

including the United Nations Conference on Trade and Development,

Recalling also that, in his two statements, the Secretary-General indicated that a large part of the work involved would be carried out in co-operation with the Economic Commission for Western Asia, and that the Commission would require four economists, appointed for six months each, and General Service secretarial support as well as travel funds for the preparation of the report,

Noting that, in view of the staffing proposals for the Economic Commission for Western Asia, the Advisory Committee on Administrative and Budgetary Questions recommended⁸⁹ an additional provision in the amount of \$37,000 to cover the cost of two economists only for a period of six months each and that the General Assembly approved this additional appropriation to supplement the staff and resources of the Commission in the work involved in the preparation of the report,

Noting also that the report of the Secretary-General⁹⁰ was not prepared in conformity with paragraph 5 of General Assembly resolution 3336 (XXIX), the related statements made on behalf of the co-sponsors and by the Secretary-General, and the administrative and financial implications and provisions approved by the Assembly, but contained only annexes setting forth information available to Governments and to some of the relevant specialized agencies and United Nations organs which were not involved in the preparation of substantive studies related to the report,

1. *Notes* that the report of the Secretary-General is inadequate as it did not incorporate the necessary substantive and comprehensive studies required in conformity with paragraph 5 of General Assembly resolution 3336 (XXIX) and related documents, including the record of the meeting of the Second Committee,⁸⁶ the statements on administrative and financial implications⁸⁸ and the recommendation of the Advisory Committee on Administrative and Budgetary Questions;⁸⁹

2. *Requests* the heads of the relevant specialized agencies and United Nations organs, particularly the United Nations Conference on Trade and Development and the Economic Commission for Western Asia, to co-operate actively and adequately with the Secretary-General in the preparation of a final comprehensive report;

3. *Requests* the Secretary-General to submit to the General Assembly at its thirty-first session his final comprehensive report, which should fulfil the above-mentioned requirements.

2441st plenary meeting
15 December 1975

3517 (XXX). Mid-term review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade

The General Assembly,

Having undertaken, in accordance with paragraph 83 of the International Development Strategy for the Second United Nations Development Decade contained in

resolution 2626 (XXV) of 24 October 1970, a mid-term review and appraisal of progress achieved in the implementation of the Strategy,

Bearing in mind 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, and 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, which lay down the foundations of the new international economic order,

Recalling its resolution 3176 (XXVIII) of 17 December 1973 on the first biennial over-all review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade,

Further bearing in mind its resolution 3362 (S-VII) of 16 September 1975 on development and international economic co-operation, which in the context of the foregoing calls for the implementation of its provisions by Governments and which would serve as the basis and framework for the work of the competent bodies and organizations of the United Nations system,

1. *Reaffirms* its adherence to a strategic framework for international development co-operation as embodied in the International Development Strategy for the Second United Nations Development Decade, based on mutually consistent and reinforced goals and objectives and commitments to the adoption and implementation of measures to realize those goals and objectives;

2. *Adopts* the text of the mid-term over-all review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade, as set forth in sections I to III of the present resolution;

3. *Urges* Member States to implement the measures, undertaken within the framework of the International Development Strategy, set forth in section IV of the present resolution;

4. *Urges* Member States to implement the policy measures unanimously agreed upon by the General Assembly at its seventh special session in resolution 3362 (S-VII) concerning international trade, transfer of resources for development, international monetary reform, science and technology, industrialization, food and agriculture and co-operation among developing countries and, to that end, requests all Governments to take the required measures and come to the international meetings sufficiently prepared so as to make it possible for the competent bodies of the United Nations concerned, particularly the United Nations Conference on Trade and Development at its fourth session, the United Nations Industrial Development Organization, the World Food Council and the World Bank Group, to reach urgent and satisfactory agreements on those matters referred to them for implementation;

5. *Urges* developed and developing countries to continue seeking new areas of agreement and widening the existing ones, within the framework of the appropriate international organizations, through addressing themselves, *inter alia*, to the following issues:

(a) Extension of preferential treatment in favour of developing countries in trade;

(b) Differential and more favourable treatment in favour of developing countries, in appropriate cases in areas other than trade;

⁸⁹ Official Records of the General Assembly, Twenty-ninth Session, Annexes, agenda item 73, document A/9978/Add.1, para. 4.

⁹⁰ A/10290 and Add.2.

(c) International norms and procedures to govern departures from the provisions of the principle of standstill;

(d) Transfer of resources to developing countries on a predictable, continuous and assured basis, through, *inter alia*:

- (i) The establishment of a link between additional development financing and special drawing rights as and when they are created according to the needs of international liquidity;
- (ii) The possible utilization of the proceeds from the exploitation of the resources of the sea-bed and the ocean floor and the subsoil thereof beyond the limits of national jurisdiction;

(e) Increased financing of development in developing countries in accordance with their national plans and priorities through new approaches such as increased access on favourable terms to the capital market of developed countries;

(f) Full and effective participation of developing countries in the international economic system and their contribution to its functioning;

6. *Invites* Member States to take appropriate steps to ensure the implementation of all the provisions of the International Development Strategy;

7. *Decides* to include in the provisional agenda of its thirty-first session an item entitled "Revision of the International Development Strategy for the Second United Nations Development Decade", so that the Strategy fully takes into account the principles and policy decisions adopted within the United Nations since the adoption of the Strategy and, in particular, resolutions 3201 (S-VI) and 3202 (S-VI), containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX), containing the Charter of Economic Rights and Duties of States, and 3362 (S-VII) on development and international economic co-operation;

8. *Invites* the regional commissions, in the light of the present resolution, to carry forward work already undertaken in preparation for this mid-term review and appraisal, in co-operation with the other competent organizations of the United Nations system;

9. *Requests* the governing bodies of the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization, the United Nations Development Programme, the United Nations Environment Programme and the specialized agencies, in the light of this mid-term review and appraisal, to recommend in their respective sectors new goals and objectives, as appropriate, for the remainder of the Decade, taking into account the conclusions and recommendations of the international conferences which have taken place since the adoption of resolution 2626 (XXV);

10. *Invites* the Committee on Development Planning to submit to the Economic and Social Council at its sixty-first session a report containing projections for the remainder of the Decade and, as appropriate, proposals for revision of the goals and objectives of the International Development Strategy, as well as recommendations for new goals and objectives, in the light of the conclusions and recommendations of the international conferences which have taken place since the adoption of resolution 2626 (XXV);

11. *Requests* the Secretary-General to prepare and submit to the Economic and Social Council at its sixty-first session appropriate documentation on the basis, *inter alia*, of the preparatory work to be done in accordance with paragraphs 8 to 10 above;

12. *Invites* the Economic and Social Council to include in the provisional agenda of its sixty-first session an item dealing with the revision of the International Development Strategy for the Second United Nations Development Decade.

Review and appraisal of progress in the implementation of the International Development Strategy

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I. INTRODUCTION

1. This mid-term review and appraisal of progress in the implementation of the International Development Strategy for the Second United Nations Development Decade takes place at a time when the international economic situation is continuing to change and when events have been following each other so rapidly as to shake the foundations of the existing economic order. In the first half of the Decade there has been a succession of crucial events. The Bretton Woods system broke down in 1971. From January 1973, the prices of food, fuel and fertilizer rose so rapidly that, together with ever-increasing prices of capital goods, equipment and services, the balance-of-payments situation of most developing countries deteriorated. During 1974, most commodity prices slumped. Existing structural imbalances in agricultural production were aggravated by, *inter alia*, a continuation of unfavourable climatic conditions. The situation in developing countries was further exacerbated by the economic recession in the developed market economies, combined with the acceleration of the pace of inflation. During the first half of the Decade, an alarming increase occurred in the gap between developed and developing countries, and there was also an irreversible and most promising change in the relationship of forces of the world. The developing countries emerged as a more powerful factor, as a necessary consequence of the new and growing perception of the reality of interdependence. This newly found strength of the developing countries opens up promising avenues for enlarging and reinforcing co-operation among those countries on the basis of the fraternal solidarity of their peoples in facing the challenge of development, justice and equity. Particularly important is the joint action of the developing countries to safeguard their permanent sovereignty over their natural resources and economic activities, and to strengthen their negotiating power for obtaining a just and equitable treatment for their exports of both primary products and manufactured goods. Furthermore, parts of the developing world are still subject to foreign aggression and occupation, *apartheid* and

colonial and neo-colonial domination, this being one of the greatest obstacles to the economic emancipation and development of the developing world as a whole as well as one of the greatest threats to peace and security throughout the world.

2. This situation led to the call for the establishment of a new international economic order at the sixth special session of the General Assembly, based on true international economic interdependence, full equity, sovereignty of States, sovereign equality, common interest and co-operation among all States, irrespective of their economic and social systems. In this context, several priority areas were identified by *ad hoc* world conferences which considered problems of environment, population, food, industrialization and the role of women in development, and by the General Assembly at its seventh special session, which was a major follow-up to the sixth special session. However, the results of the implementation of action taken at these conferences did not have any impact on the situation prevailing in the first half of the Decade.

3. Developed countries have not, by and large, implemented the policy measures of the International Development Strategy, and indeed there has been some retrogression. The inadequate implementation of policy measures embodied in the Strategy, compounded with a continuing economic crisis which affects particularly the developing countries because of their greater vulnerability to external economic impulses, produced the most discouraging results with minimal progress in the advancement of the cause of development.

4. Despite agreement at the first biennial review on the necessity to implement the policy measures agreed upon, there has been inadequate movement on the part of the developed countries towards making the development objective a central focus of issues to which the international community should urgently seek effective and consistent solutions.

II. ACHIEVEMENT OF GOALS AND OBJECTIVES

5. Some of the aggregate targets set in the International Development Strategy were met or exceeded, owing mainly to the developing countries' own efforts and to a certain extent to external factors such as the "commodity boom". These aggregate figures, however, do not reflect the variation in achievements by individual developing countries. The main features of achievement are set forth in paragraphs 6 to 13 below.

6. The average growth rate in developing countries has continued at approximately the target set for the Decade, though the annual growth rate *per capita* was 3.3 per cent, or a little below the target of 3.5 per cent set by the International Development Strategy.

Table 4. *Change in exports and imports of developing countries*
(International Development Strategy target, 1971-1980:
7 per cent per annum)

	Average annual rate of increase (percentage)		Percentage change from preceding year			
	1971-1974	1971	1972	1973	1974	
Quantum of exports	6.5	7.1	8.4	8.3	2.5	
Quantum of imports	7.9	7.1	1.9	9.8	13.1	

SOURCE: *World Economic Survey, 1974.*

11. The net flow of financial resources of official development assistance, a major area of development policy, has decreased in real terms and as a percentage of gross national product.

Table 5. *Net flow of official development assistance from developed market economy countries*
(International Development Strategy target, 1971-1980:
0.7 per cent per annum)

Period	Percentage share of public debt service payment to the exports of goods and non-factor services (seventy-eight developing countries)	
	1969-1970	1971-1973
	0.34	0.32
		0.32

SOURCE: *World Economic Survey, 1974.*
* Provisional data.

Table 1. *Gross domestic product of developing countries*
(International Development Strategy target, 1971-1980:
6 per cent per annum)

Average annual rate of change (percentage)		Percentage change from preceding year			
1961-1970	1971-1974	1971	1972	1973	1974
5.5	5.9	5.2	5.6	7.0	5.6

SOURCE: *World Economic Survey, 1974* (United Nations publication, Sales No. E.75.II.C.1).

7. A major area of shortfall was in the agricultural sector, where less than half the target rate of 4 per cent was realized by the developing countries as a whole.

Table 2. *Agricultural production of developing countries*
(International Development Strategy target, 1971-1980:
4 per cent per annum)

Average annual rate of change (percentage)		Percentage change from preceding year			
1961-1970	1971-1974	1971	1972	1973	1974
2.8	1.5	1.6	-0.8	3.9	1.5

SOURCE: *World Economic Survey, 1974.*

8. The over-all target of 8 per cent per annum in manufacturing output was attained in general, and in some cases exceeded.

Table 3. *Manufacturing production of developing countries*
(International Development Strategy target, 1971-1980:
8 per cent per annum)

Average annual rate of change (percentage)		Percentage change from preceding year			
1971-1974		1971	1972	1973	1974
8.3		6.7	8.9	9.0	8.7

SOURCE: *World Economic Survey, 1974.*

9. Developing countries as a whole have achieved the domestic savings rate of 20 per cent set for 1980, though for many developing countries the rate was somewhat less.

10. A main factor conducive to the over-all achievements of the developing countries during this period was trade. In external trade and payments, quantum increases for many developing countries in the early years of the Decade decelerated in 1974, resulting in an average rate of somewhat less than the 7 per cent target of the International Development Strategy.

12. The burden of debt service payments of developing countries has continued to increase in relation to their export earnings.

Table 6. *Service payments on external public debt of seventy-eight developing countries*

Percentage share of public debt service payment to the exports of goods and non-factor services (seventy-eight developing countries)	
1967	9.9
1970	11.2
1973	10.9

SOURCE: Centre for Development Planning, Projections and Policies of the United Nations Secretariat.

13. Population policies have, by and large, been implemented by developing countries within the context of their development plans and priorities, and the target of 2.5 per cent of average annual increase in population in developing countries has almost been reached.

III. EVALUATION OF THE IMPLEMENTATION OF POLICY MEASURES

14. Little progress has been made on international action in the field of commodity trade. In spite of international efforts to achieve stable, equitable and remunerative prices for primary commodities exported by developing countries, there has been little progress in the field of commodity trade. The protection of domestic production and restrictive trade practices in some developed countries and/or the emergence and increased production of synthetic substitutes have contributed to a slowing down of growth of demand for agricultural products. However, a scheme for the stabilization of export earnings on selected commodities was agreed upon between the European Economic Community and forty-seven developing countries.

15. Little has been accomplished on the issue of access to markets for primary commodities, particularly agricultural products of export interest to developing countries, in spite of the agreement reached by the Ministers of the Contracting Parties to the General Agreement on Tariffs and Trade at their meeting held at Tokyo from 12 to 14 September 1973.

16. These negotiations, which according to the Tokyo Declaration were to have been concluded by the end of 1975, have not yet had substantive results, to the particular detriment of developing countries whose economies are particularly sensitive to external conditions. The removal and/or elimination of trade barriers were not satisfactorily achieved during the first half of the Decade in spite of the implementation of the generalized system of preferences. In certain instances, the principle of standstill was not observed by some major trading countries, causing social and economic problems in developing countries.

17. The impact of tariff escalation on processed products is a major obstacle to vertical diversification. Despite the objectives of facilitating improved access to the markets of developed countries for semi-processed and processed commodities of developing countries, adequate international action to achieve those objectives has not yet been forthcoming, thereby hampering the efforts of the developing countries to diversify their economies. In fact, the adverse effects of the Kennedy Round, which actually increased the degree of discrimination against some processed products, still remain a matter of concern.

18. Although the generalized system of preferences represents a break-through in the traditional concept of international trade and co-operation, its benefits to developing countries have so far been of a modest nature, owing mainly to its delayed implementation, to limitations in application by restrictive conditions regarding product coverage, the level of "ceiling", the degree of preference, the size of the preferential tariff quota, as well as the inadequacy of relevant information, which prevents beneficiaries from taking full advantage of the existing schemes. Even such limited benefits as accrue to developing countries from the generalized system of preferences may be eroded both by preferential arrangements among some developed countries and by the prospect of reduction in trade barriers among them following the multilateral trade negotiations within the General Agreement on Tariffs and Trade.

19. Developed countries have in some cases departed from the standstill referred to in the International Development Strategy by applying new restrictions affecting a wide range of developing countries' exports, specifically those products in which the developing countries are becoming competitive in international markets, such as textiles, leather products, certain types of steel and electronic products. Similarly, the new restrictive measures imposed by some developed countries against exports of agricultural products of developing countries, both in raw and processed forms, have severely affected the export earnings of those countries.

20. In spite of growing awareness in the international community of the adverse effects on trade and development of restrictive business practices, which are being studied actively, *inter alia* within the United Nations Conference on Trade and Development, no international action has been taken to eliminate this problem.

21. There has not been systematic progress by developed countries in the implementation of measures called for to evolve a programme to assist in the adaptation and adjustment of their non-competitive industries.

22. There has been a growing effort in developing countries to make greater use of trade promotion as an instrument for the expansion of their exports. The application of countervailing duties by some developed countries has limited the efforts of developing countries in promoting their trade through export policies which include such measures as subsidies and export incentives.

23. During the first three years of the Decade a substantial growth occurred in trade between developing countries and the socialist countries of Eastern Europe. However, there are still certain important problems which trade and economic relations between those countries and developing countries must face. The trade of those socialist countries with developing countries is largely concentrated on a limited number of established partners. There is clearly room for accelerating the growth of trade between those socialist countries and developing countries, as well as a need to intensify further the efforts to adopt specific measures, as called for by the relevant paragraphs of the International Development Strategy, the relevant resolutions of the United Nations Conference on Trade and Development and the Charter of Economic Rights and Duties of States.

24. The current economic situation has given added impetus to the expansion of economic co-operation among developing countries. This need was reflected in the Programme of Action on the Establishment of a New International Economic Order and decisions adopted by the non-aligned countries and other groups of developing countries as well as subregional and regional groups of developing countries, which stressed the need for further collective self-reliance and growing co-operation among developing countries. Some progress has been made within interregional and regional groups. On the basis of trade figures up to 1972, the growth of trade among developing countries has accelerated to over 15 per cent per annum since 1970, compared to 6 per cent during the First United Nations Development Decade. During the remainder of the Second Development Decade, a more vigorous approach is required for joint action by developing countries. The Programme of Action contains some of the steps which should be taken to expand co-operation at the regional, subregional and interregional levels while action is being taken among various groups of developing countries. The fields for such expansion of economic co-operation include industry, raw materials, science, technology, transport, shipping and communication media.

25. The targets for net financial flows in the International Development Strategy were set to provide the critical margin of external financing over and above the financial resources developing countries could obtain through export earnings to meet the minimum growth objectives of the Strategy. The Programme of Action on the Establishment of a New International Economic Order also emphasized the need to reach and even exceed at an accelerated pace the proportion of the flow of total net financial resources from developed countries to developing countries and multilateral institutions. This flow, expressed as a percentage of the gross national product, fell from a level of 0.76 per cent in the early period 1961-1963 to 0.70 per cent during the period 1968-1970 and remained at that level during the period 1971-1973.

26. The performance of countries members of the Development Assistance Committee under the official development assistance target has been even less satisfactory as a whole. The ratio of official development assistance to their combined gross national product declined from 0.53 per cent during the early 1960s to about 0.39 per cent during the period 1966-1969 and to 0.32 per cent during the period 1970-1973. The poor performance of most of the developed market

economy countries with regard to the 0.7 per cent target is due, *inter alia*, to a lack of political will to reach that target by the middle of the Decade.

27. In the face of the declining flows of official development assistance in real terms, developing countries have resorted even more to borrowing on relatively harder terms. This has increased debt-servicing problems, which are now extremely acute for a number of developing countries. Debt-service payments have grown from an annual average of 9.6 per cent during the 1960s to about 16.5 per cent during the period 1970-1972. According to the latest available figures, the ratio of debt-service payments to export earnings for a number of developing countries exceeded 10 per cent in 1974 and in some cases passed the 20 per cent level.

28. The aggregate terms and conditions of financial assistance to developing countries do not reveal the fact that overall efforts to soften and harmonize these terms and conditions of financial assistance to developing countries, as envisaged in the International Development Strategy, have not been adequate. In addition, an excessive amount of development assistance continues to be tied. In paragraph 45, however, the Strategy states that, where loans continue to be tied, the harmful effects should be mitigated; there has been little progress in this area.

29. Within the framework of their national plans and priorities, many developing countries have taken appropriate measures to attract foreign investment. At the same time, concern regarding those aspects of foreign private investment having negative consequences in developing countries has been reflected, *inter alia*, in the continuing consideration of this subject by international economic forums, thus motivating a series of resolutions reaffirming the permanent sovereignty of States over their national resources and economic activities.

30. The Commission on Transnational Corporations has been established by the United Nations in order, *inter alia*, to formulate a code of conduct.

31. Concern was also expressed regarding the corrupt practices of certain transnational and other corporations, their intermediaries and others involved which violate the laws and regulations of host countries. The international community solemnly condemned such practices. Both home and host Governments were called upon to take within their respective national jurisdictions all necessary measures which they deem appropriate, including legislative measures, to prevent such corrupt practices and to take consequent measures against the violators. Home Governments were called upon to co-operate with host Governments to prevent such corrupt practices and to prosecute, within their national jurisdictions, those who engaged in such acts.

32. Consideration has been given to the establishment of a link between special drawing rights and additional development financing. It was agreed at the seventh special session of the General Assembly that the establishment of a link between the special drawing rights and development assistance should form part of the consideration by the International Monetary Fund of the creation of new special drawing rights as and when they are created according to the needs of international liquidity. This small advance is the only progress made to date.

33. The most seriously affected countries continue to face a critical situation, despite international efforts carried out under the United Nations Emergency Operation. The flow of resources designed to assist them in meeting their balance-of-payments problems, as agreed in General Assembly resolution 3202 (S-VI) of 1 May 1974, has been slow and less than adequate.

34. The code of conduct for liner conferences has not to date been adhered to by the major shipping countries.

35. The main objective of the International Development Strategy in the field of insurance and reinsurance is the establishment and growth of domestic insurance and reinsurance markets in developing countries. During the first half of the Decade, some preparatory steps have been taken which could lead to important results in this area in the remainder of the Decade.

36. Despite the series of resolutions adopted after 1970, the essential facts concerning progress in the least developed countries are disappointing. While financial flows to the least developed countries have clearly improved in the 1970s as compared with the late 1960s, the *per capita* flow of official development assistance to these countries is still only slightly above that to other developing countries, and the total flow of financial resources from all sources to these countries still remains well below the average to other developing countries.

37. Little has been done in concrete terms to implement the special measures in favour of the least developed countries, particularly in the field of commercial policy.

38. Likewise, the special measures in favour of the landlocked and island developing countries to assist them in solving their most critical and urgent problems due to their geographical position have yet to be implemented by the international community, especially in regard to compensation for their transportation and additional transit costs, including through the establishment of a special fund.

39. There has been progress in the drafting of a code of conduct for the transfer of technology, though substantive action has still to be taken.

40. There has been some movement towards the revision of the patent system but as yet there has been no concrete action.

41. A number of positive changes have taken place in the world social situation since the advent of the Second United Nations Development Decade. In the context of the increased awareness of the gravity and complexity of human development problems facing the world community, developing countries have made some gains in identifying problems and adopting policies to meet them and also in improving the actual situation, though there is clearly room for further advancement. Such matters as a more equitable distribution of income and wealth, employment, agrarian reform, including reform of land tenure systems whenever appropriate, land improvement, population policies, education and training policies, rural and integrated rural-urban development and the mobilization of internal resources, all of which would contribute appreciably towards a solution to the development problem, remain a source of great national and international concern.

42. Significant advancement has been attained in the field of education, both in the provision of opportunities and in policies. In the area of health, basic health services are still to be extended to cover the entire population, though there has been notable success in some other areas. There is still room for improvement in the provision of housing and related community facilities in both urban and rural areas, particularly in the area of town planning. With respect to the welfare of youth and children, malnutrition, disease, infant mortality, lack of schooling facilities and employment opportunities for youth are still major areas of concern. The integration of women in the development process has still to be complete. Some progress has been noted in securing active support and participation of all segments of the population in socio-economic development programmes.

43. In spite of intensified national and international efforts to arrest the deterioration of the human environment, environmental problems in the fields of land, water and energy use and climatic change have made themselves increasingly felt.

44. A unified approach to the analysis and planning of development at the national level covering all sectors of the national economy, both public and private, is being increasingly regarded as a means for the attainment of a balanced economic, social and human development in the light of the circumstances prevailing in the countries concerned.

45. Although developing countries give priority to development programmes for the benefit of the masses, much remains to be done to achieve an integrated rural development.

46. The primary responsibility for the development of developing countries rests upon the countries themselves. However, as is stated in the preamble of the International Development Strategy, the efforts of the developing countries 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 the developed countries. In both areas there has been slow progress in the implementation of these policy measures.

IV. FURTHER ACTION

47. A more balanced and equitable system of international economic relations should be promoted, *inter alia*, by efforts to adjust the present pattern of world trade in favour of the developing countries so as to increase their participation therein and to reduce to a minimum the negative impact of economic fluctuations. A number of options are open to the international community to preserve the purchasing power of developing countries. These need to be further studied on a priority basis. The Secretary-General of the United Nations Conference on Trade and Development should continue to study direct and indirect indexation schemes and other options with a view to making concrete proposals to the Conference at its fourth session.

48. The efforts of the developing countries to diversify their economies with a view to expanding the production and export of semi-manufactured and manufactured goods, as well as of semi-processed and processed commodities, and broadening the pattern of exports in favour of commodities with relatively dynamic demand conditions, should be supplemented, *inter alia*, by resources from developed countries and by the provision of specific funds for diversification as a feature of commodity arrangements whenever possible.

49. There should be 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; there should also be financial and technical assistance to developing countries producing natural products which suffer from competition with synthetics and substitutes, in order to help them to diversify into other areas of production. Where natural products are able to satisfy present and anticipated world market requirements, no special encouragement should be given to the creation and utilization of new production, particularly in the developed countries, of directly competing synthetics.

50. The trade between the socialist countries of Eastern Europe and developing countries should continue to expand at an accelerated rate and cover a large number of developing countries. While measures should be taken to increase the rate of growth of imports from developing countries, particular attention shall be paid to increasing the rate of expansion of the share of manufactures and semi-manufactures. Efforts should be intensified to enter into new trade arrangements and initiate other improvements in order to bring about greater flexibility and multilateralization of payments.

51. Financial and technical assistance should be directed exclusively towards promoting the economic and social progress of developing countries and should not in any way be used to the detriment of the national sovereignty of recipient countries.

52. Taking into account existing agreements and those under consideration, discussions and negotiations should be vigorously pursued with a view to making arrangements for the transfer of resources to stabilize and improve the export earnings of developing countries. In the context of the search for appropriate means for dealing with the problems of disruption of development arising from the adverse movements in the export proceeds of developing countries, efforts should be continued in order to work out a scheme of supplementary financing.

53. All Governments should co-operate within the framework of the Commission on Transnational Corporations with a view to formulating, adopting and implementing an international code of conduct referred to in the report of the Commission on its first session.⁹¹

54. Developing countries should continue to implement their undertaking in the International Development Strategy for the mobilization of domestic resources.

⁹¹ Official Records of the Economic and Social Council, Fifty-ninth Session, Supplement No. 12 (E/5655 and Corr.1).

55. The role which producers' associations may play within the framework of international co-operation should be facilitated and, in pursuance of their aims, *inter alia*, assistance in the promotion of sustained growth of the world economy should be provided and the development of developing countries should be accelerated.

A. CO-OPERATION AMONG DEVELOPING COUNTRIES

56. Developing countries should take specific measures to intensify their current efforts and initiate new ones to negotiate and put into effect commitments to expand their mutual trade and to extend their economic and technical co-operation at the subregional, regional and interregional levels through, *inter alia*: the establishment of payments arrangements; the mutual liberalization of trade; the utilization of available financial resources for financing development in the developing countries; the promotion of industrial co-operation; co-operation in the field of science and technology; the promotion of subregional, regional and interregional financial support and co-operation; the increase in the production of agricultural inputs, particularly fertilizers and pesticides; and the establishment of national, regional and interregional shipping companies.

57. Developed countries and international organizations should take measures, or, when appropriate, strengthen existing measures, to support economic and technical co-operation among developing countries.

B. INVISIBLES

58. National and international measures should be taken to increase substantially the earnings of developing countries from invisible trade, in particular shipping and other modes of transportation, insurance and tourism and the profitability of their trade, and to improve their balance of payments on a permanent basis.

59. All countries, especially developed countries, which have not yet ratified or acceded to the Convention on a Code of Conduct for Liner Conferences,⁹² are invited to take appropriate and urgent action to do so.

C. SPECIAL MEASURES IN FAVOUR OF THE LEAST DEVELOPED COUNTRIES

60. All efforts should be made by the international community to ensure the sustained economic and social progress of the least developed countries through the urgent and comprehensive implementation of the agreed measures in their favour.

61. Concerted efforts should be made by developed countries and international organizations through their programmes of technical and financial assistance to meet the needs of the least developed countries in their development objectives. The terms and conditions of financial assistance to these countries should be improved so as to include a preponderant grant element.

62. Developed countries and developing countries in a position to do so should take special measures to assist in the structural transformation of the economies of the least developed countries.

D. SPECIAL MEASURES IN FAVOUR OF THE LAND-LOCKED AND ISLAND DEVELOPING COUNTRIES

63. National and international financial institutions should accord special attention to the particular needs of the land-locked and geographically disadvantaged island developing countries in extending adequate financial and technical assistance to projects and programmes designed for the development and improvement of the transport and communication infrastructure needed by these countries. The terms and conditions of financial assistance to these countries should be improved so as to include a preponderant grant element.

⁹² United Nations Conference of Plenipotentiaries on a Code of Conduct for Liner Conferences, vol. II, Final Act (United Nations publication, Sales No. E.75.II.D.12), part one, annex I.

64. All States are invited to become parties to the Convention on Transit Trade of Land-Locked States of 8 July 1965.⁹³

65. Implementation of measures designed to assist the above-mentioned countries in overcoming the handicaps of their geographically disadvantaged positions should take into account the relevant decisions and resolutions of the General Assembly, the United Nations Conference on Trade and Development and other relevant bodies.

E. SPECIAL MEASURES IN FAVOUR OF THE MOST SERIOUSLY AFFECTED COUNTRIES

66. Industrialized countries and other potential contributors and international organizations, such as the World Bank and the International Monetary Fund, are called upon to extend to the most seriously affected countries immediate relief and assistance, as provided for in General Assembly resolutions 3201 (S-VI), 3202 (S-VI) and 3362 (S-VII), in order to enable them to rejoin the developmental mainstream and to reach the targets laid down in the International Development Strategy.

F. HUMAN DEVELOPMENT

67. In accordance with their development requirements, the developing countries should devote increasing attention to the implementation of the policy measures in the field of human development contained in the International Development Strategy and other relevant United Nations decisions for the benefit of their populations as a whole as well as for every individual. In accordance with their development plans and objectives, the developing countries should give priority to the poorest strata of the population in such policy areas as integrated rural development, agrarian and land reform, basic health services, nutritional standards, education and training, population, housing and related community facilities in both urban and rural areas and employment. Recognizing the importance of the human environment as a basis for economic and social development, all countries should intensify efforts for the protection, preservation and enhancement of the environment. Developed countries and international institutions should, upon request, assist the developing countries in the above tasks.

68. With a view to ensuring the maximum participation of women in the total development effort, all States and competent organizations should give priority to the implementation of the recommendations of the World Conference of the International Women's Year,⁹⁴ held at Mexico City from 19 June to 2 July 1975, in the formulation of their economic and social policies.

G. EXPANSION AND DIVERSIFICATION OF PRODUCTION

69. Developing countries should adopt and implement measures to increase production and improve productivity in order to provide goods and services necessary for raising levels of living and improving economic viability. Developed countries and competent international institutions should take the necessary steps to support those measures.

⁹³ United Nations, *Treaty Series*, vol. 597, No. 8641, p. 42.

⁹⁴ See *Report of the World Conference of the International Women's Year* (United Nations publication, Sales No. E.76.IV.1).

70. Developing countries should aim at achieving a growth rate of manufacturing output of considerably more than 8 per cent per annum during the second half of the Decade. To this end, the international community should implement the decisions of the Second General Conference of the United Nations Industrial Development Organization,⁹⁵ held at Lima from 12 to 26 March 1975, in the field of industrialization.

71. Developing countries should aim to achieve the minimum annual rate of growth in agricultural production of 4 per cent during the second half of the Decade. To this end, both developing and developed countries should implement the decisions of the World Food Conference,⁹⁶ held in Rome from 5 to 16 November 1974, in particular, developed countries should assist developing countries in their efforts to achieve this target.

72. Concrete and speedy measures should be adopted and implemented for combating desertification, salination and damage by locusts or any other adverse natural phenomena affecting agricultural production in developing countries.

73. Free and effective exercise by all countries of permanent sovereignty over their natural resources and economic activities will play an important role in the achievement of the goals and objectives of the Decade. Developing countries will take steps to develop the full potential of their natural resources. Concerted efforts will be made in the defence of the free and effective exercise of the right of every State to full and permanent sovereignty over its natural resources. Competent agencies of the United Nations system will assist developing countries, at their request, in connexion with the operation of nationalized means of production.

H. MOBILIZATION OF PUBLIC OPINION

74. The growing recognition at government level of the reality of interdependence and of the urgent need to close the widening gap between developed and developing countries calls for renewed efforts to mobilize public opinion, particularly in developed countries, in support of the objectives and policies of the International Development Strategy to the point where it sustains Governments in the early implementation of commitments made. In view, especially, of the present economic recession in both developed and developing countries, the task is even more essential now than it was in 1970.

I. ELIMINATION OF FOREIGN AGGRESSION AND OCCUPATION, RACIAL DISCRIMINATION, *apartheid* AND COLONIALISM

75. In accordance with the relevant provisions of General Assembly resolutions 2626 (XXV) and 3176 (XXVIII), vigorous and concrete steps and action still remain to be taken collectively and individually by all members of the international community to end all forms of foreign aggression and occupation, racial discrimination, *apartheid* and colonialism. It is the duty of all States to support and extend assistance to the countries, territories and peoples concerned, so as to restore their national sovereignty, territorial integrity and their undeniable and fundamental rights.

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⁹⁵ See A/10112.

⁹⁶ See *Report of the World Food Conference* (United Nations publication, Sales No. E.75.II.A.3).

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Other decisions

Report of the Economic and Social Council

(Item 12)

At its 2441st plenary meeting, on 15 December 1975, the General Assembly, on the recommendation of the Second Committee:⁹⁷

⁹⁷ *Official Records of the General Assembly, Thirtieth Session, Annexes*, agenda item 12, document A/10467, para. 58.