

(iii) The establishment of channels for the presentation of specific projects to potential investors in capital-exporting countries;

2. *Recommends* continuing efforts by countries able to export capital to:

(a) Re-examine, wherever necessary, domestic policies, legislation and administrative practices with a view to encouraging the flow of private capital to capital-importing countries;

(b) Ensure to potential investors the availability of the fullest possible information on foreign investment opportunities and on the conditions and outlook for investment in individual foreign countries;

(c) Ensure to capital-importing countries (including firms and individuals therein) the availability of information on the investment desires of firms and individuals in the capital-exporting countries;

(d) Impress on investors the importance of endeavouring to secure local capital participation in their foreign enterprises whenever feasible and appropriate;

(e) Adopt, within the framework of their institutions, measures on taxation that will progressively reduce international double taxation with a view to its final elimination;

3. *Recommends* continuing efforts by the capital-exporting and capital-importing countries, where appropriate, to take such other steps as may be feasible and mutually acceptable to stimulate the flow of capital to under-developed countries and more especially to:

(a) Negotiate appropriate treaties, agreements, or other arrangements;

(b) Negotiate treaties on double taxation;

(c) Negotiate agreements, if consistent with national laws, providing for the insurability of certain non-business risks;

4. *Recommends* further that capital-importing and capital-exporting countries consider the desirability and feasibility of establishing investment corporations in individual countries designed to encourage the participation of private investors;

5. *Declares* that, in order for new foreign investments to be an effective contribution to the economic development of the under-developed countries, it is advisable to take into account, among other things, the situation with regard to previously established enterprises so as not to affect their normal development, provided that this is in harmony with the national interest;

6. *Requests* the Secretary-General to prepare annually a report on the international flow of private capital and its contribution to an expanding international economy, and on the measures taken by Governments affecting such flow, or announced by them to be under consideration. In preparing the report account should be taken of the discussions on this subject in the Economic and Social Council and in the General Assembly and of the proposals made therein, and of suggestions which may be communicated by Governments, by the International Bank for Reconstruction and Development and by the International Monetary Fund for promoting the international flow of private capital.

*510th plenary meeting,
11 December 1954.*

825 (IX). International tax problems

The General Assembly,

Noting that in resolution 486 (XVI) the Economic and Social Council, in addition to establishing the future lines of work of the Secretariat in the fiscal field, stated that it expected a report by the Fiscal Commission on the results of its future studies on the problem of the imposition by capital-exporting countries of any further taxes on the income from investments in under-developed countries beyond those applied by these latter countries,

Considering that, as one of the results of its review of the organization and operation of its commissions, the Economic and Social Council, by resolution 557 C (XVIII), section II, decided to discontinue the activity of the Fiscal Commission before it could complete the studies envisaged under resolution 486 (XVI) mentioned above,

Noting with satisfaction that the Secretary-General intends to continue his studies on the fiscal aspects of economic problems referred to in Economic and Social Council resolutions 486 (XVI) and 557 C (XVIII), section II,

1. *Requests* the Secretary-General:

(a) With a view to accelerating the rate of economic development of under-developed countries, to continue his studies of the taxation by capital-exporting and capital-importing countries on the income from foreign investments, particularly those made in the under-developed countries, making use in such studies of an analysis of replies of Governments to his questionnaire⁶ concerning the taxation of foreign nationals, assets and transactions;

(b) To submit his studies to the Economic and Social Council;

2. *Requests* the Economic and Social Council to consider the reports of the Secretary-General mentioned in paragraph 1 above and to transmit the results of its deliberations to the General Assembly.

*510th plenary meeting,
11 December 1954.*

826 (IX). Land reform

The General Assembly,

Considering the Secretary-General's reports "Progress in Land Reform"⁷ and "Rural Progress through Co-operatives"⁸ and Economic and Social Council resolution 512 C (XVII), section I, on land reform, in which the General Assembly is requested to continue its interest in land reform in all its aspects, giving particular attention to the problem of financing,

Bearing in mind that improvement of agrarian structure which in some under-developed countries constitutes an obstacle to economic development, together with other reforms referred to in General Assembly resolutions 401 (V), 524 (VI) and 625 (VII) and Economic and Social Council resolutions 370 (XIII) and 512 C (XVII), would not only help promote social progress and raise the standard of living, but would

⁶ See document E/CN.8/W.19.

⁷ See United Nations publication, Sales No.: 1954.II.B.3.

⁸ *Ibid.*, Sales No.: 1954.II.B.2.