

General Assembly, to prepare a report on the ways and means of promoting wider trade co-operation among States, irrespective of their economic systems and stages of development, including, *inter alia*, the consideration of all the arrangements for such co-operation;

4. *Requests* the Secretary-General to submit this report to the Economic and Social Council at its thirtieth session and to the General Assembly at its fifteenth session;

II

1. *Considers* that the United Nations and the specialized agencies concerned should expand the useful work which they are doing in promoting the stabilization of the commodity markets and the development of reciprocally beneficial multilateral trade;

2. *Considers* that it would be desirable to work out, within the United Nations and other appropriate forums, measures to promote the stabilization of the commodity markets and the development of trade between the highly developed and the less developed countries on a reciprocally beneficial and non-discriminatory basis, including, where appropriate, short-, medium- or long-term trade agreements, international commodity agreements and the establishment of international study groups;

3. *Recommends* that the industrially developed and the economically less developed countries should continue to encourage, by means of freely negotiated credit arrangements, the export of machinery and industrial equipment to the less developed countries, without any restriction on the freedom of these countries to buy and sell in the best market.

*846th plenary meeting,
5 December 1959.*

1422 (XIV). Development of international trade and international commodity problems

The General Assembly,

Recalling its resolution 1324 (XIII) of 12 December 1958 and noting Economic and Social Council resolution 726 (XXVIII) of 24 July 1959,

Convinced that economic and social progress throughout the world, especially in the under-developed areas, depends largely on a steady increase in international trade,

Bearing in mind that exports of a relatively small number of primary commodities constitute the main source of foreign exchange earnings of many countries, particularly in the under-developed areas,

Considering that excessive fluctuations in commodity prices affect the volume of export receipts and the budgetary resources of many countries, and in the case of the under-developed countries are likely to hamper the sound and stable development of the economy,

Convinced that a policy of economic assistance to the under-developed countries will be more effective if the excessive instability of commodity markets is remedied, and that to seek solutions to this problem should be one of the main concerns of all Member States,

Noting the approval given by the Economic and Social Council to the programme of work of the Commission on International Commodity Trade, including the detailed study of national and international measures to deal with fluctuations in primary commodity markets,

Noting further that the Contracting Parties to the General Agreement on Tariffs and Trade have undertaken a study of the problem of the long-term expansion of trade, and in particular of the exports of countries producing primary commodities,

Considering however that the procedures of multilateral financial assistance do not always enable countries that have suffered from a sharp and sudden drop in the prices of the raw materials they export to overcome rapidly the deficit in their balance of payments and at the same time to carry out their development programmes,

1. *Appeals anew* to the Governments of Member States to continue their efforts to solve the problems relating to commodity production and trade, including, where appropriate, participation in existing international commodity agreements or the negotiation of agreements between the principal producers and the principal consumers of the same product, in their mutual interest, or participation in international study groups;

2. *Takes note with appreciation* of Economic and Social Council resolution 726 (XXVIII) approving the report and programme of work submitted by the Commission on International Commodity Trade,³ and expresses the hope that the Commission in the course of its studies will give careful attention to the types of comprehensive commodity schemes referred to in part I, chapter 3, of the *World Economic Survey, 1958*;⁴

3. *Invites* the Governments of Member States to extend the greatest possible assistance to the Commission on International Commodity Trade in order to help it carry out its programme of work quickly and effectively;

4. *Recommends* that the regional economic commissions, the specialized agencies concerned, especially the Food and Agriculture Organization of the United Nations, the Contracting Parties to the General Agreement on Tariffs and Trade and the international study groups dealing with commodity problems give particular attention to the problems of countries dependent to a high degree on the export of a small number of primary commodities;

5. *Urges* the Governments of Member States:

(a) To contribute to the greatest possible extent, either unilaterally or in the competent international organizations, to the progressive abolition of all such discrimination, quantitative limitations and other restrictive practices as are prejudicial to the sound development of international commodity trade;

(b) To take into account, in formulating their economic policy, the effect that it may have on the export opportunities of the primary-producing countries;

6. *Requests* the Commission on International Commodity Trade to give particular attention, in carrying out its programme of work, to the study of means for giving temporary assistance to countries encountering serious payment difficulties as a result of a sharp and sudden drop in the prices of their raw material exports, with a view to enabling them to take the necessary measures and at the same time continue to carry out their economic development programmes.

*846th plenary meeting,
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³ *Official Records of the Economic and Social Council, Twenty-eighth Session, Supplement No. 6 (E/3225).*

⁴ United Nations publication, Sales No.: 59.II.C.1.