

ters of the secretariat of the Conference on a permanent basis at Geneva and a liaison office at United Nations Headquarters in New York;

4. *Expresses its satisfaction* that by setting in motion the Trade and Development Board which, in turn, established its subsidiary bodies and formulated their terms of reference, the Conference has provided itself with the appropriate framework needed for an effective contribution to the solution of major problems of trade and development;

5. *Notes with appreciation* the method of work adopted by the Board at its first session, which resulted in the drawing up of a programme of work and the identification of recommendations to which the highest priority should be given;

6. *Expresses serious concern* at the lack of progress in solving the substantive problems with which the Conference was faced and reaffirms the continuing and urgent need for Member States, in the light of the Final Act of the Conference, to take full account, in their trade and development policies, of the needs of the developing countries and the need for prompt, decisive and concrete measures devised to solve these problems;

7. *Invites* the Board, in the execution of its work programme, to accord particular attention to the problems of trade in primary commodities which require most urgent action;

8. *Calls upon* the Governments of the States members of the Conference to continue to examine their policies and to take action, jointly or separately as may be feasible, in the light of the Final Act of the Conference, with a view to implementing the recommendations of the Conference in the various fields of their national and international programmes;

9. *Further calls upon* the Governments of the States members of the Conference to exert maximum efforts through the Conference, which attached great importance to principles governing international trade relations and trade policies conducive to development,¹⁹ with a view to reaching, at the earliest possible moment, the broadest measure of agreement on principles and policies;

10. *Endorses* the decision of the Board to review annually the progress achieved in the implementation of the recommendations of the Conference and the fulfilment of its programme of work;

11. *Calls upon* the States members of the Conference to take the necessary steps to provide, in a form they will find appropriate, information concerning action taken relevant to the functions of the Board and on the basis of the Final Act of the Conference, which will enable the Board to review efficiently and expeditiously the implementation of the recommendations of the Conference, so as to concentrate on substantive issues in the field of trade and development;

12. *Notes with satisfaction* that arrangements are already in progress to ensure a close working relationship between the Conference, the regional economic commissions and the United Nations Economic and Social Office in Beirut, the specialized agencies and the International Atomic Energy Agency;

¹⁹ See *Proceedings of the United Nations Conference on Trade and Development*, vol. I, *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11), annexes A.I.1, A.I.2 and A.I.3, pp. 18, 25 and 26.

13. *Invites* the specialized agencies, the International Atomic Energy Agency, the Governing Council of the United Nations Development Programme, the regional economic commissions and the United Nations Economic and Social Office in Beirut to continue to take into account the recommendations of the Conference falling within their competence in the elaboration and implementation of their respective programmes and to contribute, as appropriate, to the work of the Conference and the Board;

14. *Invites* the other international bodies concerned, including the Contracting Parties to the General Agreement on Tariffs and Trade, to take into account the recommendations of the Conference and to co-operate, as appropriate, in the work of the Conference and the Board;

15. *Decides* to convene the second session of the Conference in the first part of 1967, as recommended by the Board in its resolution 20 (II) of 15 September 1965, and expresses confidence that, in the meantime, the States members of the Conference will endeavour, through the Board and its subsidiary bodies, to concentrate on substantive questions of trade and development and to achieve adequate progress towards resolving them;

16. *Requests* the Board to propose, in accordance with paragraph 2 of General Assembly resolution 1995 (XIX), the date and place of the second session of the Conference, preferably in a developing country, for decision by the Assembly at its twenty-first session.

1404th plenary meeting,
20 December 1965.

2086 (XX). Transit trade of land-locked countries

The General Assembly,

Considering that, in order to promote economic and social development through international trade, the land-locked States need adequate facilities to enable them to overcome the effects of their land-locked position on their trade,

Recalling its resolution 1028 (XI) of 20 February 1957, in which it recognized the problems of land-locked countries and invited the Governments of Member States to give full recognition to the needs of land-locked Member States in the matter of transit trade and, therefore, to accord them adequate facilities in terms of international law and practice in this regard, bearing in mind the future requirements resulting from the economic development of the land-locked countries,

Taking into account the recommendation contained in annex A.VI.1 of the Final Act of the United Nations Conference on Trade and Development,²⁰ which paved the way for the establishment of the Convention on Transit Trade of Land-locked States,

Noting with satisfaction that, upon that recommendation, the Convention on Transit Trade of Land-locked States was successfully concluded at the United Nations Conference on Transit Trade of Land-locked Countries as a step towards the normalization of transit trade of all land-locked countries,

1. *Reaffirms* the eight principles relating to transit trade of land-locked countries, adopted by the United Nations Conference on Trade and Development at its

²⁰ *Ibid.*, p. 62.

first session, in 1964, and contained in annex A.I.2 of the Final Act of the Conference;²¹

2. *Requests* that the Convention on Transit Trade of Land-locked States be signed by 31 December 1965 and ratified or acceded to as soon as possible in order to promote the economic and social development of the land-locked countries through international trade;

3. *Requests* the Secretary-General of the United Nations and the Secretary-General of the United Nations Conference on Trade and Development to be guided by the terms of the present resolution and the above-mentioned Convention in assisting the land-locked countries to overcome their difficulties regarding transit trade.

*1404th plenary meeting,
20 December 1965.*

2087 (XX). Financing of economic development

The General Assembly,

Recalling its resolutions 1318 (XIII) of 12 December 1958 entitled "Promotion of the international flow of private capital" and 1710 (XVI) of 19 December 1961 entitled "United Nations Development Decade: a programme for international economic co-operation",

Taking into account the recommendations contained in annex A.IV.2 of the Final Act of the United Nations Conference on Trade and Development,²²

Having considered the recommendations on the promotion of private foreign investment in developing countries, contained in annex A.IV.12 of the Final Act of the United Nations Conference on Trade and Development,²³

Noting with interest the fourth and fifth reports of the Secretary-General on the promotion of the international flow of private capital,²⁴

Reaffirming that private foreign investment may contribute to the economic diversification and development of private-capital-importing developing countries and to the accelerated transfer of technical and managerial know-how to these countries, where such investments are made in terms that are satisfactory both to the capital-exporting countries and the capital-importing countries,

1. *Asks* Governments to give serious consideration to the recommendations contained in annex A.IV.12 of the Final Act of the United Nations Conference on Trade and Development;

2. *Calls upon* Governments to give due consideration to the measures and actions for the promotion of private foreign investment in developing countries recommended by the United Nations Conference on Trade and Development, always taking into account the relevant laws and regulations of each country, and the need of respect for the sovereignty of the host countries;

3. *Requests* the Secretary-General to keep in view the above-mentioned measures and actions in the preparation of his further studies on the promotion of the international flow of private capital, as called for under the annex mentioned in paragraph 1 above, as well as under General Assembly resolution 1318 (XIII) and

Economic and Social Council resolution 922 (XXXIV) of 3 August 1962;

4. *Looks forward* to the early publication of the Secretary-General's findings in this field.

*1404th plenary meeting,
20 December 1965.*

2088 (XX). Accelerated flow of capital and technical assistance to the developing countries

The General Assembly,

Recalling its resolution 1938 (XVIII) of 11 December 1963, which requested the Secretary-General to review the conceptual and methodological problems in the measurement of capital flow and aid and to submit proposals for making the presentation of the relevant data as meaningful and purposeful as possible,

Taking into account the recommendation contained in annex A.IV.2, section III, of the Final Act of the United Nations Conference on Trade and Development²⁵ that each economically advanced country should endeavour to supply financial resources to the developing countries of a minimum net amount approaching as nearly as possible 1 per cent of its national income, having regard, however, to the special position of certain countries which are net importers of capital,

Taking also into account the recommendations contained in annex A.IV.4 of the Final Act of the United Nations Conference on Trade and Development²⁶ setting forth the objectives to be met in removing the difficulties experienced by the developing countries under aid programmes of government-to-government transfer of capital through loans and in the availability of suppliers' credits to developing countries, owing, *inter alia*, to short periods of repayment, high rates of interest, limitations on the tying of credits to specific projects and to purchases from countries providing the capital,

Noting the recommendations contained in annex A.IV.5 of the Final Act of the United Nations Conference on Trade and Development²⁷ relating to the problem of debt service in developing countries and the fact that the servicing of external debt constitutes an increasing burden on their resources,

Taking note of Economic and Social Council resolution 1088 A (XXXIX) of 30 July 1965, which recommended that the Governments of developed Member States give early and sympathetic consideration to making their lending terms substantially more favourable to the developing countries by such methods as extending the period of repayment, reducing interest rates and providing a period of grace for both interest and repayment of principal,

Taking note also of Economic and Social Council resolution 1088 B (XXXIX) of 30 July 1965 regarding the financing of economic development and, in particular, the problem of concepts and methodology in the measurement of the flow of capital and aid to developing countries,

Recalling also Economic and Social Council resolution 1089 (XXXIX) of 31 July 1965, which, in paragraph 1, urged the States Members of the United Nations and members of the specialized agencies and of the International Atomic Energy Agency, and particularly the developed countries:

²⁵ See *Proceedings of the United Nations Conference on Trade and Development*, vol. I, *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11), p. 43.

²⁶ *Ibid.*, p. 44.

²⁷ *Ibid.*, p. 46.

²¹ *Ibid.*, p. 25.

²² *Ibid.*, p. 43.

²³ *Ibid.*, p. 49.

²⁴ *Official Records of the Economic and Social Council, Thirty-seventh Session, Annexes*, agenda item 10, documents E/3905 and Add.1; *ibid.*, *Thirty-ninth Session, Annexes*, agenda item 8, documents E/4038 and Add.1.