

**First Session of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries (IFCC-I), Manila, Philippines, 23 – 28 August 1982**

**Final Report “Manila Follow-Up Action for ECDC”**

**Introduction**

1. Pursuant to the Caracas Programme of Action, the First Meeting of the Intergovernmental Follow-up and Coordination Committee (IFCC-I) was held in Manila on 23 – 28 August 1982.

2. The Meeting was attended by delegates from Algeria, Argentina, Bangladesh, Brazil, Burma, Burundi, Chile, Congo, Cuba, Ecuador, Egypt, Gabon, India, Indonesia, Iran, Iraq, Ivory Coast, Jamaica, Kenya, Kuwait, Laos, Libyan Arab Jamahiriya, Malaysia, Mozambique, Mexico, Nigeria, Pakistan, Peru, the Philippines, Republic of Korea, Romania, Saudi Arabia, Senegal, Sri Lanka, Sudan, Suriname, Thailand, Trinidad and Tobago, Tunisia, United Arab Emirates, United Republic of Tanzania, Uruguay, Venezuela, Vietnam, Yugoslavia and Zimbabwe.

Mr. Gamani Corea, Secretary-General of UNCTAD and Mr. A. Patmarajah, Special Representative of the Executive Director of UNIDO, also attended the Meeting.

**Opening Ceremonies**

3. The meeting was opened by Honourable Carlos P. Romulo, Minister for Foreign Affairs of the Philippines.

4. H.E. Ferdinand E. Marcos, President of the Republic of the Philippines, in a speech read for him by the Honourable Cesar E.A. Virata, Prime Minister of the Philippines, reviewed the activities so far undertaken to promote collective self-reliance among developing countries and reaffirmed the Philippines commitment to Economic Cooperation among Developing Countries (ECDC)

5. The President underscored the need to strengthen economic cooperation among developing countries, particularly in the light of sharp world economic adjustments brought about by the policies of developed countries and which had resulted in prolonged recession, accompanied by unemployment, higher interest rates, decline in demand for goods and services, changing of commodity prices and erosion of export earnings of developing countries.

6. While the President regarded ECDC as an important instrument for promoting economic cooperation among developing countries, he was also of the view that ECDC is an essential dimension to the North-South dialogue. He believed the developed and developing countries should get together in a genuine effort to find mutually acceptable solutions to reverse the trend towards collapse of the global economy. He mentioned that the forthcoming GATT Ministerial Meeting offered an occasion for developing countries to consult and explore the possibility of adopting a common position that would enable them to press for improvement of their trade with developed countries. He said that the G-77, for example, could express concern over the minimum interest rates on export credits recently imposed by the OECD countries.

7. On the implementation of the Caracas Programme of Action, the President specifically suggested that the Global System of Trade Preferences (GSTP) should be launched as scheduled and that such undertaking should be provided effective technical and secretariat support. On the other ECDC projects in the Caracas Programme of action, he stressed the value of modest but practical programmes which could bring immediate benefits to developing countries.

8. In her welcome address, the Honourable Imelda Romualdez Marcos, First Lady and Governor of Metropolitan Manila said that as developing countries continue their dialogue with each other, they may find a common cause and sympathy in the formation of a new human order based on a moral force which shall be the infrastructure to catalyze development. She further said that relations between nations should be based on justice, equity and human dignity instead of fear or subservience.

### **Agenda**

9. The Meeting adopted the Agenda.

### **Election of Officers**

10. Honourable General Carlos P. Romulo, Minister for Foreign Affairs and Leader of the Philippines Delegation was elected Chairman. H.E. Gabriel Martinez of Argentina and H.E. O. Ani of Nigeria were elected Vice-Chairmen.

### **Statement of Mr. Abdelwahab Keramane, Chairman of the Group of 77 in New York**

11. In a statement delivered at the opening of the Meeting, the Chairman of the Group of 77, Mr. Abdelwahab Keramane, said that in spite of many difficulties, many activities have been successfully undertaken in the field of South-South cooperation barely one year after the adoption of the Caracas Programme of Action.

12. He said further that many other activities must still be carried out and that the First Intergovernmental Follow-up and Coordination Committee was a good opportunity to examine measures needed to sustain the impetus given in this cooperation.

He was hopeful that effective measures to implement the Caracas Programme of Action could be evolved in the months to come.

### **Statement of Mr. Gamani Corea, Secretary-General of UNCTAD**

13. In his statement, Mr. Gamani Corea expressed satisfaction on the considerable progress attained by the Group of 77 in implementing the Caracas Programme of Action on ECDC particularly, the establishment of the Global System of Trade Preferences (GSTP) and cooperation among State Trading Organizations (STOs). In this regard, he assured the Meeting that UNCTAD will extend support services envisaged in the Declaration on the GSTP, provided the necessary mandate from the UNCTAD Trade and Development Board or the General Assembly is obtained.

He likewise stressed that ECDC will strengthen the bargaining position of the Group of 77 at the forthcoming session of UNCTAD (VI) in Belgrade. He likewise emphasized the need for the ratification of the Common Fund Agreement.

## **Organization of Work**

14. The Meeting agreed to establish two Working Committees to deal with agenda item entitled “Review and Assessment of the Implementation of the Caracas Programme of Action on Economic Cooperation among Developing Countries”.

15. Working Committee I was to consider Reports of ECDC Sectoral Meetings and Working Committee II, “Follow-up Measures and Coordination” and both Committees would at the same time consider recommendations to the Group of 77 Ministerial Meeting on ECDC including future programme and calendar of activities.

16. It was agreed that the Vice-Chairmen would be the Chairmen of the Working Committees.

17. The Bureau as constituted was assisted by the Core of Assistants to the Chairman of G-77 and representatives of the three regional groupings.

The Chairman designated Minister of Budget, Honourable Manuel Alba of the Philippines as Acting Chairman of the Meeting.

## **Terms of Reference**

18. The Meeting recalled the relevant portion of the Caracas Programme of Action on the activities of the IFCC, as follows:

- (i) review periodically the progress made in the implementation of the ECDC programme;
- (ii) review periodically the programme and calendar of activities;
- (iii) agree on measures designed to give more impetus to the implementation of activities within the ECDC programme, when so required;
- (iv) recommend to the annual Ministerial Meeting new policy guidelines designed to impart greater operationality and coherence to the Programme;
- (v) report to the Ministers on any significant matter relating to the Programme.

## **Documents**

19. The Meeting had before it the Reports of the Sectoral Meetings and other preparatory documents.

## **Chapter I – General Summary and Conclusions**

20. Part of the work focused on the methodology for the global evaluation of results obtained to date, especially the implementation and follow-up of the conclusions, suggestions and decisions made by the technical meetings which were already held since it was the first meeting of the Committee.

21. The Committee reaffirmed the importance and political support given by all the governments of developing country members of the Group of 77 to the Caracas Programme of Action as a fundamental element for the promotion of South-South cooperation, the strengthening of collective self-reliance, as a means of reinforcing their solidarity and negotiating position on international economic issues and, as a means to reducing their vulnerability to pressures from developed countries. The Committee recognized the gravity of the international economic situation particularly the continuing deterioration of the economies of the developing countries and the persisting impasse in the North-South dialogue. Against this background the urgency of further strengthening ECDC was stressed. It was stressed that this joint effort complements but does not replace the efforts and action taking place in the North-South sphere, nor the responsibilities and obligations of the developed countries towards the developing countries, including the sphere of South-South cooperation.

22. The Committee reaffirmed that the implementation of the Caracas Programme of Action was the responsibility of developing countries themselves. As an autonomous programme, their joint action on an interregional scale serves to simultaneously give impetus to the efforts being made on a regional and subregional scale. The Committee recognized that the unity of the Caracas Programme of Action demands continued supervision to ensure that its results should be felt in all sectors mentioned and that the benefits of cooperation reach all its members. It was recalled that the Programme itself has mechanisms to ensure their adaptation for the greater and varying needs and interests of all participating countries.

23. The Committee emphasized the need to ensure and strengthen coordination between the Group of 77 in New York, whose specific responsibilities are mentioned in the Caracas Programme of Action, and chapters of the Group of 77 in other cities such as Geneva, Vienna, Rome, and Paris, integrating to the fullest extent the participation of those chapters in all corresponding tasks included in the Caracas Programme of Action and the follow-up and implementation of its results. To this end, these chapters might seek financial support from the Group of 77 Account for ECDC for the purposes envisaged in the relevant item 4 of Section IV of Paragraph 89 of the Caracas Programme of Action.

24. The Committee noted the important contribution that intergovernmental bodies of developing countries and international organization made and can continue to make to the implementation of the Programme. The assistance which certain non-governmental organizations may give was also mentioned.

25. With reference to items 2 and 3, Section IV, Paragraph 89 of the Caracas Programme of Action, the Committee had before it document entitled "Support Measures from International Organizations". The Committee took careful note of the contents of this document and considered that it not only conveyed useful factual information on present support-measures from the United Nations System, but also incorporated valuable ideas on future possible arrangements.

26. The Committee considered that the Group of 77 should continue to act in accordance with items 2 and 3, Section IV, Paragraph 89 of the Programme in terms of the on-going activities of the Group of 77, specially now that the Caracas Programme of Action is entering a stage of accelerated implementation, and recommends to the Ministers that they issue directives in this respect.

27. The Committee decided to discuss the matter of "Support Measures" further in the next IFCC meeting in 1983. To this end, it was felt necessary for the various chapters of the Group of 77 to address themselves to the problem, and to make known their respective views through the

Chairman of the Group of 77 in New York, who in turn could be requested to update the above-mentioned document accordingly.

28. The Committee agreed that the Action Programme for Economic Cooperation of the Non-Aligned Countries and the Caracas Programme of Action should be harmonized and coordinated so that they reinforce one another. The Committee stressed the need to avoid duplication and waste of efforts and resources as a consequence of the simultaneous activities of the Group of 77 and the Movement of Non-Aligned Countries in regard to ECDC and TCDC programmes.

29. The Committee took note of the Report of the Working Party on Trade Expansion and Regional Economic Integration among Developing Countries and in this regard encouraged all possible coordination and harmonization of activities carried out at subregional and regional levels to achieve the objectives of the Caracas Programme of Action.

30. The Committee held a positive exchange of views with the UNCTAD Secretary-General on the collaboration that UNCTAD has given and will continue to give to economic cooperation among developing countries, in particular as regards the forthcoming implementation of the mechanisms envisaged by the Group of 77 for the negotiation of the GSTP.

31. The Committee expressed its regrets for the delays that occurred in the implementation of the Development Information Network (referred to in Paragraph 87 of the Caracas Programme of Action), reiterated its support for the initiatives, and, in particular, for the implementation of the pilot project which would be monitored by the Committee.

32. The Committee agreed to submit to the next Ministerial Meeting the following conclusions and recommendations:

- (a) Although organizational tasks caused a delay in the holding during 1981 of the meetings indicated in the timetable of sectoral technical meetings, the number of those held in 1982 so far and those convened or in the process of preparation, confirms an accelerating important positive effort from all participants, especially those countries offering venues for the meetings, giving broad and generous support to their fulfillment and thus to the ultimate results now present in the work of the IFCC. To this end, it was recommended:
  - (i) to call on all member countries to continue their efforts to offer venues which will allow the envisaged calendar of meetings to be completed, or other meetings which may arise from the follow-up of those already held;
  - (ii) to reiterate the importance of the participation of the largest possible number of interested countries in the sectoral technical meetings to widen the scope of this joint effort and the benefits expected from it as much as possible; and
  - (iii) to revise the timetable of meetings adopted in Caracas to facilitate offers of venues while giving it the flexibility to consider other meetings which may arise as a result of the annual Ministerial Meeting. Subsequent changes may be made by the Chairman of the Group of 77 in New York, in close coordination with the Chairmen of the chapters of the Group of 77 in other cities. The possibility exists that some technical meetings would be held in the various Group of 77 sites, if necessary, for the completion of the calendar

of meetings drawn up in Caracas, before the review and revision expected to be made next year.

- (b) With respect to the work methodology used at this first Committee meeting and the experience to be drawn from it for future activities, it was felt that the tasks of coordination and follow-up would be considerably facilitated by the adoption of the following recommendations:
- (i) when the Chairman of the Group of 77 in New York, furnishing the pertinent chapters of the G-77 distributes to all member countries the reports of meetings of experts held pursuant to the Caracas Programme of Action (see item g, Paragraph 96, Chapter III of this Report), he may suggest that Governments of non-participating countries respond with their written comments and viewpoints on the results of such meetings;
  - (ii) Countries participating in technical meetings as well as those which decide to accept their results either totally or partially, must communicate to the Chairman of the Group of 77 in New York, directly or through the corresponding chapters, periodically or when necessary, the measures or actions eventually decided on by them for the implementation of the results reached in the respective sectoral meetings;
  - (iii) The responses and/or information from governments mentioned in (i) and (ii) above will be duly processed by the Chairman of the Group of 77 in New York and by the Core of Assistants and distributed to all member governments before the next Session of this Committee; and
  - (iv) The aforementioned elements as well as the conclusions and recommendations of the sectoral evaluation meetings (item 2, Section I, Paragraph 89 of the Caracas Programme of Action) will be extremely useful for the examination of the technical reports brought to the Committee for consideration during the next session.
- (c) With regard to the strengthening of coordination between the Group of 77 in New York and the chapters of the Group of 77 in other cities, the Committee believes that the two annual coordination meetings of the Chairmen mentioned in the Caracas Programme of Action should be held, if possible, during the second regular session of ECOSOC in Geneva, and in New York towards the beginning of the New York Group of 77 calendar year. Moreover, the chapters should also have in their respective fields the most active participation possible in all activities and actions envisaged in the Caracas Programme of Action, effectively keeping up a permanent contact among all Chairmen of the respective groups.
- (d) With regard to the economic and technical cooperation programmes of the Group of 77 and the Movement of Non-aligned Countries in sectors common to both, the Committee agreed on the importance of emphasizing the need to undertake the greatest and most effective efforts to ensure the adequate coordination and harmonization of activities in order to avoid unnecessary duplication and obtain the best results as regards the objectives set forth in both programmes. Also, any development or progress in sectors in both programmes of economic and technical cooperation should be maximized for mutual benefit.

- (e) With regard to the problem of “Support Measures from International Organizations to ECDC”, the Committee decided to review this matter at its next session in 1983, taking into consideration the action envisaged in Paragraph 26 and 27 in Chapter I of this Report.

## **Chapter II – Consideration of Reports of ECDC Sectoral Meetings**

33. The Committee was impressed by the initiatives taken on a wide front of actions aimed at the effective implementation of the Caracas Programme of Action. The Committee was convinced that the recommendation of the sectoral meetings as well as the comments made at this meeting provided promising prospects for future action.

### **A. Trade**

#### **1. Global System of Trade Preferences (GSTP)**

34. The Committee considered the Report of the Meeting of Governmental Experts on Economic Cooperation among Development Countries, convened in Geneva on 19 – 28 July 1982, paying particular attention to the Draft Declaration on the Global System of Trade Preferences among Developing Countries, as formulated and adopted by the Experts Group. The report was introduced by the delegation of India.

35. The Draft Declaration which called for the launching of the GSTP also defines the guiding principles and rules in the conduct of negotiations among the developing countries.

36. The Committee reiterated its full support for the Caracas Programme of Action and decided to keep the progress of the Programme under review. It was stressed, with regard to Paragraph 4 of the Introduction to the Caracas Programme, that the occasion of the forthcoming GATT Ministerial Meeting and UNCTAD VI should give rise to coherent and broadly based collective action of the Group of 77 in order to ensure that the industrialized countries respond meaningfully to the needs and concerns of the developing countries.

37. The point was also made that GSTP should complement and reinforce efforts of the subregional, regional and interregional economic groupings.

38. The Committee also noted that the specific principles which shall provide the basic guidelines for the GSTP negotiations are embodied in Paragraph 1 of the Draft Declaration.

#### **Actions taken by the Committee**

39. The Committee endorsed the Draft Declaration for adoption by the Group of 77 Ministerial Meeting which will meet in New York in September 1982. It also expressed the collective hope that the GSTP negotiations could be launched within the envisioned time framework which, under the Draft Declaration, should begin by early 1983.

40. The Committee also endorsed the follow-up action proposed by the governmental experts and recommended to the Ministers of the Group of 77 to take appropriate measures that would enable the UNCTAD Secretariat to provide all the necessary administrative and technical support for the conduct of the GSTP negotiations.

## **2. State Trading Organizations (STOs)**

41. The Committee considered the Report of the Asian Group of the Group of 77 Regional Meeting of State Trading Organizations held in Jakarta on 25 – 29 January 1982, and the Report of the International Symposium of State Trading Organizations of Developing Countries held in Ljubljana, from 29 March to 2 April 1982. The former was introduced by the delegation of Indonesia while the latter was presented by the delegation of Yugoslavia.

42. In compliance with the mandate under Paragraph 8 of the Caracas Programme of Action that meetings aimed at developing a programme of mutual trade among STOs should be organized at the subregional, regional and interregional levels on a regular basis in order to orient the work being undertaken by the international community to promote cooperation among STOs as well as to review their joint efforts, a meeting was held separately by the Asian Group of the G-77 in Jakarta, Indonesia.

43. Among others, the Asian Meeting recommended the exchange of trade information among STOs; cooperation in the training of management personnel of STOs; and expanded trade through STOs in rice, cement, tea, vegetable oils and other items that may be agreed upon in the future.

44. A symposium was held in Ljubljana, Yugoslavia attended by sixty-nine (69) STO participants coming from various regions.

45. The most interesting result of the Symposium in Ljubljana was the creation of a Steering Committee composed of nine STOs mandated to work out the necessary modalities for an institutional framework for STOs, the “statutes” of which should be elaborated in the near future.

46. The Committee noted that Asia and Latin America have held their respective meetings to discuss areas of cooperation among STOs. The Committee also expressed its appreciation for the opportunity given to the heads of STOs of developing countries to use the headquarters of the International Centre for Public Enterprises (ICPE) in Ljubljana, Yugoslavia in conducting the symposium. These initiatives having been noted, the Committee stressed the need for a similar meeting for Africa. The Committee welcomed the information that the Economic Commission for Africa has initiated steps to marshal resources for the early realization of plans to convene such a meeting for Africa.

47. Delegations from other regions expressed shared interest in certain concerns of the Asian Group, especially with respect to exchange of trade information and cooperation in the training of management personnel. It was pointed out that cooperation in the training of personnel could be adequately undertaken given an inventory of STO training and technical capabilities.

48. The Committee noted that completion of the publication of the UNCTAD Secretariat Handbook on STOs in mimeographed edition. The need for an updated and expanded STO handbook providing specific information required in exploring the possibilities for expanded trade among STOs was stressed. In this regard, the Committee underscored the need for STOs themselves to respond positively to the questionnaires circulated by the UNCTAD Secretariat in order that a handbook that suits the needs of the STOs may be produced.

### **Actions taken by the Committee**



49. The Committee endorsed the recommendations of the Jakarta Meeting for adoption by the forthcoming Ministers Meeting in New York.

50. The Committee took note of the "Report of the International Symposium of State Training Organizations of Developing Countries" including the recommendations specified therein, and agreed to submit the Report to the forthcoming Ministerial Meeting in New York for information.

## **B. Science and Technology**

51. The Committee considered the Report of the Meeting of Heads of National Science and technology Agencies in Developing Countries held in New Delhi on 3 – 6 May 1982. The report was introduced by the delegation of India.

52. The Committee took note of the Report and cited the accomplishments of the Meeting, including the identification of priority areas for cooperation.

53. The Committee felt that the question of the use of the proposed Centre for Science and Technology for the Non-Aligned and other Developing Countries in coordinating follow-up action should be examined by the Group of 77 in New York within the context of harmonization of ECDC programmes of the Non-Aligned Movement and of the Group of 77.

54. It was also clarified that the reference to the utilization of ECDC funds for meeting the costs of international travel relates to national ECDC funds and not to the Group of 77 ECDC Account in New York.

55. The Committee took note of the Report of the Experts Group of Project Development Mechanism for Techno-Economic Cooperation in New Delhi on 1 – 3 July 1982, and requested that the proposal be further examined in their respective capitals with the view to facilitating consideration by the Group of 77.

### **Actions Taken by the Committee**

56. The Committee endorsed the following main recommendations for adoption at the Ministerial Meeting of the Group of 77 in New York:

- (a) the need to ensure an annual expenditure of at least 1% of a developing country's GNP by 1990 for national scientific research and development;
- (b) the identification of focal points that will provide specific framework for concrete cooperation arrangements among the developing countries;
- (c) the creation of Action Committees based on the identified priority areas which shall study the recommendations contained and endorsed in the Reports at the IFCC meeting, as well as serve as coordinating body for follow-up actions in the assigned areas;
- (d) the need for expanded cooperation among the national scientific and technological institutions which have been established or may be established with a view towards collaborative efforts in education, training and research among the scientists/experts/technologists of the Group of 77 countries; and

- (e) the need for countries to host the meetings of Action Committees in those priority areas which have no convenors at present.

### **C. Food and Agriculture**

57. The Committee considered the Report of the Group of Experts Meeting on Food Security Reserve Scheme of the Group of 77 held in Manila on 16 – 19 August 1982. The Committee noted the proposal for the continuation and intensification of regional consultations to arrive at specific recommendations in establishing schemes for acquiring and maintaining food reserves at the regional and subregional levels. The results of such consultations would be brought for consideration of the second ECDC Experts Group Meeting to be held not later than April 1983. The report was introduced by the Philippines delegation.

58. The Committee reviewed regional initiatives on Food Security Reserve Schemes such as in SAHEL, SELA, SADCC, Arab Organization for Agricultural Development, Lagos Plan of Action, and ASEAN Food Security Reserve Scheme. The ASEAN Model was cited as a concrete example for setting up such schemes among developing countries in the spirit of ECDC.

59. The Committee noted that increased food production is a precondition for attaining national food security and collective self-reliance among developing countries. In this regard, it would be useful to examine ways and means of strengthening cooperation among developing countries in the area of technology for increasing food and agricultural production.

60. The Committee reaffirmed the need to resume talks on an international grains agreement. In the interim, efforts to set up developing countries' own reserves should be pursued in accordance with the developing countries' national policies.

61. It was further suggested that an exchange of basic food information among developing countries on national food policies should be intensified as a preparation for the next experts group meeting. Such exchange of information may initiatively be held at the bilateral level.

62. The Committee, noting the difficulty in replenishing the funds of the International Fund for Agricultural Development (IFAD) due to slow payments of contributions by the developed countries agreed to inform their relevant authorities of such situation for appropriate action.

63. The Committee was of the view that trade liberalization in the developed countries would contribute towards the promotion of world food security.

### **Action Taken by the Committee**

64. The Committee endorsed the recommendations of the Manila Report for the adoption of the Group of 77 Ministerial Meeting in New York, including the recommendation that the next ECDC experts group meeting be held not later than April 1983.

### **D. Development and Exploitation of New and Renewable Sources of Energy**

65. The Committee considered the Report of the High level Meeting on New and Renewable Sources of Energy of the Caracas Plan of Action on Cooperation among Developing Countries held in Rio de Janeiro on 31 May – 4 June 1982. The report was introduced by the delegation of Brazil.

66. The High level Meeting on New and Renewable Sources of Energy (NRSE) adopted the Rio de Janeiro Plan of Action which directs developing countries to cooperate in: (a) energy planning; (b) assessment of resources; (c) research, development, and demonstration; d) selection, transfer, adaptation, and application of technologies; and (e) information and training.

67. The Committee took note of five national papers submitted in implementation of the Rio de Janeiro Plan of Action. Under the Rio de Janeiro Plan of Action, participating countries are to prepare a short paper on some of the following subjects:

- (a) areas in which the country can offer cooperation to other developing countries;
- (b) results and developments in the field of NRSE of interest to other developing countries;
- (c) areas in which the country is receiving cooperation/assistance from developed and developing countries;
- (d) further areas in which the country seeks cooperation from other developing countries; and
- (e) existing or envisaged national financial arrangements to support cooperative activities with other developing countries.

68. The five countries which have so far complied with the above are: Brazil, India, Republic of Korea, Peru, and Venezuela. Other developing countries were called upon to do likewise.

69. The following points were clarified:

- (a) Existing national facilities should be used since many technologies for the utilization of new and renewable sources of energy have been developed by developing countries;
- (b) Cooperation among developing countries in NRSE does not mean that the developed countries are being relieved of their responsibility in the global effort to enable developing countries to meet their energy requirements for the development of their economies;
- (c) The developing countries are not adequately endowed to move by themselves in this particular endeavour. In this context, the need for establishing an energy affiliate of the World Bank was stressed.

70. It was proposed that the Meeting of the Group of Experts that will examine cooperation in research and development of NRSE in accordance with Paragraph 49(a) of Caracas Programme of Action should be convened as early as possible by the Chairman of G-77.

#### **Actions Taken by the Committee**

71. The Committee endorsed to the Group of 77 Ministerial Meeting in New York the report of the High level Meeting with the understanding that all financial implications of the Rio de Janeiro Plan of Action would be referred to the next IFCC meeting.

72. The Committee agreed that global cooperation in the development and exploitation of new and renewable energy sources is best catalyzed through existing regional arrangements such as OLADE and ECLA, those under ASEAN and ESCAP, and the newly established African Center for Solar Energy. Subregional, regional, and interregional initiatives so far undertaken augur well for the establishment of a cooperation network for exchange of information emanating from national focal points. There is a need, at this point, to strengthen cooperation at the subregional regional and interregional levels for this purpose. To this end, it was stressed that Action Committees would constitute a useful mechanism.

### **E. Finance**

73. The Committee considered the Report of the Meeting of Experts of the Group of 77 on Finance and Balance of Payments held in Baghdad on 1 – 4 March 1982, concerning the proposal to establish a World Fund as the mechanism to alleviate the financial burdens imposed on the developing countries due to the inflation imported from developed countries and adjustments in oil prices. The report was introduced by the delegation of Iraq.

74. The Committee agreed that the issue on the establishment of a World Fund is crucial. However, the Committee raised certain points regarding the procedure of implementing the proposal and the technical requirements involved.

75. Some delegations expressed the view that the proposal could be endorsed by the Meeting and submitted to the Ministers of the Group of 77 at their meeting in September 1982 during which the contents of the proposal could be analyzed further. Thereafter, it could be left to the Ministers to decide on the next appropriate action to take, such as the timing of consultation with the developed countries if it is deemed appropriate, or look into the possibility of convening an experts meeting. A few delegations considered that a decision could not be taken prior to having the support of the developed countries to the proposal. A few delegations also pointed out that the fund might be a duplication of existing financial institutions and might represent a risk of proliferation of the same.

### **Action Taken by the Committee**

76. The Committee noted with appreciation the recommendations of the experts group meeting in Baghdad and agreed to submit the proposal to the Ministers Meeting of the Group of 77 in New York for further consideration.

77. The Committee also considered the Report of the Rapporteur-General on the Jamaica Meeting on ECDC Finance held on 26 – 31 March 1982 in Kingston, Jamaica, pursuant to the decision adopted at the Caracas High level Conference on Economic Cooperation among Developing Countries, and within the context of the terms of reference as contained in Paragraphs 66(b) and 79 of the Caracas Programme of Action.

78. The “Report of the Rapporteur-General on the Kingston Meeting on ECDC Finance was introduced by the delegation of Jamaica which also informed the meeting of the progress made with respect to the preparation of a technical study on the feasibility of a bank for developing countries.

79. Many delegations expressed the view that the establishment of a South-South Bank was important.

80. During the discussion, distinction was made between Part I and Part II of the report as different views were expressed on the results of the Kingston Meeting.

81. In this regard, many delegations suggested that the Committee should only take note of Part I while others were of the view that Part II, which contains the outline of the feasibility study, should be approved and endorsed by the Committee and submitted to the Ministers of the Group of 77. On the other hand, some delegations felt strongly that the outline was limited in scope. Nevertheless, it was agreed that the outline could serve as a general framework for the feasibility study. It was stressed strongly that there is a need for the active participation of the developing countries' experts in the preparation of the study.

#### **Actions Taken by the Committee**

82. The Committee took note of the Rapporteur-General's Report of the meeting on ECDC Finance held in Jamaica 26 – 31 March 1982 and recommended to the Ministerial Meeting of the Group of 77 to be held in September 1982 that a technical study on the feasibility of the bank for developing countries be undertaken on the basis of Part II of the Report as a general framework, without prejudice to the range of the functions to be covered by the proposed bank.

83. The Committee agreed to request the Secretary-General of UNCTAD, in close cooperation with interested financial institutions of the developing countries, to give all necessary assistance to facilitate the completion of the study by preparing the appropriate technical documentation. The study will be prepared by a Group of Governmental Experts of the Group of 77. It should be submitted through the Chairman of the Group of 77 in New York through the IFCC in its 1983 meeting.

#### **G-24 Report on ECDC**

84. The Committee took note of the section dealing with ECDC in the Report of the Twenty-fourth Meeting of the Finance Ministers of the Intergovernmental Group of 24 on International Monetary Issues held in Helsinki on 11 May 1982.

#### **F. Capital Goods**

85. The Committee considered the Report of the Meeting on Capital Goods among Developing Countries adopted in Algiers on 10 – 13 May 1982. The report was introduced by the delegation of Algeria.

86. The Report contained recommendations for cooperation among developing countries as producers of industrial products. It also contained recommendations for cooperation among developing countries in the fields of training and industrial technology.

#### **Actions Taken by the Committee**

87. The Committee noted with appreciation the offer of Algeria to hold an exhibit on capital goods exclusively for the developing countries as a means to effectuate the flow of trade of capital goods.

88. The Committee also noted with appreciation the efforts of India, Tanzania, and Brazil to serve as focal points in their respective regions for the promotion of capital goods industry among developing countries.

89. The Committee further noted with appreciation the offer of the Indian Government to host seminars and workshops on the following sectors: electrical industry (e.g., power generation), machine tools, materials handling equipment, general mechanical engineering industry (e.g., cranes, pumps, compressors), machinery for processing plants (chemical and fertilizer), machinery and cement plants, sugar machinery and sugar plants.

90. The Committee endorsed the “Report of the Algiers Meeting on Capital Goods” for consideration by the Group of 77 Ministerial Meeting in New York.

### **G. Cooperation in the Development of Human Resources for Industrialization**

91. The Committee considered the Report of the High level Meeting of Officials Responsible for Industrial Manpower Training in Developing Countries held in Bucharest on 31 May to 4 June 1982. The Report was introduced by the delegation of Romania.

92. The Committee noted the recommendations of the Bucharest Meeting which called for the strengthening of industrial manpower training capabilities at national, subregional and interregional levels. The Experts Meeting in Bucharest considered it desirable to have a sufficient number of centers of excellence that can meet the needs of developing countries. The establishment and operation of such centers of excellence should be based on the principles of multilateral cooperation, both at the regional and interregional levels, with active participation by relevant international organizations such as UNIDO, ILO, UNESCO and IAEA.

#### **Actions taken by the Committee**

93. The Committee agreed that the means of financing the cooperation for development of manpower training in industry should be considered within the framework of TCDC which will be the subject of the meeting to be held in Tunis on October 25 – 29, 1982.

94. The Committee took note of the information given by the UNIDO representative that a global consultation on industrial manpower training will be held from 22 – 26 November 1982 in Stuttgart, Germany under the auspices of UNIDO, ILO, UNESCO and urged all delegations at the Manila Meeting to participate in this consultation to the fullest possible extent.

95. The Committee adopted the recommendations of the Bucharest Meeting, bearing in mind the difficulty of arriving at a decision on the matter of creating an international fund for the purpose of meeting the financial requirements of cooperation in the training of manpower.

### **Chapter III – Recommendations on Specific Matters**

**A. Guidelines for the Convening and Holding of Technical Meetings Envisaged in the Caracas Calendar to be held in Member Countries of the Group of 77 as well as other Technical ECDC meetings Arising from the Annual Ministerial Meetings of the Group of 77**

96. With regard to the holding of technical meetings envisaged in the Caracas Programme of Action, these meetings will observe the following guidelines to the extent possible:

- (a) Offers of venue for the meeting will be transmitted to the Chairman of the Group of 77 in New York, who will in turn inform the other chapters of the Group of 77 (Geneva, Vienna, Rome, Paris, etc.) in order to properly coordinate such offers. The convening of the meetings will be decided in consultation with the offering country. The Chairman of the Group of 77 in New York will notify all the member countries.
- (b) There will be an intervening period of a minimum of 3 to 4 months from the time of acceptance of the venue to the actual holding of the meeting, in order to ensure necessary preparations.
- (c) Upon submission of an offer of a venue, the country making the offer will present a draft agenda which will be reviewed by the Chairman of the Group of 77 in New York, in consultation with the corresponding chapters. Once the venue has been decided the text of the provisional agenda resulting from such consultation and the notice of convening will be communicated to member countries. The agenda will be adopted by the participants at the opening of the meeting.
- (d) It is understood that in accordance with item 1, Section IV, Paragraph 89 of the Caracas Programme of Action, the cost involved in convening experts groups and other meetings concerning ECDC, wherever these cannot be met through an international organization, are expected to be met by the country hosting the meeting.
- (e) When countries receive the convening notice and the provisional agenda of a meeting, normally no less than 8 weeks before its opening, they should advise the Chairman of the Group of 77 in New York of their interest in the meeting. They shall likewise indicate the number of members that will attend the meeting and, if possible, the composition of delegation to facilitate the organizational tasks (meeting places, interpretation, hotel accommodations, etc.) on the part of the host country, as well as the receipt of documentation within the time indicated in letter (f) below.
- (f) The host country shall be responsible for the preparation of the basic documentation for the meeting, and the preparation of which should be in coordination with the Chairman of the Group of 77 in New York, in consultation with the Chairmen of the respective chapters of the Group of 77. Said basic documentation in at least two of the working languages, and if possible, in all the working languages shall be distributed at least six weeks before the meeting to interested countries. A set of documents should also be sent to the national focal points designated by governments. The documents should be in accordance with the coding system used at the First Meeting of the IFCC in Manila.
- (g) The reports of each meeting must immediately be submitted in all the working languages of the Group to the Chairman of the Group of 77 in New York who, in turn, would submit them to all other chapters of the Group of 77. The Chairman of the Group of 77 in New York, will have the reports of each meeting reproduced and distributed to every member country of the Group of 77 within a maximum of 6 weeks from its receipt, with the request that if governments consider it appropriate, they could submit to him any comment or observation. An additional copy of these reports should be sent to the national focal points designated by governments.

## **B. General Guidelines for the Action Committees Envisaged in the Caracas Programme of Action**

97. Since there have been proposals included in the reports resulting from several past meetings of experts with regard to the utilization of this mechanism, as envisaged in item 3, Section II Paragraph 89 of the Caracas Programme of Action on institutional aspects i.e., Action Committees and other similar operational instruments, the Committee, bearing in mind the principle of flexibility and the experiences from its past application by various regions, adopts the following general guidelines:

- (a) Action Committees will be composed of 3 or more member countries of the Group of 77 which agree to their establishment. They will be temporary mechanisms and will be dissolved upon the attainment of their objectives, at which time a permanent mechanism of cooperation may be evolved, including the possibility of multinational entities of developing countries.
- (b) Action Committees shall assist the participating states, acting jointly in the formulation and implementation of specific programmes in areas and activities identified by the Group of 77 in the Caracas Programme of Action. The Committees will be open to participation by all member countries of the Group, subject to conditions of accession agreed upon.
- (c) The member countries interested in the creation of an Action Committee will notify the Chairman of the Group of 77 in New York and, if necessary, the Chairmen of other corresponding chapters of the Group of 77. The Chairman of the Group of 77 in New York will transmit this information to all member states to enable interested member countries to communicate with the original proposing countries. When the Action Committees shall have been set up, the contents of the constitutive instruments will be communicated to the other member countries through the Chairman of the Group of 77 in New York.
- (d) The constitutive instruments of Action Committees may contain one or more of the following elements:
  - Participating member states;
  - Objectives, specific programmes and projects for cooperation, timetable and work procedures;
  - Duration envisaged;
  - Administration facilities, venue and financing;
  - Links to the Group of 77 including the submission of an annual report on its activities.

## **C. National Focal Points for ECDC**

98. The Committee took note of the existence of about 50 national focal points, and agreed to recommend to those countries which have not done so to designate their respective focal points, in accordance with their structures and legal dispositions, in order to have an effective mechanism for the coordination, promotion and information on matters pertinent to ECDC in accordance with the objectives and guidelines of the Caracas Programme of Action.



#### **D. National Research and Training Centers of Multinational Scope**

99. Based on past experience, the specific recommendations recently formulated in the fields of science and technology at the New Delhi Meeting and the guidelines adopted on the same occasion as regards the operation of those Centers, the Committee:

- (a) stressed the importance of strengthening and providing guidance to the existing national centers, to allow them to project themselves interregionally and to maximize their usefulness at regional and subregional levels;
- (b) called on those countries where these centers are not yet in existence to consider the possible creation of national research and training centers in areas of ECDC in which they are interested and for the mutual benefit of other countries that can take advantage of their activities.

#### **E. Operation of the Group of 77 Account for ECDC**

100. Fourteen months after its establishment, the Account has received contributions amounting to US\$343,000. In addition, contributions pledged as of 6 August 1982, amounted to US\$237,000. Several announcements about new contributions by participating countries, some of them to be made on a yearly basis, were made and this was noted with satisfaction by the Committee. In relation to this and to the modalities for the operation of the Account adopted by the Group of 77 in New York, it was decided to:

- (a) call on those countries that have not yet done so to announce during the next Ministerial Meeting of the Group of 77 or as soon as possible, their voluntary contributions to the Account of the Group of 77 for ECDC for the financing of the activities envisaged in the Caracas Programme of Action;
- (b) request those countries which will announce contributions as well as those which have already done so and those which have even credited them, to indicate as soon as possible the proportion of their contributions which can be used for the purposes mentioned in the second part of item 5, Section IV, Paragraph 89 of the Caracas Programme of Action;
- (c) reiterate, without prejudice to the voluntary nature of their contributions, the scope and continuity of the expenses to be met with available Account funds or those forthcoming arising from the annual costs of the collation; eventual translation into the working languages of the Group of 77, reproduction and distribution of the documentation regarding the technical meetings and the mechanisms of sectoral evaluation; follow-up and coordination envisaged in the Caracas Programme of Action, including the necessary arrangements for the handling of documentation;
- (d) recall the importance for the future operation of the Account, of the establishment of a comprehensive estimate of the expenses which are to be met with available funds, taking into account indications given by donor countries for the special use of their contributions;
- (e) indicate the importance of drawing definite conclusions from the use of funds available or to be contributed during the forthcoming period in order to continue the examination of other initiatives with respect to the eventual use of ECDC funds for

other purposes which may arise from the implementation of the sectoral activities envisaged in the Caracas Programme of Action.

#### **F. Core of Assistants to the Chairman of the Group of 77 in New York**

101. Although only three of the assistants mentioned in the Caracas Programme were appointed by the governments and made available to cooperate with the Chairman of the Group of 77 in New York for ECDC purposes, the Committee was pleased to note the work undertaken by these officials, as well as the quality of documentation presented at this meeting, and agreed to:

- (a) express its thanks to the governments which have assigned and paid officials through their permanent missions in New York solely to give their full assistance to the Chairman of the Group of 77, including the preparatory work for the first IFCC meeting;
- (b) recommend that the Group of 77 in New York, when it takes up the revision of the Scheme for the Constitution of the Core of Assistants to the Chairman of the Group of 77 bear in mind the principles of rotation and continuity, of the assistants appointed by governments, as well as the desirability of providing the full complement of the Core of Assistants to the Chairman of the Group of 77;
- (c) stress that, at the start of the next annual period of rotation of the Chairmanship of the Group of 77 in New York, namely on 1 October 1982, the Chairman be assisted from the very beginning of his term by the maximum possible number of assistants in accordance with the provisions of the Caracas Programme of Action;
- (d) express the need felt by the Committee for facilitating the presence of one or more of the assistants at the technical sectoral evaluation, follow-up and coordination meetings pursuant to the guidelines given by the Chairman of the Group of 77 in this respect, with a view to allowing a wider fulfillment of the responsibilities expressly assigned by the Caracas Programme of Action to the Group of 77 in New York;
- (e) provide adequate facilities to the Core of Assistants to enable them to carry out their work within the framework of the Caracas Programme of Action.

#### **Other Matters**

102. The Philippines urged developing countries to sign and ratify the Agreement establishing the Common Fund to enable the Agreement to enter into force immediately. In this connection, the Philippines reiterated its offer to host the Headquarters of the Common Fund. The Meeting welcomed the offer and recommended that it be endorsed by the Group of 77 Ministerial Meeting in New York in September 1982 in keeping with the agreement that the site of the Fund should be in a developing country.

103. In the implementation of the Caracas Programme of Action, the Meeting further noted the need for considering the implications of development on man as well as his potential and actual contributions to this process. The Meeting was informed that the Philippines has inscribed the inclusion of a supplementary item in the agenda of the 37<sup>th</sup> UNGA entitled, "New International Human Order." Pending receipt of more details relating to this proposal, the Meeting was inclined to give it sympathetic consideration.

### **Closing Ceremonies**

104. The Meeting considered and adopted the Report henceforth known as the “Manila Follow-Up Action for ECDC”.

### **Acknowledgement**

105. The Meeting expressed appreciation to the Philippines Government and its people for the hospitality and excellent arrangements provided for the Meeting.

106. The Honourable Minister Alba, on behalf of the Government and the people of the Republic of the Philippines, expressed appreciation for the invaluable contributions of the delegates for the success of the Meeting.