INTERNATIONAL ECONOMIC ORDER

We, the Members of the United Nations,

Having convened a special session of the General Assembly to study for the first time the problems of raw materials and development, devoted to the consideration of the most important economic problems facing the world community,

Bearing in mind the spirit, purposes and principles of the Charter of the United Nations to promote the economic advancement and social progress of all peoples,

Solemnly proclaim our united determination to work urgently for THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER based on equity, sovereign equality, interdependence, common interest and co-operation among all States, irrespective of their economic and social systems which shall correct inequalities and redress existing injustices, make it possible to eliminate the widening gap between the developed and the developing countries and ensure steadily accelerating economic and social development and peace and justice for present and future generations, and, to that end, declare:

1. The greatest and most significant achievement during the last decades has been the independence from colonial and alien domination of a large number of peoples and nations which has enabled them to become members of the community of free peoples. Technological progress has also been made in all spheres of economic activities in the last three decades, thus providing a solid potential for improving the well-being of all peoples. However, the remaining vestiges of alien and colonial domination, foreign occupation, racial discrimination, apartheid and neo-colonialism in all its forms continue to be among the greatest obstacles to the full emancipation and progress of the developing countries and all the peoples involved. The benefits of technological progress are not shared equitably by all members of the international community. The developing countries, which constitute 70 per cent of the world's population, account for only 30 per cent of the world's income. It has proved impossible to achieve an even and balanced development of the international community under the existing international economic order. The

gap between the developed and the developing countries continues to widen in a system which was established at a time when most of the developing countries did not even exist as independent States and which perpetuates inequality.

2. The present international economic order is in direct conflict with current developments in international political and economic relations. Since 1970, the world economy has experienced a series of grave crises which have had severe repercussions, especially on the developing countries because of their generally greater vulnerability to external economic impulses. The developing world has become a powerful factor that makes its influence felt in all fields of international activity. These irreversible changes in the relationship of forces in the world necessitate the active, full and equal participation of the developing countries in the formulation and application of all decisions that concern the international community.

3. All these changes have thrust into prominence the reality of interdependence of all the members of the world community. Current events have brought into sharp focus the realization that the interests of the developed countries and those of the developing countries can no longer be isolated from each other, that there is a close interrelationship between the prosperity of the developed countries and the growth and development of the developing countries, and that the prosperity of the international community as a whole depends upon the prosperity of its constituent parts. International co-operation for development is the shared goal and common duty of all countries. Thus the political, economic and social well-being of present and future generation depends more than ever on co-operation between all the members of the international community on the basis of sovereign equality and the removal of the disequilibrium that exists between them.

4. The new international economic order should be founded on full respect for the following principles:

(a) Sovereign equality of States, self-determination of all peoples, inadmissibility of the acquisition of territories by force, territorial integrity and non-interference in the internal affairs of other States;

(b) The broadest co-operation of all the States members of the international community, based on equity, whereby the prevailing disparities in the world may be banished and prosperity secured for all;

(c) Full and effective participation on the basis of equality of all countries in the solving of world economic problems in the common interest of all countries, bearing in mind the necessity to ensure the accelerated development of all the developing countries, while devoting particular attention to the adoption of special measures in favour of the least developed, land-locked and island developing countries as well as those developing countries most seriously affected by economic crises and natural calamities, without losing sight of the interests of other developing countries;

(d) The right of every country to adopt the economic and social system that it deems the most appropriate for its own development and not to be subjected to discrimination of any kind as a result;

(e) Full permanent sovereignty of every State over its natural resources and all economic activities. In order to safeguard these resources, each State is entitled to exercise effective control over them and their exploitation with means suitable to its own situation, including the right to nationalization or transfer of ownership to its nationals, this right being an expression of the full permanent sovereignty of the State. No State may be subjected to economic, political or any other type of coercion to prevent the free and full exercise of this inalienable right;

(f) The right of all States, territories and peoples under foreign occupation, alien and colonial domination or apartheid to restitution and full compensation for the exploitation and depletion of, and damages to, the natural resources and all other resources of those States, territories and peoples;

(g) Regulation and supervision of the activities of transnational corporations by taking measures in the interest of the national economies of the countries where such transnational corporations operate on the basis of the full sovereignty of those countries;

(h) The right of the developing countries and the peoples of territories under colonial and racial domination and foreign occupation to achieve their liberation and to regain effective control over their natural resources and economic activities.

(i) The extending of assistance to developing countries, peoples and territories which are under colonial and alien domination, foreign occupation, racial discrimination or apartheid or are subjected to economic, political or any other type of

coercive measures to obtain from them the subordination of the exercise of their sovereign rights and to secure from them advantages of any kind, and to neo-colonialism in all its forms, and which have established or are endeavouring to establish effective control over their natural resources and economic activities that have been or are still under foreign control;

(j) Just and equitable relationship between the prices of raw materials, primary commodities, manufactured and semi-manufactured goods exported by developing countries and the prices of raw materials, primary commodities, manufactures, capital goods and equipment imported by them with the aim of bringing about sustained improvement in their unsatisfactory terms of the trade and the expansion of world economy;

(k) Extension of active assistance to developing countries by the whole international community, free of any political or military conditions;

(l) Ensuring that one of the main aims of the reformed international monetary system shall be the promotion of the development of the developing countries and the adequate flow of real resources to them;

(m) Improving the competitiveness of natural materials facing competition from synthetic substitutes;

(n) Preferential and non-reciprocal treatment for developing countries, wherever feasible, in all fields of international economic co-operation whenever possible;

(o) Securing favourable conditions for the transfer of financial resources to developing countries;

(p) Giving to the developing countries access to the achievements of modern science and technology, and promoting the transfer of technology and the creation of indigenous technology for the benefit of the developing countries in forms and in accordance with procedures which are suited to their economies;

(q) The need for all States to put an end to the waste of natural resources, including food products;

(r) The need for developing countries to concentrate all their resources for the cause of development;

(s) The strengthening, through individual and collective actions, of mutual economic, trade, financial and technical co-operation among the developing countries, mainly on a preferential basis;

(t) Facilitating the role which producers' associations may play within the framework of international co-operation and, in pursuance of their aims, inter alia assisting in the promotion of sustained growth of the world economy and accelerating the development of developing countries.

5. The unanimous adoption of the International Development Strategy for the Second United Nations Development Decade 1/ was an important step in the promotion of international economic co-operation on a just and equitable basis. The accelerated implementation of obligations and commitments assumed by the international community within the framework of the Strategy, particularly those concerning imperative development needs of developing countries, would contribute significantly to the fulfilment of the aims and objectives of the present Declaration.

6. The United Nations as a universal organization should be capable of dealing with problems of international economic co-operation in a comprehensive manner and ensuring equally the interests of all countries. It must have an even greater role in the establishment of a new international economic order. The Charter of Economic Rights and Duties of States, for the preparation of which the present Declaration will provide an additional source of inspiration, will constitute a significant contribution in this respect. All the States Members of the United Nations are therefore called upon to exert maximum efforts with a view to securing the implementation of the present Declaration, which is one of the principal guarantees for the creation of better conditions for all peoples to reach a life worthy of human dignity.

7. The present Declaration on the Establishment of a New International Economic Order shall be one of the most important bases of economic relations between all peoples and all nations.

2229th plenary meeting
1 May 1974

3202 (S-VI). Programme of Action on the Establishment of a
New International Economic Order

The General Assembly

Adopts the following Programme of Action:

PROGRAMME OF ACTION ON THE ESTABLISHMENT OF A
NEW INTERNATIONAL ECONOMIC ORDER

Introduction

1. In view of the continuing severe economic imbalance in the relations between developed and developing countries, and in the context of the constant and continuing aggravation of the imbalance of the economies of the developing countries and the consequent need for the mitigation of their current economic difficulties, urgent and effective measures need to be taken by the international community to assist the developing countries, while devoting particular attention to the least developed, land-locked and island developing countries and those developing countries most seriously affected by economic crises and natural calamities leading to serious retardation of development processes.

2. With a view to ensuring the application of the Declaration on the Establishment of a New International Economic Order,^{1/} it will be necessary to adopt and implement within a specified period a programme of action of unprecedented scope and to bring about maximum economic co-operation and understanding among all States, particularly between developed and developing countries, based on the principles of dignity and sovereign equality.

I. Fundamental problems of raw materials and primary commodities
as related to trade and development

1. Raw materials

All efforts should be made:

(a) To put an end to all forms of foreign occupation, racial discrimination, apartheid, colonial, neo-colonial and alien domination and exploitation through the exercise of permanent sovereignty over natural resources;

(b) To take measures for the recovery, exploitation, development, marketing and distribution of natural resources, particularly of developing countries, to serve their national interests, to promote collective self-reliance among them and to strengthen mutually beneficial international economic co-operation with a view to bringing about the accelerated development of developing countries;

^{1/} Resolution 3201 (S-VI).

(c) To facilitate the functioning and to further the aims of producers' associations, including their joint marketing arrangements, orderly commodity trading, improvement in the export income of producing developing countries and in their terms of trade, and sustained growth of the world economy for the benefit of all:

(d) To evolve a just and equitable relationship between the prices of raw materials, primary commodities, manufactured and semi-manufactured goods exported by developing countries and the prices of raw materials, primary commodities, food, manufactured and semi-manufactured goods and capital equipment imported by them, and to work for a link between the prices of exports of developing countries and the prices of their imports from developed countries;

(e) To take measures to reverse the continued trend of stagnation or decline in the real price of several commodities exported by developing countries, despite a general rise in commodity prices, resulting in a decline in the export earnings of these developing countries;

(f) To take measures to expand the markets for natural products in relation to synthetics, taking into account the interests of the developing countries, and to utilize fully the ecological advantages of these products;

(g) To take measures to promote the processing of raw materials in the producer developing countries.

2. Food

All efforts should be made:

(a) To take full account of specific problems of developing countries, particularly in times of food shortages, in the international efforts connected with the food problem;

(b) To take into account that, owing to lack of means, some developing countries have vast potentialities of unexploited or under-exploited land which, if reclaimed and put into practical use, would contribute considerably to the solution of the food crisis;

(c) By the international community to undertake concrete and speedy measures with a view to arresting desertification, salination and damage by locusts or any other similar phenomenon involving

several developing countries, particularly in Africa, and gravely affecting the agricultural production capacity of these countries, and also to assist the developing countries affected by any such phenomenon to develop the affected zones with a view to contributing to the solution of their food problems;

(d) To refrain from damaging or deteriorating natural resources and food resources, especially those derived from the sea, by preventing pollution and taking appropriate steps to protect and reconstitute those resources;

(e) By developed countries, in evolving their policies relating to production, stocks, imports and exports of food, to take full account of the interests of:

(i) Developing importing countries which cannot afford high prices for their imports;

(ii) Developing exporting countries which need increased market opportunities for their exports;

(f) To ensure that developing countries can import the necessary quantity of food without undue strain on their foreign exchange resources and without unpredictable deterioration in their balance of payments, and, in this context, that special measures are taken in respect of the least developed, land-locked and island developing countries as well as those developing countries most seriously affected by economic crises and natural calamities;

(g) To ensure that concrete measures to increase food production and storage facilities in developing countries are introduced, inter alia, by ensuring an increase in all available essential inputs, including fertilizers, from developed countries on favourable terms;

(h) To promote exports of food products of developing countries through just and equitable arrangements, inter alia, by the progressive elimination of such protective and other measures as constitute unfair competition.

3. General trade

All efforts should be made:

(a) To take the following measures for the amelioration of terms of trade of developing countries and concrete steps to eliminate chronic trade deficits of developing countries:

- (i) Fulfilment of relevant commitments already undertaken in the United Nations Conference on Trade and Development and in the International Development Strategy for the Second United Nations Development Decade;^{2/}
- (ii) Improved access to markets in developed countries through the progressive removal of tariff and non-tariff barriers and of restrictive business practices;
- (iii) Expeditionary formulation of commodity agreements where appropriate, in order to regulate as necessary and to stabilize the world markets for raw materials and primary commodities;
- (iv) Preparation of an overall integrated programme, setting out guidelines and taking into account the current work in this field, for a comprehensive range of commodities of export interest to developing countries;
- (v) Where products of developing countries compete with the domestic production in developed countries, each developed country should facilitate the expansion of imports from developing countries and provide a fair and reasonable opportunity to the developing countries to share in the growth of the market;
- (vi) When the importing developed countries derive receipts from customs duties, taxes and other protective measures applied to imports of these products, consideration should be given to the claim of the developing countries that these receipts should be reimbursed in full to the exporting developing countries or devoted to providing additional resources to meet their development needs;
- (vii) Developed countries should make appropriate adjustments in their economies so as to facilitate the expansion and diversification of imports from developing countries and thereby permit a rational, just and equitable international division of labour;
- (viii) Setting up general principles for pricing policy for exports of commodities of developing countries, with a view to rectifying and achieving satisfactory terms of trade for them;
- (ix) Until satisfactory terms of trade are achieved for all developing countries, consideration should be given to alternative means, including improved compensatory financing, schemes for meeting the development needs of the developing countries concerned;

^{2/} Resolution 2626 (XXV).

- (x) Implementation, improvement and enlargement of the generalized system of preferences for exports of agricultural primary commodities, manufactures and semi-manufactures from developing to developed countries and consideration of its extension to commodities, including those which are processed or semi-processed; developing countries which are or will be sharing their existing tariff advantages in some developed countries as the result of the introduction and eventual enlargement of the generalized system of preferences should, as a matter of urgency, be granted new openings in the markets of other developed countries which should offer them export opportunities that at least compensate for the sharing of those advantages;
 - (xi) The setting up of buffer stocks within the framework of commodity arrangements and their financing by international financial institutions, wherever necessary, by the developed countries and, when they are able to do so, by the developing countries, with the aim of favouring the producer developing and consumer developing countries and of contributing to the expansion of world trade as a whole;
 - (xii) In cases where natural materials can satisfy the requirements of the market, new investment for the expansion of the capacity to produce synthetic materials and substitutes should not be made;
- (b) To be guided by the principles of non-reciprocity and preferential treatment of developing countries in multilateral trade negotiations between developed and developing countries, and to seek sustained and additional benefits for the international trade of developing countries, so as to achieve a substantial increase in their foreign exchange earnings, diversification of their exports and acceleration of the rate of their economic growth.

4. Transportation and insurance

All efforts should be made:

- (a) To promote an increasing and equitable participation of developing countries in the world shipping tonnage;
- (b) To arrest and reduce the ever-increasing freight rates in order to reduce the costs of imports to, and exports from, the developing countries;

(c) To minimize the cost of insurance and reinsurance for developing countries and to assist the growth of domestic insurance and reinsurance markets in developing countries and the establishment to this end, where appropriate, of institutions in these countries or at the regional level;

(d) To ensure the early implementation of the code of conduct for liner conferences;

(e) To take urgent measures to increase the import and export capability of the least developed countries and to offset the disadvantages of the adverse geographic situation of land-locked countries, particularly with regard to their transportation and transit costs, as well as developing island countries in order to increase their trading ability;

(f) By the developed countries to refrain from imposing measures or implementing policies designed to prevent the importation at equitable prices, of commodities from the developing countries or from frustrating the implementation of legitimate measures and policies adopted by the developing countries in order to improve prices and encourage the export of such commodities.

II. International monetary system and financing of the development of developing countries

1. Objectives

All efforts should be made to reform the international monetary system with, inter alia, the following objectives:

(a) Measures to check the inflation already experienced by the developed countries, to prevent it from being transferred to developing countries and to study and devise possible arrangements within the International Monetary Fund to mitigate the effects of inflation in developed countries on the economies of developing countries;

(b) Measures to eliminate the instability of the international monetary system, in particular the uncertainty of the exchange rates, especially as it affects adversely the trade in commodities;

(c) Maintenance of the real value of the currency reserves of the developing countries by preventing their erosion from inflation and exchange rate depreciation of reserve currencies;

(d) Full and effective participation of developing countries in all phases of decision-making for the formulation of an equitable and durable monetary system and adequate participation of developing countries in all bodies entrusted with this reform and, particularly, in the proposed Council of Governors of the International Monetary Fund.

(e) Adequate and orderly creation of additional liquidity with particular regard to the needs of the developing countries through the additional allocation of special drawing rights based on the concept of world liquidity needs to be appropriately revised in the light of the new international environment; any creation of international liquidity should be made through international multilateral mechanisms;

(f) Early establishment of a link between special drawing rights and additional development financing in the interest of developing countries, consistent with the monetary characteristics of special drawing rights;

(g) Review by the International Monetary Fund of the relevant provisions in order to ensure effective participation by developing countries in the decision-making process;

(h) Arrangements to promote an increasing net transfer of real resources from the developed to the developing countries;

(i) Review of the methods of operation of the International Monetary Fund, in particular the terms for both credit repayments and "stand-by" arrangements, the system of compensatory financing, and the terms of the financing of commodity buffer stocks, so as to enable the developing countries to make more effective use of them.

2. Measures

All efforts should be made to take the following urgent measures to finance the development of developing countries and to meet the balance-of-payment crises in the developing world:

(a) Implementation at an accelerated pace by the developed countries of the time-bound programme, as already laid down in the International Development Strategy for the Second United Nations Development Decade, for the net amount of financial resource transfers to developing countries; increase in the official component of the net amount of financial resource transfers to developing countries so as to meet and even to exceed the target of the Strategy;

(b) International financing institutions should effectively play their role as development financing banks without discrimination on account of the political or economic system of any member country, assistance being untied;

(c) More effective participation by developing countries, whether recipients or contributors, in the decision-making process in the competent organs of the International Bank for Reconstruction and Development and the International Development Association, through the establishment of a more equitable pattern of voting rights;

(d) Exemption, wherever possible, of the developing countries from all import and capital outflow controls imposed by the developed countries;

(e) Promotion of foreign investment, both public and private, from developed to developing countries in accordance with the needs and requirements in sectors of their economies as determined by the recipient countries;

(f) Appropriate urgent measures, including international action, should be taken to mitigate adverse consequences for the current and future development of developing countries arising from the burden of external debt contracted on hard terms;

(g) Debt renegotiation on a case-by-case basis with a view to concluding agreements on debt cancellation, moratorium, rescheduling or interest subsidization;

(h) International financial institutions should take into account the special situation of each developing country in reorienting their lending policies to suit these urgent needs; there is also need for improvement in practices of international financial institutions in regard to, inter alia, development financing and international monetary problems;

(i) Appropriate steps should be taken to give priority to the least developed, land-locked and island developing countries and to the countries most seriously affected by economic crises and natural calamities, in the availability of loans for development purposes which should include more favourable terms and conditions.

III. Industrialization

All efforts should be made by the international community to take measures to encourage the industrialization of the developing countries, and to this end:

(a) The developed countries should respond favourably, within the framework of their official aid as well as international financial institutions, to the requests of developing countries for the financing of industrial projects;

(b) The developed countries should encourage investors to finance industrial production projects, particularly export-oriented production, in developing countries, in agreement with the latter and within the context of their laws and regulations;

(c) With a view to bringing about a new international economic structure which should increase the share of the developing countries in world industrial production, the developed countries and the agencies of the United Nations system, in co-operation with the developing countries, should contribute to setting up new industrial capacities including raw materials and commodity-transforming facilities as a matter of priority in the developing countries that produce those raw materials and commodities;

(d) The international community should continue and expand, with the aid of the developed countries and the international institutions, the operational and instruction-oriented technical assistance programmes, including vocational training and management development of national personnel of the developing countries, in the light of their special development requirements.

IV. Transfer of technology

All efforts should be made:

(a) To formulate an international code of conduct for the transfer of technology corresponding to needs and conditions prevalent in developing countries;

(b) To give access on improved terms to modern technology and to adapt that technology, as appropriate, to specific economic, social and ecological conditions and varying stages of development in developing countries;

(c) To expand significantly the assistance from developed to developing countries in research and development programmes and in the creation of suitable indigenous technology;

(d) To adapt commercial practices governing transfer of technology to the requirements of the developing countries and to prevent abuse of the rights of sellers;

(e) To promote international co-operation in research and development in exploration and exploitation, conservation and the legitimate utilization of natural resources and all sources of energy.

In taking the above measures, the special needs of the least developed and land-locked countries should be borne in mind.

V. Regulation and control over the activities of transnational corporations

All efforts should be made to formulate, adopt and implement an international code of conduct for transnational corporations:

(a) To prevent interference in the internal affairs of the countries where they operate and their collaboration with racist régimes and colonial administrations;

(b) To regulate their activities in host countries, to eliminate restrictive business practices and to conform to the national development plans and objectives of developing countries, and in this context facilitate, as necessary, the review and revision of previously concluded arrangements;

(c) To bring about assistance, transfer of technology and management skills to developing countries on equitable and favourable terms;

(d) To regulate the repatriation of the profits accruing from their operations, taking into account the legitimate interests of all parties concerned;

(e) To promote reinvestment of their profits in developing countries.

VI. Charter of economic rights and duties of states

The Charter of Economic Rights and Duties of States, the draft of which is being prepared by a working group of the United Nations and which the General Assembly has already expressed the intention of adopting at its twenty-ninth regular session, shall constitute an effective instrument towards the establishment of a new system of international economic relations based on equity, sovereign equality, and interdependence of the interests of developed and developing countries. It is therefore of vital importance that the aforementioned Charter be adopted by the General Assembly at its twenty-ninth session.

VII. Promotion of co-operation among developing countries

1. Collective self-reliance and growing co-operation among developing countries will further strengthen their role in the new international economic order. Developing countries, with a view to expanding co-operation at the regional, subregional and interregional levels, should take further steps, inter alia:

(a) To support the establishment and/or improvement of an appropriate mechanism to defend the prices of their exportable commodities and to improve access to and stabilize markets for them. In this context the increasingly effective mobilization by the whole group of oil-exporting countries of their natural resources for the benefit of their economic development is to be welcomed. At the same time there is the paramount need for co-operation among the developing countries in evolving urgently and in a spirit of solidarity all

possible means to assist developing countries to cope with the immediate problems resulting from this legitimate and perfectly justified action. The measures already taken in this regard are a positive indication of the evolving co-operation between developing countries.

(b) To protect their inalienable right to permanent sovereignty over their natural resources;

(c) To promote, establish or strengthen economic integration at the regional and subregional levels;

(d) To increase considerably their imports from other developing countries;

(e) To ensure that no developing country accords to imports from developed countries more favourable treatment than that accorded to imports from developing countries. Taking into account the existing international agreements, current limitations and possibilities and also their future evolution, preferential treatment should be given to the procurement of import requirements from other developing countries. Wherever possible, preferential treatment should be given to imports from developing countries and the exports of those countries;

(f) To promote close co-operation in the fields of finance, credit relations and monetary issues, including the development of credit relations on a preferential basis and on favourable terms;

(g) To strengthen efforts which are already being made by developing countries to utilize available financial resources for financing development in the developing countries through investment, financing of export-oriented and emergency projects and other long-term assistance;

(h) To promote and establish effective instruments of co-operation in the fields of industry, science and technology, transport, shipping and mass communication media.

2. Developed countries should support initiatives in the regional, subregional and interregional co-operation of developing countries through the extension of financial and technical assistance by more effective and concrete actions, particularly in the field of commercial policy.

VIII. Assistance in the exercise of permanent sovereignty of states over natural resources

All efforts should be made:

(a) To defeat attempts to prevent the free and effective exercise of the rights of every State to full and permanent sovereignty over its natural resources;

(b) To ensure that competent agencies of the United Nations system meet requests for assistance from developing countries in connexion with the operation of nationalized means of production.

IX. Strengthening the role of the United Nations system in the field of international economic co-operation

1. In furtherance of the objectives of the International Development Strategy for the Second United Nations Development Decade and in accordance with the aims and objectives of the Declaration on the Establishment of a New International Economic Order, all Member States pledge to make full use of the United Nations system in the implementation of the present Programme of Action, jointly adopted by them, in working for the establishment of a new international economic order and thereby strengthening the role of the United Nations in the field of world-wide co-operation for economic and social development.

2. The General Assembly of the United Nations shall conduct an overall review of the implementation of the Programme of Action as a priority item. All the activities of the United Nations system to be undertaken under the Programme of Action as well as those already planned, such as the World Population Conference, 1974, the World Food Conference, the Second General Conference of the United Nations Industrial Development Organization and the mid-term review and appraisal of the International Development Strategy for the Second United Nations Development Decade should be so directed as to enable the special session of the General Assembly on development, called for under Assembly resolution 3172 (XXVIII) of 17 December 1973, to make its full contribution to the establishment of the new international economic order. All Member States are urged, jointly and individually, to direct their efforts and policies towards the success of that special session.

3. The Economic and Social Council shall define the policy framework and co-ordinate the activities of all organizations, institutions and subsidiary bodies within the United Nations system which shall be entrusted with the task of implementing the present Programme of Action. In order to enable the Economic and Social Council to carry out its tasks effectively;

(a) All organizations, institutions and subsidiary bodies concerned within the United Nations system shall submit to the Economic and Social Council progress reports on the implementation of the Programme of Action within their respective fields of competence as often as necessary, but not less than once a year;

(b) The Economic and Social Council shall examine the progress reports as a matter of urgency, to which end it may be convened, as necessary, in special session or, if need be, may function continuously. It shall draw the attention of the General Assembly to the problems and difficulties arising in connexion with the implementation of the Programme of Action.

4. All organizations, institutions, subsidiary bodies and conferences of the United Nations system are entrusted with the implementation of the Programme of Action. The activities of the United Nations Conference on Trade and Development, as set forth in General Assembly resolution 1995 (XIX) of 30 December 1964, should be strengthened for the purpose of following in collaboration with other competent organizations the development of international trade in raw materials throughout the world.

5. Urgent and effective measures should be taken to review the lending policies of international financial institutions, taking into account the special situation of each developing country, to suit urgent needs, to improve the practices of these institutions in regard to inter alia, development financing and international monetary problems, and to ensure more effective participation by developing countries - whether recipients or contributors - in the decision-making process through appropriate revision of the pattern of voting rights.

6. The developed countries and others in a position to do so should contribute substantially to the various organizations, programmes and funds established within the United Nations system for the purpose of accelerating economic and social development in developing countries.

7. The present Programme of Action complements and strengthens the goals and objectives embodied in the International Development Strategy for the Second United Nations Development Decade as well as the new measures formulated by the General Assembly at its twenty-eight session to offset the shorfalls in achieving those goals and objectives.

8. The implementation of the Programme of Action should be taken into account at the time of the mid-term review and appraisal of the International Development Strategy for the Second United Nations Development Decade. New commitments, changes, additions and adaptations in the Strategy should be made, as appropriate, taking into account the Declaration on the Establishment of a New International Economic Order and the present Programme of Action.

X. Special programme

The General Assembly adopts the following Special Programme, including particularly emergency measures to mitigate the difficulties of the developing countries most seriously affected by economic crisis, bearing in mind the particular problem of the least developed and land-locked countries;

The General Assembly,

Taking into account the following considerations:

(a) The sharp increase in the prices of their essential imports such as food, fertilizers, energy products, capital goods, equipment and services, including transportation and transit costs, has gravely exacerbated the increasingly adverse terms of trade of a number of developing countries, added to the burden of their foreign debt and, cumulatively, created a situation which, if left untended, will make it impossible for them to finance their essential imports and development and result in a further deterioration in the levels and conditions of life in these countries. The present crisis is the outcome of all the problems that have accumulated over the years: in the field of trade, in monetary reform, the world-wide inflationary situation inadequacy and delay in provision of financial assistance and many other similar problems in the economic and developmental fields. In facing the crisis, this complex situation must be borne in mind so as to ensure that the Special Programme adopted by the international community provides emergency relief and timely assistance to the most seriously affected countries. Simultaneously, steps are being taken to resolve these outstanding problems through a fundamental restructuring of the world economic system, in order to allow these countries while solving the present difficulties to reach an acceptable level of development.

(b) The special measures adopted to assist the most seriously affected countries must encompass not only the relief which they require on an emergency basis to maintain their import requirements, but also, beyond that, steps to consciously promote the capacity of these countries to produce and earn more. Unless such a comprehensive approach is adopted, there is every likelihood that the difficulties of the most seriously affected countries may be perpetuated. Nevertheless, the first and most pressing task of the international community is to enable these countries to meet the shortfall in their balance-of-payments positions. But this must be simultaneously supplemented by additional development assistance to maintain and thereafter accelerate their rate of economic development.

(c) The countries which have been most seriously affected are precisely those which are at the greatest disadvantage in the world economy: the least developed, the land-locked and other low-income developing countries as well as other developing countries whose economies have been seriously dislocated as a result of the present economic crisis, natural calamities, and foreign aggression and occupation. An indication of the countries thus affected, the level of the impact on their economies and the kind of relief and assistance they require can be assessed on the basis, inter alia, of the following criteria:

- (i) Low per capita income as a reflection of relative poverty, low productivity, low level of technology and development;
- (ii) Sharp increase in their import cost of essentials relative to export earnings;
- (iii) High ratio of debt servicing to export earnings;
- (iv) Insufficiency in export earnings, comparative inelasticity of export incomes and unavailability of exportable surplus;
- (v) Low level of foreign exchange reserves or their inadequacy for requirements;
- (vi) Adverse impact of higher transportation and transit costs;
- (vii) Relative importance of foreign trade in the development process.

(d) The assessment of the extent and nature of the impact on the economies of the most seriously affected countries must be made flexible, keeping in mind the present uncertainty in the world economy, the adjustment policies that may be adopted by the developed countries and the flow of capital and investment. Estimates of the payments situation and needs of these countries can be assessed and projected reliably only on the basis of their average performance over a number of years. Long-term projections, at this time, cannot but be uncertain.

(e) It is important that, in the special measures to mitigate the difficulties of the most seriously affected countries, all the developed countries as well as the developing countries should contribute according to their level of development and the capacity and strength of their economies. It is notable that some developing countries, despite their own difficulties and development needs, have shown a willingness to play a concrete and helpful role in ameliorating the difficulties faced by the poorer developing countries. The various initiatives and measures taken recently by certain developing countries with adequate resources on a bilateral and multilateral basis

to contribute to alleviating the difficulties of other developing countries are a reflection of their commitment to the principle of effective economic co-operation among developing countries.

(f) The response of the developed countries which have by far the greater capacity to assist the affected countries in overcoming their present difficulties must be commensurate with their responsibilities. Their assistance should be in addition to the presently available levels of aid. They should fulfil and if possible exceed the targets of the International Development Strategy for the Second United Nations Development Decade on financial assistance to the developing countries, especially that relating to official development assistance. They should also give serious consideration to the cancellation of the external debts of the most seriously affected countries. This would provide the simplest and quickest relief to the affected countries. Favourable consideration should also be given to debt moratorium and rescheduling. The current situation should not lead the industrialized countries to adopt what will ultimately prove to be a self-defeating policy aggravating the present crisis.

Recalling the constructive proposals made by His Imperial Majesty the Shahanshah of Iran 3/ and His Excellency Mr. Houari Boumediène, President of the People's Democratic Republic of Algeria, 4/

1. Decides to launch a Special Programme to provide emergency relief and development assistance to the developing countries most seriously affected, as a matter of urgency, and for the period of time necessary, at least until the end of the Second United Nations Development Decade, to help them overcome their present difficulties and to achieve self-sustaining economic development;

2. Decides as a first step in the Special Programme to request the Secretary-General to launch an emergency operation to provide timely relief to the most seriously affected developing countries, as defined in subparagraph (c) above, with the aim of maintaining unimpaired essential imports for the duration of the coming twelve months and to invite the industrialized countries and other potential contributors to announce their contributions for emergency assistance, or intimate their intention to do so, by 15 June 1974 to be provided through bilateral or multilateral channels, taking into account the commitments and measures of assistance announced or already taken by some countries, and further requests the Secretary-General to report the progress of the emergency operation to the General Assembly at its twenty-ninth session, through the Economic and Social Council at its fifty-seventh session;

3/ A/9548, annex.

4/ Official Records of the General Assembly, Sixth Special Session, Plenary Meetings, 2208th meeting, paras. 3-152.

3. Calls upon the industrialized countries and other potential contributors to extend to the most seriously affected countries immediate relief and assistance which must be of an order of magnitude that is commensurate with the needs of these countries. Such assistance should be in addition to the existing level of aid and provided at a very early date to the maximum possible extent on a grant basis and, where not possible, on soft terms. The disbursement and relevant operational procedures and terms must reflect this exceptional situation. The assistance could be provided either through bilateral or multilateral channels, including such new institutions and facilities that have been or are to be set up. The special measures may include the following:

(a) Special arrangements on particularly favourable terms and conditions including possible subsidies for and assured supplies of essential commodities and goods;

(b) Deferred payments for all or part of imports of essential commodities and goods;

(c) Commodity assistance, including food aid, on a grant basis or deferred payments in local currencies, bearing in mind that this should not adversely affect the exports of developing countries;

(d) Long-term suppliers' credits on easy terms;

(e) Long-term financial assistance on concessionary terms;

(f) Drawings from special International Monetary Funds facilities on concessional terms;

(g) Establishment of a link between the creation of special drawing rights and development assistance, taking into account the additional financial requirements of the most seriously affected countries;

(h) Subsidies, provided bilaterally or multilaterally, for interest on funds available on commercial terms borrowed by the most seriously affected countries;

(i) Debt renegotiation on a case-by-case basis with a view to concluding agreements on debt cancellation, moratorium or rescheduling;

(j) Provision on more favourable terms of capital goods and technical assistance to accelerate the industrialization of the affected countries;

(k) Investment in industrial and development projects on favourable terms;

(l) Subsidizing the additional transit and transport costs, especially of the land-locked countries;

4. Appeals to the developed countries to consider favourably the cancellation, moratorium or rescheduling of the debts of the most seriously affected developing countries, on their request, as an important contribution to mitigating the grave and urgent difficulties of these countries;

5. Decides to establish a Special Fund under the auspices of the United Nations, through voluntary contributions from industrialized countries and other potential contributors, as a part of the Special Programme, to provide emergency relief and development assistance, which will commence its operations at the latest by 1 January 1975;

6. Establishes an Ad Hoc Committee on the Special Programme, composed of thirty-six Member States appointed by the President of the General Assembly, after appropriate consultations, bearing in mind the purposes of the Special Fund and its terms of reference:

(a) To make recommendations, inter alia, on the scope, machinery and modes of operation of the Special Fund, taking into account the need for:

- (i) Equitable representation on its governing body;
- (ii) Equitable distribution of its resources;
- (iii) Full utilization of the services and facilities of existing international organizations;
- (iv) The possibility of merging the United Nations Capital Development Fund with the operations of the Special Fund;
- (v) A central monitoring body to oversee the various measures being taken both bilaterally and multilaterally;

and, to this end, bearing in mind the different ideas and proposals submitted at the sixth special session, including those put forward by Iran ^{5/} and those made at the 2208th plenary meeting, and the comments thereon, and the possibility of utilizing the Special Fund to provide an alternative channel for normal development assistance after the emergency period;

(b) To monitor, pending commencement of the operations of the Special Fund, the various measures being taken both bilaterally and multilaterally to assist the most seriously affected countries;

(c) To prepare, on the basis of information provided by the countries concerned and by appropriate agencies of the United Nations system, a broad assessment of:

^{5/} A/AC.166/L.15; see also A/9548, annex.

- (i) The magnitude of the difficulties facing the most seriously affected countries;
- (ii) The kind and quantities of the commodities and goods essentially required by them;
- (iii) Their need for financial assistance;
- (iv) Their technical assistance requirements, including especially access to technology;

7. Requests the Secretary-General of the United Nations, the Secretary-General of the United Nations Conference on Trade and Development, the President of the International Bank for Reconstruction and Development, the Managing Director of the International Monetary Fund, the Administrator of the United Nations Development Programme and the heads of the other competent international organizations to assist the Ad Hoc Committee on the Special Programme in performing the functions assigned to it under paragraph 6 above, and to help, as appropriate, in the operations of the Special Fund;

8. Requests the International Monetary Fund to expedite decisions on:

(a) The establishment of an extended special facility with a view to enabling the most seriously affected developing countries to participate in it on favourable terms;

(b) The creation of special drawing rights and the early establishment of the link between their allocation and development financing;

(c) The establishment and operation of the proposed new special facility to extend credits and subsidize interest charges on commercial funds borrowed by Member States, bearing in mind the interests of the developing countries and especially the additional financial requirements of the most seriously affected countries;

9. Requests the World Bank Group and the International Monetary Fund to place their managerial, financial and technical services at the disposal of Governments contributing to emergency financial relief so as to enable them to assist without delay in channeling funds to the recipients, making such institutional and procedural changes as may be required;

10. Invites the United Nations Development Programme to take the necessary steps, particularly at the country level, to respond on an emergency basis to requests for additional assistance which it may be called upon to render within the framework of the Special Programme;

11. Requests the Ad Hoc Committee on the Special Programme to submit its report and recommendations to the Economic and Social Council at its fifty-seventh session and invites the Council, on the basis of its consideration of that report, to submit suitable recommendations to the General Assembly at its twenty-ninth session;

12. Decides to consider as a matter of high priority at its twenty-ninth session, within the framework of a new international economic order, the question of special measures for the most seriously affected countries.

2229th plenary meeting
1 May 1974

3281 (XXIX). Charter of Economic Rights and Duties of States

The General Assembly,

Recalling that the United Nations Conference on Trade and Development, in its resolution 45 (III) of 18 May 1972,^{1/} stressed the urgency to establish generally accepted norms to govern international economic relations systematically and recognized that it is not feasible to establish a just order and a stable world as long as a Charter to protect the rights of all countries, and in particular the developing States, is not formulated,

Recalling further that in the same resolution it was decided to establish a Working Group of governmental representatives to draw up a draft Charter of Economic Rights and Duties of States, which the General Assembly, in its resolution 3037 (XXVII) of 19 December 1972, decided should be composed of forty Member States,

Noting that, in its resolution 3082 (XXVIII) of 6 December 1973, it reaffirmed its conviction of the urgent need to establish or improve norms of universal application for the development of international economic relations on a just and equitable basis and urged the Working Group on the Charter of Economic Rights and Duties of States to complete, as the first step in the codification and development of the matter, the elaboration of a final draft Charter of Economic Rights and Duties of States, to be considered and approved by the General Assembly at its twenty-ninth session,

Bearing in mind the spirit and terms of its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, which underlined the vital importance of the Charter to be adopted by the General Assembly at its twenty-ninth session and stressed the fact that the Charter shall constitute an effective instrument towards the establishment of a new system of international economic relations based on equity, sovereign equality, and interdependence of the interests of developed and developing countries,

Having examined the report of the Working Group on the Charter of Economic Rights and Duties of States on its fourth session,^{2/} transmitted to the General Assembly by the Trade and Development Board at its fourteenth session,

1/ See Proceedings of the United Nations Conference on Trade and Development, Third Session, vol. I, Report and Annexes (United Nations publication, Sales No: E.73.II.D.4), annex I.A.

2/ TD/B/AC.12/4 and Corr.1.

Expressing its appreciation to the Working Group on the Charter of Economic Rights and Duties of States which, as a result of the task performed in its four sessions held between February 1973 and June 1974, assembled the elements required for the completion and adoption of the Charter of Economic Rights and Duties of States at the twenty-ninth session of the General Assembly, as previously recommended,

Adopts and solemnly proclaims the following Charter:

CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATES

PREAMBLE

The General Assembly,

Reaffirming the fundamental purposes of the United Nations, in particular the maintenance of international peace and security, the development of friendly relations among nations and the achievement of international co-operation in solving international problems in the economic and social fields,

Affirming the need for strengthening international co-operation in these fields,

Reaffirming further the need for strengthening international co-operation for development,

Declaring that it is a fundamental purpose of the present Charter to promote the establishment of the new international economic order, based on equity, sovereign equality, interdependence, common interest and co-operation among all States, irrespective of their economic and social systems,

Desirous of contributing to the creation of conditions for:

- (a) The attainment of wider prosperity among all countries and of higher standards of living for all peoples,
- (b) The promotion by the entire international community of the economic and social progress of all countries, especially developing countries,
- (c) The encouragement of co-operation, on the basis of mutual advantage and equitable benefits for all peace-loving States which are willing to carry out the provisions of the present Charter, in the economic, trade, scientific and technical fields, regardless of political, economic or social systems,

(d) The overcoming of main obstacles in the way of the economic development of the developing countries,

(e) The acceleration of the economic growth of developing countries with a view to bridging the economic gap between developing and developed countries,

(f) The protection, preservation and enhancement of the environment,

Mindful of the need to establish and maintain a just and equitable economic and social order through:

(a) The achievement of more rational and equitable international economic relations and the encouragement of structural changes in the world economy,

(b) The creation of conditions which permit the further expansion of trade and intensification of economic co-operation among all nations,

(c) The strengthening of the economic independence of developing countries,

(d) The establishment and promotion of international economic relations, taking into account the agreed differences in development of the developing countries and their specific needs,

Determined to promote collective economic security for development, in particular of the developing countries, with strict respect for the sovereign equality of each State and through the co-operation of the entire international community,

Considering that genuine co-operation among States, based on joint consideration of and concerted action regarding international economic problems, is essential for fulfilling the international community's common desire to achieve a just and rational development of all parts of the world,

Stressing the importance of ensuring appropriate conditions for the conduct of normal economic relations among all States, irrespective of differences in social and economic systems, and for the full respect of the rights of all peoples, as well as strengthening instruments of international economic co-operation as means for the consolidation of peace for the benefit of all,

Convinced of the need to develop a system of international economic relations on the basis of sovereign equality, mutual and equitable benefit and the close interrelationship of the interests of all States.

Reiterating that the responsibility for the development of every country rests primarily upon itself but that concomitant and effective international co-operation is an essential factor for the full achievement of its own development goals,

Firmly convinced of the urgent need to evolve a substantially improved system of international economic relations,

Solemnly adopts the present Charter of Economic Rights and Duties of States.

CHAPTER I

Fundamentals of international economic relations

Economic as well as political and other relations among States shall be governed, inter alia, by the following principles:

- (a) Sovereignty, territorial integrity and political independence of States;
- (b) Sovereign equality of all States;
- (c) Non-aggression;
- (d) Non-intervention;
- (e) Mutual and equitable benefit;
- (f) Peaceful coexistence;
- (g) Equal rights and self-determination of peoples;
- (h) Peaceful settlement of disputes;
- (i) Remedying of injustices which have been brought about by force and which deprive a nation of the natural means necessary for its normal development;
- (j) Fulfilment in good faith of international obligations;
- (k) Respect for human rights and fundamental freedoms;
- (l) No attempt to seek hegemony and spheres of influence;
- (m) Promotion of international social justice;
- (n) International co-operation for development;

- (o) Free access to and from the sea by land-locked countries within the framework of the above principles.

CHAPTER II

Economic rights and duties of States

Article 1

Every State has the sovereign and inalienable right to choose its economic system as well as its political, social and cultural systems in accordance with the will of its people, without outside interference, coercion or threat in any form whatsoever.

Article 2

1. Every State has and shall freely exercise full permanent sovereignty, including possession, use and disposal, over all its wealth, natural resources and economic activities.

2. Each State has the right:

(a) To regulate and exercise authority over foreign investment within its national jurisdiction in accordance with its laws and regulations and in conformity with its national objectives and priorities. No State shall be compelled to grant preferential treatment to foreign investment;

(b) To regulate and supervise the activities of transnational corporations within its national jurisdiction and take measures to ensure that such activities comply 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 exercise of the right set forth in this subparagraph;

(c) To nationalize, expropriate or transfer ownership of foreign property, in which case appropriate compensation should be paid by the State adopting such measures, taking into account its relevant laws and regulations and all circumstances that the State considers pertinent. In any case where the question of compensation gives rise to a controversy, it shall be settled under the domestic law of the nationalizing State and by its tribunals, unless it is freely and mutually agreed by all States concerned that other peaceful means be sought on the basis of the sovereign equality of States and in accordance with the principle of free choice of means.

Article 3

In the exploitation of natural resources shared by two or more countries, each State must co-operate on the basis of a system of information and prior consultations in order to achieve optimum use of such resources without causing damage to the legitimate interest of others.

Article 4

Every State has the right to engage in international trade and other forms of economic co-operation irrespective of any differences in political, economic and social systems. No State shall be subjected to discrimination of any kind based solely on such differences. In the pursuit of international trade and other forms of economic co-operation, every State is free to choose the forms of organization of its foreign economic relations and to enter into bilateral and multilateral arrangements consistent with its international obligations and with the needs of international economic co-operation.

Article 5

All States have the right to associate in organizations of primary commodity producers in order to develop their national economies, to achieve stable financing for their development and, in pursuance of their aims, to assist in the promotion of sustained growth of the world economy, in particular accelerating the development of developing countries. Correspondingly all States have the duty to respect that right by refraining from applying economic and political measures that would limit it.

Article 6

It is the duty of States to contribute to the development of international trade of goods, particularly by means of arrangements and by the conclusion of long-term multilateral commodity agreements, where appropriate, and taking into account the interests of producers and consumers. All States share the responsibility to promote the regular flow and access of all commercial goods traded at stable, remunerative and equitable prices, thus contributing to the equitable development of the world economy, taking into account, in particular, the interests of developing countries.

Article 7

Every State has the primary responsibility to promote the economic, social and cultural development of its people. To this end, each State has the right and the responsibility to choose its means

and goals of development, fully to mobilize and use its resources, to implement progressive economic and social reforms and to ensure the full participation of its people in the process and benefits of development. All States have the duty, individually and collectively, to co-operate in order to eliminate obstacles that hinder such mobilization and use.

Article 8

States should co-operate in facilitating more rational and equitable international economic relations and in encouraging structural changes in the context of a balanced world economy in harmony with the needs and interests of all countries, especially developing countries, and should take appropriate measures to this end.

Article 9

All States have the responsibility to co-operate in the economic, social, cultural, scientific and technological fields for the promotion of economic and social progress throughout the world, especially that of the developing countries.

Article 10

All States are juridically equal and, as equal members of the international community, have the right to participate fully and effectively in the international decision-making process in the solution of world economic, financial and monetary problems, inter alia, through the appropriate international organizations in accordance with their existing and evolving rules, and to share equitably in the benefits resulting therefrom.

Article 11

All States should co-operate to strengthen and continuously improve the efficiency of international organizations in implementing measures to stimulate the general economic progress of all countries, particularly of developing countries, and therefore should co-operate to adapt them, when appropriate, to the changing needs of international economic co-operation.

Article 12

1. States have the right, in agreement with the parties concerned, to participate in subregional, regional and interregional co-operation in the pursuit of their economic and social development. All States engaged in such co-operation have the duty to ensure that the policies of those groupings to which they belong correspond to the provisions of the present Charter and are outward-looking, consistent with their

international obligations and with the needs of international economic co-operation, and have full regard for the legitimate interests of third countries, especially developing countries.

2. In the case of groupings to which the States concerned have transferred or may transfer certain competences as regards matters that come within the scope of the present Charter, its provisions shall also apply to those groupings, in regard to such matters, consistent with the responsibilities of such States as members of such groupings. Those States shall co-operate in the observance by the groupings of the provisions of this Charter.

Article 13

1. Every State has the right to benefit from the advances and developments in science and technology for the acceleration of its economic and social development.

2. All States should promote international scientific and technological co-operation and the transfer of technology, with proper regard for all legitimate interests including, inter alia, the rights and duties of holders, suppliers and recipients of technology. In particular, all States should facilitate the access of developing countries to the achievements of modern science and technology, the transfer of technology and the creation of indigenous technology for the benefit of the developing countries in forms and in accordance with procedures which are suited to their economies and their needs.

3. Accordingly, developed countries should co-operate with the developing countries in the establishment, strengthening and development of their scientific and technological infrastructures and their scientific research and technological activities so as to help to expand and transform the economies of developing countries.

4. All States should co-operate in research with a view to evolving further internationally accepted guidelines or regulations for the transfer of technology, taking fully into account the interests of developing countries.

Article 14

Every State has the duty to co-operate in promoting a steady and increasing expansion and liberalization of world trade and an improvement in the welfare and living standards of all peoples, in particular those of developing countries. Accordingly, all States should co-operate, inter alia, towards the progressive dismantling of obstacles to trade and the improvement of the international framework for the conduct of world trade and, to these ends, co-ordinated efforts shall be made to solve in an equitable way the trade problems of all countries, taking into account the specific trade problems of the developing countries. In this connexion, States shall take

measures aimed at securing additional benefits for the international trade of developing countries so as to achieve a substantial increase in their foreign exchange earnings, the diversification of their exports, the acceleration of the rate of growth of their trade, taking into account their development needs, an improvement in the possibilities for these countries to participate in the expansion of world trade and a balance more favourable to developing countries in the sharing of the advantages resulting from this expansion, through, in the largest possible measure, a substantial improvement in the conditions of access for the products of interest to the developing countries and, wherever appropriate, measures designed to attain stable, equitable and remunerative prices for primary products.

Article 15

All States have the duty to promote the achievement of general and complete disarmament under effective international control and to utilize the resources released by effective disarmament measures for the economic and social development of countries, allocating a substantial portion of such resources as additional means for the development needs of developing countries.

Article 16

1. It is the right and duty of all States, individually and collectively, to eliminate colonialism, apartheid, racial discrimination, neo-colonialism and all forms of foreign aggression, occupation and domination, and the economic and social consequences thereof, as a prerequisite for development. States which practise such coercive policies are economically responsible to the countries, territories and peoples affected for the restitution and full compensation for the exploitation and depletion of, and damages to, the natural and all other resources of those countries, territories and peoples. It is the duty of all States to extend assistance to them.

2. No State has the right to promote or encourage investments that may constitute an obstacle to the liberation of a territory occupied by force.

Article 17

International co-operation for development is the shared goal and common duty of all States. Every State should co-operate with the efforts of developing countries to accelerate their economic and social development by providing favourable external conditions and by extending active assistance to them, consistent with their development needs and objectives, with strict respect for the sovereign equality of States and free of any conditions derogating from their sovereignty.

Article 18

Developed countries should extend, improve and enlarge the system of generalized non-reciprocal and non-discriminatory tariff preferences to the developing countries consistent with the relevant agreed conclusions and relevant decisions as adopted on this subject, in the framework of the competent international organizations. Developed countries should also give serious consideration to the adoption of other differential measures, in areas where this is feasible and appropriate and in ways which will provide special and more favourable treatment, in order to meet the trade and development needs of the developing countries. In the conduct of international economic relations the developed countries should endeavour to avoid measures having a regative effect on the development of the national economies of the developing countries, as promoted by generalized tariff preferences and other generally agreed differential measures in their favour.

Article 19

With a view to accelerating the economic growth of developing countries and bridging the economic gap between developed and developing countries, developed countries should grant generalized preferential, non-reciprocal and non-discriminatory treatment to developing countries in those fields of international economic co-operation where it may be feasible.

Article 20

Developing countries should, in their efforts to increase their overall trade, give due attention to the possibility of expanding their trade with socialist countries, by granting to these countries conditions for trade not inferior to those granted normally to the developed market economy countries.

Article 21

Developing countries should endeavour to promote the expansion of their mutual trade and to this end may, in accordance with the existing and evolving provisions and procedures of international agreements where applicable, grant trade preferences to other developing countries without being obliged to extend such preferences to developed countries, provided these arrangements do not constitute an impediment to general trade liberalization and expansion.

Article 22

1. All States should respond to the generally recognized or mutually agreed development needs and objectives of developing countries by promoting increased net flows of real resources to the developing

countries from all sources, taking into account any obligations and commitments undertaken by the States concerned, in order to reinforce the efforts of developing countries to accelerate their economic and social development.

2. In this context, consistent with the aims and objectives mentioned above and taking into account any obligations and commitments undertaken in this regard, it should be their endeavour to increase the net amount of financial flows from official sources to developing countries and to improve the terms and conditions thereof.

3. The flow of development assistance resources should include economic and technical assistance.

Article 23

To enhance the effective mobilization of their own resources, the developing countries should strengthen their economic co-operation and expand their mutual trade so as to accelerate their economic and social development. All countries, especially developed countries, individually as well as through the competent international organizations of which they are members, should provide appropriate and effective support and co-operation.

Article 24

All States have the duty to conduct their mutual economic relations in a manner which takes into account the interests of other countries. In particular, all States should avoid prejudicing the interests of developing countries.

Article 25

In furtherance of world economic development, the international community, especially its developed members, shall pay special attention to the particular needs and problems of the least developed among the developing countries, of land-locked developing countries and also island developing countries, with a view to helping them to overcome their particular difficulties and thus contribute to their economic and social development.

Article 26

All States have the duty to coexist in tolerance and live together in peace, irrespective of differences in political, economic, social and cultural systems, and to facilitate trade between States having different economic and social systems. International trade should be conducted without prejudice to generalized non-discriminatory and non-reciprocal preferences in favour of developing countries, on the basis of mutual advantage, equitable benefits and the exchange of most-favoured-nation treatment.

Article 27

1. Every State has the right to enjoy fully the benefits of world invisible trade and to engage in the expansion of such trade.
2. World invisible trade, based on efficiency and mutual and equitable benefit, furthering the expansion of the world economy, is the common goal of all States. The role of developing countries in world invisible trade should be enhanced and strengthened consistent with the above objectives, particular attention being paid to the special needs of developing countries.
3. All States should co-operate with developing countries in their endeavours to increase their capacity to earn foreign exchange from invisible transactions, in accordance with the potential and needs of each developing country and consistent with the objectives mentioned above.

Article 28

All States have the duty to co-operate in achieving adjustments in the prices of exports of developing countries in relation to prices of their imports so as to promote just and equitable terms of trade for them, in a manner which is remunerative for producers and equitable for producers and consumers.

CHAPTER III

Common responsibilities towards the
international community

Article 29

The sea-bed and ocean floor and the subsoil thereof, beyond the limits of national jurisdiction, as well as the resources of the area, are the common heritage of mankind. On the basis of the principles adopted by the General Assembly in resolution 2749 (XXV) of 17 December 1970, all States shall ensure that the exploration of the area and exploitation of its resources are carried out exclusively for peaceful purposes and that the benefits derived therefrom are shared equitably by all States, taking into account the particular interests and needs of developing countries; an international régime applying to the area and its resources and including appropriate international machinery to give effect to its provisions shall be established by an international treaty of a universal character, generally agreed upon.

Article 30

The protection, preservation and enhancement of the environment for the present and future generations is the responsibility of all States. All States shall endeavour to establish their own environmental and developmental policies in conformity with such responsibility. The environmental policies of all States should enhance and not adversely affect the present and future development potential of developing countries. All States have the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction. All States should co-operate in evolving international norms and regulations in the field of the environment.

CHAPTER IV

Final provisions

Article 31

All States have the duty to contribute to the balanced expansion of the world economy, taking duly into account the close interrelationship between the well-being of the developed countries and the growth and development of the developing countries, and the fact that the prosperity of the international community as a whole depends upon the prosperity of its constituent parts.

Article 32

No State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights.

Article 33

1. Nothing in the present Charter shall be construed as impairing or derogating from the provisions of the Charter of the United Nations or actions taken in pursuance thereof.
2. In their interpretation and application, the provisions of the present Charter are interrelated and each provision should be construed in the context of the other provisions.

Article 34

An item on the Charter of Economic Rights and Duties of States shall be included in the agenda of the General Assembly at its thirtieth session, and thereafter on the agenda of every fifth session. In this way a systematic and comprehensive consideration of the implementation of the Charter, covering both progress achieved and any improvements and additions which might become necessary, would be carried out and appropriate measures recommended. Such consideration should take into account the evolution of all the economic, social, legal and other factors related to the principles upon which the present Charter is based and on its purpose.

2315th plenary meeting
12 December 1974

3343 (XXIX). Special session of the General Assembly devoted to development and international economic co-operation

The General Assembly

Recalling its resolution 3172 (XXVIII) of 17 December 1975 by which it decided to convene in 1975 a special session devoted to development and international economic co-operation,

Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing, respectively, the Declaration and Programme of Action on the Establishment of a New International Economic Order, in which the States Members of the United Nations solemnly proclaimed their united determination to work urgently for the establishment of a new international economic order based on equity, sovereign equality, interdependence, common interest and co-operation among all States irrespective of their economic and social systems,

Recalling its resolution 2626 (XXV) of 24 October 1970, containing the International Development Strategy for the Second United Nations Development Decade, in which it stated that policy measures should be viewed in a dynamic context, involving continuing review to ensure their effective implementation and adaptation in the light of new developments,

Further recalling that the results of the World Population Conference, the World Food Conference, the Second General Conference of the United Nations Industrial Development Organization, other conferences and instruments scheduled or in preparation within the United Nations system, the findings of the multilateral trade negotiations and the results of the reform of the international monetary system as well as the comprehensive draft review of the implementation of the International Development Strategy, the Declaration and the Programme of Action and the results of the preparatory process of the special session itself should contribute to the achievement of the aims of that session,

Endorsing the recommendation of the Economic and Social Council in its resolution 1911 (LVII) of 2 August 1974 that the special session should discuss the major themes and problems of the development process and in this context decide on measures designed to bring about the necessary and appropriate changes required in the existing structures and institutions within the United Nations system and consider appropriate changes in the overall pattern of international economic relations, and taking note that the Council established to this end a preparatory committee,

Recalling that economic and social progress is a responsibility that the whole international community shares and recognizing that the current economic situation of the world calls for renewed dedication to the cause of development,

Stressing the need for early and careful preparation of its special session devoted to development and international economic co-operation,

1. Urges Member States to be represented in the special session at a high political level to ensure satisfactory completion of the specific tasks assigned to the special session through successful and concrete results;

2. Requests the Economic and Social Council, in discharging its overall responsibilities for the preparation of the special session:

(a) To convene the Preparatory Committee for the Special Session of the General Assembly Devoted to Development and International Economic Co-operation, the first session of which shall be short and essentially organizational in nature, not later than March 1975, the second session in June, at which as much as possible of the work should be completed, and a third session thereafter, as required, at an appropriate date;

(b) To organize its work programme so as to ensure final action on the recommendations of the Preparatory Committee;

3. Requests the Secretary-General as a matter of priority to ensure that the necessary arrangements and facilities are made available to enable the Preparatory Committee to discharge its mandate fully;

4. Requests further that the Secretary-General, in collaboration with the Secretary-General of the United Nations Conference on Trade and Development, the Executive Director of the United Nations Industrial Development Organization, the Administrator of the United Nations Development Programme, the executive heads of the other organizations of the United Nations system including, as appropriate, the President of the International Bank for Reconstruction and Development and the Managing Director of the International Monetary Fund, and with the assistance of the Committee for Development Planning, submit to the Preparatory Committee at its second session a comprehensive report on the state of international economic activities, focusing on constraints of a general policy nature which face the implementation of the Programme of Action, as well as the International Development Strategy, with particular emphasis on an integrated approach in the field of commodities, agricultural and industrial development, the transfer of real resources to developing countries, technical assistance, the transfer and development of technologies, the developments in the monetary field and the role of transnational corporations in the development process, so as to enable the special session to contribute further to the appropriate changes in the overall pattern of international economic relations;

5. Requests the Secretary-General, in effective and close consultation with Member States, to appoint immediately a small group of high-level experts, selected on a broad geographical basis and nominated by Governments, to submit to the Preparatory Committee at its second session a study containing proposals on structural changes within the United Nations system so as to make it fully capable of dealing with problems of international economic co-operation in a comprehensive manner, taking into account, inter alia, developments in the fields of trade, financing, international monetary reform, agriculture and industrialization, and bearing in mind, as appropriate, the relevant work already under way in reviewing the agreements between the United Nations and the specialized agencies and the International Atomic Energy Agency, which could lead to an expanded role for the United Nations system with effective and expeditious support for the economic and social development of developing countries, and which could be used by the Preparatory Committee in acting upon the task referred to in paragraph 1 (b) of resolution 3172 (XXVIII);

6. Decides that the Preparatory Committee shall consider, with a view to finalizing a consolidated document containing concrete recommendations on the basis of which the special session will take decisions that should give impetus to strategies for development on the basis of targets and supportive policy measures for their achievement within a time-bound framework:

(a) The documentation referred to in paragraphs 4 and 5 above and such other matters as may be submitted to it;

(b) The information available from the review and appraisal exercise as envisaged in section II, paragraph 17, of Economic and Social Council resolution 1911 (LVII);

7. Decides that the special session shall be held from 1 to 12 September 1975.

2323rd plenary meeting
17 December 1974

1896 (LVII). Regional co-operation

The Economic and Social Council,

Bearing in mind the need to ensure the accomplishment of the objectives of the Declaration on the Establishment of a New International Economic Order adopted by the General Assembly at its sixth special session in its resolution 3201 (S-VI) of 1 May 1974, through the implementation of the Programme of Action on the Establishment of a New International Economic Order set forth in its resolution 3202 (S-VI) of the same date.

Recalling the role of the regional economic commissions in the mid-term review of the International Development Strategy for the Second United Nations Development Decade,

Taking into account the need for adequate preparations for the special session of the General Assembly devoted to development and international economic co-operation which is to be convened in 1975 pursuant to General Assembly resolution 3172 (XXVIII) of 17 December 1973,

Noting section III of the decision adopted by the Governing Council of the United Nations Development Programme at its eighteenth session relating to the role of the regional economic commissions in the operational activities of the United Nations,^{1/}

I

1. Requests the regional economic commissions to adjust, as appropriate, their respective programmes of work and activities so as to discharge effectively their responsibilities in relation to:

(a) The urgent implementation of the Programme of Action on the Establishment of a New International Economic Order adopted by the General Assembly in its resolution 3202 (S-VI);

(b) The presentation of the regional mid-term reviews of the International Development Strategy;

(c) The preparation, at the regional level, of the special session of the General Assembly devoted to development and international economic co-operation, with a view to ensuring that the special session will contribute fully to the establishment of the New International Economic Order;

^{1/} Official Records of the Economic and Social Council, fifty-seventh session, Supplement No 2A (E/5543), paragraph 111.

2. Requests the Executive Secretaries of the regional economic commissions to submit, as soon as possible, to the member countries of their respective commissions, suggestions for the implementation of the provisions of paragraph 1 above;

3. Urges the Secretary-General of the United Nations and, as appropriate, the Administrator of the United Nations Development Programme to take the necessary measures to enable the regional economic commissions to carry out the mandate given to them in paragraph 1 above;

4. Further requests the regional economic commissions to report to the Economic and Social Council at its fifty-eighth session on the measures adopted in compliance with the present resolution and to continue to report periodically thereafter on such measures through the channel to be established in conformity with paragraphs 3 and 4 of section IX of the Programme of Action, which deals with the strengthening of the role of the United Nations system in the field of international economic co-operation;

II

5. Requests the Secretary-General, in consultation with the Administrator of the United Nations Development Programme, to make the necessary arrangements allowing for the delegation of the appropriate functions of an executing agency to the regional economic commissions for regional, sub-regional and interregional projects, financed by the Programme, in cases where such delegation is requested by the countries concerned and recommended by the Administrator of the Programme;

6. Requests the regional economic commissions to extend their co-operation to the United Nations Development Programme by participating in the planning and, as appropriate, the implementation of the relevant regional, sub-regional and interregional projects, and by ensuring the co-ordination with the Programme of their own activities and, in particular, the activities of the United Nations Development Advisory Teams.

1919th plenary meeting
1 August 1974

1911 (LVII). Implementation of the Declaration and the Programme of Action on the Establishment of a New International Economic Order; mid-term review and appraisal of the International Development Strategy; special session of the General Assembly devoted to development and international economic co-operation

The Economic and Social Council,

Recalling General Assembly resolution 3201 (S-VI) of 1 May 1974 containing the Declaration on the Establishment of a New International Economic Order and General Assembly resolution 3202 (S-VI) of 1 May 1974 concerning the Programme of Action on the Establishment of a New International Economic Order,

Recalling General Assembly resolution 2626 (XXV) of 24 October 1970 on the International Development Strategy for the Second United Nations Development Decade,

Recalling General Assembly resolution 2801 (XXVI) of 14 December 1971 on the review and appraisal of the objectives and policies of the International Development Strategy for the Second United Nations Development Decade and General Assembly resolution 3178 (XXVIII) of 17 December 1973 on preparations for the mid-term review and appraisal of the International Development Strategy for the Second United Nations Development Decade,

Further recalling General Assembly resolution 3176 (XXVIII) of 17 December 1973 on the first biennial overall review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade,

Recalling also General Assembly resolution 3172 (XXVIII) of 17 December 1973 on the holding of a special session of the General Assembly devoted to development and international economic co-operation,

Considering that collective economic security should be promoted and its concept further defined and elaborated, with full respect to the principle of the sovereignty of States, and that it should foster the acceleration of the process of development of developing countries within the framework of the New International Economic Order as well as ensure the improvement of international co-operation, overall development and the prosperity of all countries,

Bearing in mind that international security cannot be complete if it does not include an economic dimension which guarantees to all countries the right to implement their development programmes free from economic aggression and any other form of coercion,

Acknowledging the importance of integrating economic and social approaches in development strategies,

Recognizing that, consonant with the long-term development needs of the developing countries, assistance extended to meet their immediate needs should also constitute an essential element in international co-operation for development,

Bearing in mind the pledge of all Member States to make full use of the United Nations system in the implementation of the Programme of Action on the Establishment of a New International Economic Order,

Emphasizing the urgent need for implementing the Declaration and Programme of Action, together with the Special Programme outlined in section X of the Programme of Action, including particularly emergency measures to mitigate the difficulties of the developing countries most seriously affected by the recent economic crisis, bearing in mind the particular problem of the least developed and the land-locked countries,

Recalling that all organizations, institutions, subsidiary bodies and conferences of the United Nations system are entrusted with the task of implementing the Declaration and the Programme of Action,

Bearing in mind in particular the task of the Economic and Social Council, assigned to it by the General Assembly at its sixth special session, of defining the policy framework and co-ordinating the activities of all organizations, institutions and subsidiary bodies within the United Nations system and of drawing the attention of the Assembly to any problems and difficulties which may arise in connexion with the implementation of the Declaration and the Programme of Action,

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,

Considering further that all the activities of the United Nations system to be undertaken under the Programme of Action, as well as those already planned, such as the World Population Conference, 1974, the World Food Conference, the Second General Conference of the United Nations Industrial Development Organization and the mid-term review and appraisal of the International Development Strategy for the Second United Nations Development Decade, should be so directed as to enable the special session of the General Assembly to be devoted to development to make its full contribution to the establishment of the New International Economic Order,

I

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 on the Establishment of a New International Economic Order;

2. Requests all organizations, institutions, subsidiary bodies and conferences of the United Nations system to take immediate measures to implement the provisions of the Declaration and Programme of Action within their respective fields of competence and to reorient and adapt their programme of work so as to make them fully conducive to the accomplishment of this task;

3. Requests the executive heads of all organs and organizations in the United Nations system to submit, as appropriate, reports to their respective governing bodies concerning the reorientation and adaptation of their programme of work;

4. Further requests all organizations, institutions, subsidiary organs and conferences of the United Nations system to submit reports on the implementation of the Declaration and the Programme of Action, within their respective fields of competence, to the Economic and Social Council at its fifty-eighth session;

5. Stresses the importance of further evolving and defining, with full respect for the principle of the sovereignty of States, the concept of collective economic security for the full development of developing countries within the framework of the New International Economic Order as well as for the improvement of international co-operation, overall development and the prosperity of all countries;

6. Takes note with appreciation of the contributions already announced by some countries in response to the appeal of the Secretary-General to finance the emergency operation to provide timely relief to the most seriously affected developing countries;

7. Reiterates the call to those industrialized countries and other potential contributors that have not yet done so to extend immediate relief and assistance to the most seriously affected countries, which must be of a magnitude commensurate with the needs of these countries so as to enable them to maintain unimpaired essential imports for the duration of the emergency operation launched by the General Assembly in accordance with section X, paragraph 2, of the Programme of Action;

8. Fully endorses the efforts of the Secretary-General to ensure the early implementation of the emergency operation and requests him to report on the progress thereof to the General Assembly at its twenty-ninth session;

9. Invites all industrialized countries and other potential contributors to participate in the proposed ministerial meeting to be held in September 1974, with a view to taking concrete action to complete the emergency operation;

10. Urges the Ad Hoc Committee on the Special Programme established by the General Assembly at its sixth special session to complete, as a matter of urgency, the tasks assigned to it in sub-paragraphs (a), (b) and (c) of paragraph 6 of the Special Programme and to submit to the General Assembly at its twenty-ninth session, through the Economic and Social Council at its resumed fifty-seventh session, an assessment of the requirements of the most seriously affected countries, as well as recommendations that would enable the General Assembly to take the appropriate decisions in particular for the commencement at the latest by 1 January 1975 of the operations of the Special Fund established in paragraph 5 of the Special Programme;

11. Decides to assess, at its fifty-eighth session, on a preliminary basis, the progress made in the implementation of the goals and measures specified in the Declaration and the Programme of Action;

12. Decides that the Committee on Review and Appraisal should meet from 12 May to 6 June 1975 and should undertake an overall review of the implementation of the International Development Strategy, and of the Declaration and the Programme of Action;

13. Requests all organizations, institutions and subsidiary bodies of the United Nations system to take into account the Declaration and the Programme of Action when conducting the review and appraisal of the International Development Strategy at the regional and sectoral levels, and to make their reports available in time to enable the Committee on Review and Appraisal to consider them at its meetings referred to in paragraph 12 above;

14. Invites all States Members of the United Nations also to include the evaluation of the implementation of the Programme of Action in conducting the review and appraisal exercise at the national level;

15. Recognizes the importance for the review and appraisal process of a prompt response by Governments to the communications addressed to them by the Secretary-General in connexion with the mid-term reviews at the national level, and the importance of the timely preparation of the regional and sectoral reviews;

16. Decides, in preparation for consideration by the Committee on Review and Appraisal and by the Economic and Social Council at its fifty-ninth session, to undertake at its fifty-eighth session a preliminary consideration of new commitments, changes, additions and adaptations in the International Development Strategy in the light of the Declaration and the Programme of Action, and to forward its findings to the Committee on Review and Appraisal for appropriate action;

17. Requests the Committee on Review and Appraisal to present to the Economic and Social Council at its fifty-ninth session a comprehensive draft review of the implementation of the International Development Strategy and of the Declaration and Programme of Action, including an identification of the progress made and of shortfalls in the achievement of the objectives set therein 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, and in so doing to take into consideration other activities of the United Nations system;

18. Recommends that the overall mid-term review and appraisal of the progress in implementing the International Development Strategy, to be undertaken by the General Assembly at its thirtieth session, should fully reflect the conclusions and recommendations of the Council referred to in section II of the present resolution, as well as the policy decisions at the special session of the General Assembly to be held in September 1975;

19. Requests the Secretary-General and the executive heads of agencies, in the light of paragraph 84 of the International Development Strategy and with reference to paragraphs 8 and 9 of Council resolution 1806 (LV) of 8 August 1973, entitled "Dissemination of information and mobilization of public opinion relative to problems of development", to arrange for the timely co-ordination of their activities in the field of public information relating to the International Development Strategy and to the Declaration and Programme of Action, and to that end to report to the Economic and Social Council at its fifty-eighth session;

III

20. Recommends that, with a view to accelerating the establishment of the New International Economic Order, on the basis of equity, sovereign equality, interdependence, common interest and co-operation among all States, the General Assembly at its special session devoted to development and international economic co-operation, called for in Assembly resolution 3172 (XXVIII) of 17 December 1973, should discuss the major themes and problems of the development process and in this context decide on measures designed to bring about the necessary and appropriate changes required in the existing structures and institutions within the United Nations system and consider appropriate changes in the overall pattern of international economic relations;

21. Considers that the results of the World Population Conference, the World Food Conference, the Second General Conference of the United Nations Industrial Development Organization, other conferences and instruments scheduled or in preparation within the United Nations system, the findings of the multilateral trade negotiations and the results of the reform of the international monetary system, as well as

the comprehensive draft review referred to in paragraph 17 above concerning the International Development Strategy, the Declaration and the Programme of Action and the results of the preparatory process of the special session itself, should contribute to the achievement of the aims set out in paragraph 20 above;

22. Decides to establish, in order to facilitate adequate and thorough preparation for the special session, a preparatory committee open to all States Members of the United Nations, to draw up an annotated agenda, to collate all relevant documentation and to prepare studies and proposals to deal with the matters referred to in paragraph 20 above;

23. Recommends that the special session of the General Assembly should be held for a period of two weeks just before the thirtieth session of the Assembly in 1975.

1921st plenary meeting
2 August 1974

310 (XIV). INTERNATIONAL DEVELOPMENT STRATEGY

The Economic Commission for Latin America,

Having taken note of General Assembly resolution 2626 (XXV) laying down the International Development Strategy for the Second United Nations Development Decade, and of the document on the same subject presented by the secretariat (E/CN.12/869),

Bearing in mind that Latin America as a whole maintained the same growth rate in the First United Nations Development Decade as in the 1950s and made significant progress in various important economic spheres, but such progress was not evenly spread over all the countries of the region, the trends were not sustained and, in general, were not reflected in qualitative and structural changes that would help to satisfy the expectations awakened or alleviate the economic and social tensions prevailing in many countries of the region,

Considering that, in spite of some improvement in its external economic relations, Latin America is not receiving its fair share of the growth of the world economy, that the terms of trade have frequently shown unfavourable trends, and that payments disequilibria have often resulted in high levels of external indebtedness,

Bearing in mind that economic and social progress is the common and shared responsibility of the entire international community, as is recognized in United Nations resolution 2626 (XXV), and that the circumstances in which the Latin American economies are developing show the evident need for greater internal and external efforts to overcome the obstacles to economic and social progress,

Recognizing that the Latin American countries are anxious to attain appreciably higher development goals than in the past and to spread the resulting benefits more equitably, and that they have expressed their will and determination to participate actively in the action laid down in the United Nations International Development Strategy, inasmuch as it provides an appropriate framework for combining and harmonizing national policies and external co-operation measures,

Reaffirming that, as recognized by the General Assembly, the primary responsibility for development lies with the developing countries themselves, and making the most effective use of their national economic potential depends on each country's internal efforts and on the policies it adopts to that end, but that it is for the

international community to facilitate and complement those efforts through the adoption of concerted and more favourable policy measures by developed countries in such fields as financing, trade, and technology,

Considering that ECLA will assume the main responsibility for appraisal at the regional level, "in co-operation with regional development banks and sub-regional groupings, and with the assistance of other organizations of the United Nations system",

Taking into account that the developing countries will, as appropriate, establish or strengthen their planning mechanisms, including statistical services, for formulating and implementing their national development plans during the Decade.

1. Recommends that the Governments of the developing countries members of the Commission should:

(a) Define as soon as possible their economic and social development goals and objectives in the context of their national programmes for the present decade, as indicated in the International Strategy, particularly with respect to the acceleration of their economic growth rates and the qualitative and structural changes that should accompany it, import and export needs, the mobilization of domestic resources and their complementary requirements in terms of external financial and technical co-operation;

(b) Strengthen and perfect planning systems that are attuned to each country's special characteristics, so as to provide themselves with the best possible technical bases for formulating and implementing their economic and social policies and to facilitate appraisals thereof;

(c) Adopt the necessary measures to improve their statistical services and, in particular, to make available up-to-date basic data for the periodical review and appraisal of progress towards national and regional development. These data should relate to: (i) the rate and steadiness of growth; (ii) the structural and technological changes that have occurred in the process of development; (iii) the social impact of the development process; (iv) trends and changes in the external sector;

(d) Make available periodically on a regular basis, particularly for the appraisal of the social effects of development, the basic statistical data required for following trends in: (i) employment and the structure of employment; (ii) income distribution; (iii) the level of living of the urban and rural population; (iv) regional imbalances; (v) the position with regard to nutrition, health, education, housing and other social factors;

(e) In the different international forums, press for the implementation of the policy measures contained in the International Development Strategy, both by the industrialized and by the developing countries;

2. Requests the developed countries and the international organizations concerned to announce, in good time and at regular intervals, the specific decisions and measures that they adopt, implement and envisage to give effect to the International Strategy;

3. Instructs the secretariat, in accordance with resolution 2626 (XXV), to adopt the necessary measures for:

(a) Carrying out appraisals at the regional level, the first of which should be submitted to the Commission at its fifteenth session. To this end, it urges the specialized agencies of the United Nations to examine the progress made in their respective sectors, to provide the necessary information and criteria and to collaborate with the Commission in carrying out the regional appraisals. With the same end in view the secretariat will endeavour to reach specific agreements with those agencies on the co-ordination of technical work and will make every effort to obtain studies and information from the regional international and intergovernmental organizations operating in Latin America, and also to enlist their co-operation as much as possible. Governments will give the necessary instructions to their representatives in the institutions concerned, and the secretariat will try to co-ordinate such contributions with these organizations;

(b) Establishing the methods and criteria that will enable the countries and the secretariat itself to carry out the appraisals envisaged in resolution 2626 (XXV);

(c) Collecting and analysing data on trends in the Latin American economies in order to carry out the above-mentioned regional appraisals;

4. Requests the secretariat and ILPES to give priority to requests from Governments of member countries for technical assistance in connexion with tasks arising out of the Development Strategy;

5. Establishes a Committee of High-Level Government Experts, composed of the developing countries members of the Commission, to serve as a forum for analysing the different points connected with the achievement and appraisal of the objectives of the International Development Strategy in Latin America, in accordance with paragraphs 79 and 81 of General Assembly resolution 2626 (XXV). In consultation with Governments, the secretariat will convene the Committee at the appropriate time, and will submit to it the results of such meetings at the technical level as may be necessary and any studies it is carrying out on the subject;

6. Further requests the secretariat to continue the studies now under way and to initiate studies where they are not now being done for all developing countries in the region on:

(a) The different long-term development methods and strategies of the Latin American countries, so as to analyse their effects in such major areas as employment, income distribution, regional imbalances, sectoral trends, degree of external dependence, and technological development;

(b) The social aspects of development;

(c) Mobilization of domestic resources, including financial intermediation and the role of the public sector in the mobilization of such resources;

(d) Income distribution and basic research on income distribution patterns in the countries of the region;

(e) Regional imbalances and policies and the different aspects of the process of urbanization;

(f) Expansion, diversification and access to the export markets of the Latin American countries, and strengthening of their export capacity;

(g) External financing and how it may be increased on conditions and by methods that will ensure that it makes an effective contribution to the economic and social development of the Latin American countries;

(h) The share and the effects of private foreign investment in the Latin American countries;

(i) Progress towards integration, bearing in mind the integration systems now in operation.

162nd meeting,
7 May 1971.