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SM/84/260

November 26, 1984

To: Members of the Executive Board

From: The Secretary

Subject: Report on the Twenty-Ninth Session of the UNCTAD
Trade and Development Board

Attached for the information of the Executive Directors is a report by the Fund observers on the twenty-ninth session of the UNCTAD Trade and Development Board, held in Geneva during September 10-21, 1984.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

UNCTAD--Trade and Development Board

Twenty-Ninth Session

Report by the Fund Observers 1/

November 21, 1984

1. Introduction and summary

The Trade and Development Board (TDB) held its twenty-ninth session in Geneva during September 10-21, 1984 under the chairmanship of Ambassador M. Ahmad of Pakistan. 2/ The work of the Board was considerably delayed by procedural difficulties regarding the chairmanship of one of the Sessional Committees. Once this hurdle had been overcome, the general debate revealed that the views of the regional groups diverged widely on almost all of the items on the agenda. As could be expected in such a climate, no agreement could be reached on any of the substantive issues submitted to the Board for action. No consensus emerged on the purpose or agenda of a ministerial meeting of the Board to be held in 1985. There was also no agreement on two draft resolutions tabled by the Group of 77 on the international trading system and on the services sector. Another draft resolution circulated by the Group of 77 on the debt problems of developing countries was not even discussed, since Group B indicated that it would not be prepared to

1/ Documents referred to in this report will be on file in the Secretary's Department.

2/ The Board had under its consideration the following reports prepared by the Secretariat:

"Review and in-depth study by the Trade and Development Board of developments in the international trading system" (TD/B/1005);

"Services and the development process" (TD/B/1008 and 1009);

"Technology in the context of services and the development process" (TD/B/1012);

"Trends and policies in trade and economic co-operation among countries having different economic and social systems (TD/B/1003 and Add. 1);

"Recent developments in East-West co-operation in third countries and in tripartite co-operation" (TD/B/1000);

"Implementation of Conference resolution 138(VI) on UNCTAD activities in the field of island and land-locked developing countries" (TD/B/1006, and 1007 and Corr. 1); and

"The contribution of UNCTAD to the implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-

review in detail the issues concerned before the next session of the Board. Under the circumstances, the Board limited itself to adopting a certain number of decisions of a procedural or ancillary nature. Messrs. Jack Barnouin and Richard Eglin of the Geneva Office were the Fund observers.

2. General discussion

In his introductory statement, the Secretary-General of UNCTAD referred to the need for reform of the existing trade, monetary, and financial systems. Although these systems had played a constructive role, "not only in the long period that had elapsed since they were established, but also in the context of the immediate crisis," they had shown a lack of adaptability to changes in the world economy. As a result, national and international authorities had lost their capacity to exercise effective control over "monetary and financial phenomena," while observance of the disciplines of the trading system had deteriorated considerably. What was needed to correct the situation, he said, was a "development consensus" comparable to the "full employment consensus" that had underpinned international cooperation in the post-war period. In this context, he advocated the establishment of a "better link between the institutional system in the area of money and finance and the flow of long-term resources for growth and development." Similarly, he stressed the need to reform the rules of the international trading system with a view to fostering growth, not only of the developing countries, but also of the global economy.

Commenting on the Trade and Development Report 1984, the representative of the Secretariat referred to recent economic developments. In 1983, he said, there had been little positive impact of the U.S. recovery on the economies of the Third World because the small increase in developing countries' export earnings had been offset by higher interest rates and increased debt service obligations. In 1984, prospects had improved for the most advanced developing countries, including some of the major capital market borrowers, as many of them had been able to substantially expand their exports of manufactures to the industrial countries, such as Japan and the United States, where economic recovery was taking hold. At the same time, however, the continued weakness of commodity prices had been a particularly severe blow to developing commodity-exporting countries, especially in Africa. Moreover, even in the few developing countries where growth had resumed, the gains had been modest and had often represented only a partial recovery of earlier losses of output. Thus, while the direction of change was encouraging, "its magnitude was insufficient and the continuation and acceleration of growth in developing countries was still clouded by numerous difficulties and uncertainties."

Turning to debt servicing problems, the Secretariat representative said that the current approach adopted by the international community was essentially a policy of buying time. Such a stance was appropriate if adequate measures were implemented to increase the capacity of the

countries concerned to manage their external debt, but this was not the case. What was needed was the adoption of growth-oriented policies designed in particular to increase production in the export- and import-competing sectors in order to strengthen the current account.

The spokesman for Group B stated that, while a ministerial session of the Board could reinforce the North-South dialogue and the role of UNCTAD, careful preparation would be required so that all regional groups could agree on the purpose and agenda of such a meeting. Turning to the Trade and Development Report 1984, he welcomed the fact that the Report recognized the fundamental link between trade, finance, and development, the crucial importance of national policies in economic development, and the diversity of economic conditions existing among both the developing and developed countries. However, many of his constituents were not convinced that the Report recognized sufficiently the strength of the economic recovery under way, particularly in some of the larger industrial countries, and its positive impact on many developing countries. With respect to debt problems, he recalled that the Board had agreed to carry out a comprehensive review of the implementation of resolution 222(XXI) at its next session, and therefore his Group was not in a position to have a specific discussion on debt issues at the present session of the Board. In general, he considered that while the debt problems of various countries remained serious, especially in view of prevailing high interest rates, progress was being made in managing and containing the problems of international indebtedness. The developed countries had shown their willingness to respond to the positive adjustment measures adopted by several developing countries and to encourage multi-year rescheduling of commercial and public debts for those countries which were making progress in the implementation of such measures. Regarding trade matters, he said his Group fully agreed with the Secretary-General about the need to reverse protectionist trends and to relax and dismantle progressively trade restrictions and trade-distorting domestic measures. In this respect, he recalled that international commitments had already been undertaken regarding standstill and rollback measures, and that consideration was being given in the GATT to the question of a new round of multilateral trade negotiations. Finally, he welcomed the report prepared by the Secretariat on services and the development process, but he stressed that no action could be envisaged in this area until more information had been collected and the issues involved had been defined with more precision.

A number of individual Group B representatives made statements along similar lines, but placed varying degrees of emphasis on the issues covered by the spokesman for Group B.

On the question of money and finance, the representative of the European Communities suggested that the Trade and Development Report 1984 greatly underestimated the crucial role played by the Fund and the World Bank in assisting the developing countries' adjustment efforts. On trade, he noted that the Report concluded too quickly that the world trading system was moving toward a regime of managed trade and that his

constituents continued to fully support an open multilateral trading system. Moreover, the Communities had decided to accelerate, subject to certain considerations, the tariff reductions agreed upon in the Tokyo Round and to eliminate as far as possible restrictions on imports from the least developed countries. On debt, he emphasized that the adjustment efforts of indebted countries should be reinforced by policies of developed countries to bring about greater stability in exchange rates and a reduction in real interest rates.

The representative of the United States noted that his country held a considerably more optimistic view than the Report of the prospects for growth and recovery in the developed and developing countries. He cited the recent decline in the current account deficit of the developing countries as an encouraging development, and advocated the implementation of sounder domestic policies in the developing countries. On debt, his Government continued to support a case-by-case approach which took account of the individual circumstances of the countries concerned, and it rejected proposals requiring the assumption of private sector claims on indebted countries by governments, substantial relaxation of Fund-supported adjustment programs, and a significant increase in resources of multilateral development banks and bilateral aid programs. On the reform of UNCTAD, he indicated that his Government had serious concerns about how UNCTAD carried out its tasks. UNCTAD should be a vehicle to reach common understanding on the issues, and only then to seek agreement for resolving these issues. He complained about the procedures used in UNCTAD bodies in seeking consensus, and stressed the need for each UNCTAD program and activity to be reviewed regularly in order to determine its relevance to real needs. Among the activities of UNCTAD which should be given priority, he suggested a comprehensive review of developing countries' domestic policies with a view to determining the adequacy of these policies.

The representative of Canada, referring to the need for improved economic policy-making in both developed and developing countries, called for greater cooperation between the Fund and the World Bank, and for the Bank to play a larger role in fostering medium- and long-term development; he concluded that long-term growth and development could be pursued without the wholesale restructuring of existing institutions.

The representative of Japan suggested that the Report should have put more emphasis on the need for improved domestic economic management in developing countries, and for these countries' adjustment efforts to be supported by developed countries' policies to reduce real interest rates and further open their markets, and by improved debt rescheduling terms. On trade questions, he urged all countries to promptly agree on the launching of a new round of trade negotiations.

The representative of Norway, speaking on behalf of the Nordic countries, suggested that governments ought to be prepared to use UNCTAD more effectively as a forum for dealing with North-South issues. On the world economic situation, he noted that the spin-off effect of recovery

in OECD countries had varied widely among developing countries, and the situation of Sub-Saharan African countries in particular remained extremely precarious. To accelerate development, he advocated a substantial increase in financial flows to the developing countries through bilateral and multilateral financial development assistance, private lending, and foreign direct investment; for a great majority of the least developed and poorer countries which could scarcely attract private investment capital, official assistance should be stepped up. He expressed doubts that protectionist pressures would decline as much as expected, and suggested that the crucial factor in this field was political will. Referring to the recent decline in commodity prices, he said the UNCTAD members had a special responsibility to take action which, in the longer run, would stabilize commodity prices and the export earnings of commodity producers.

The spokesman for the Group of 77 stated that his Group attached great importance to the convening of a ministerial session of the TDB in 1985 which would provide an opportunity to examine the problems currently confronting the developing countries. He hoped that the Board would be able to agree on such a meeting at its present session. Regarding trade, he expressed the concern of his constituents on the alarming increase in protectionism, particularly in areas of major interest to developing countries such as textiles, and he deplored the fact that obligations contracted by developed countries in favor of developing countries were no longer being honored. As a matter of priority, he called for prompt implementation of the work program adopted at the November 1982 GATT Ministerial session with the aim of improving international trade relations. Until the program had been fully implemented, the developing countries were not ready to participate in a new round of multilateral trade negotiations within the GATT. On debt problems, he deplored the fact that creditor countries were not fully adhering to the guidelines for debt renegotiation agreed in Board resolution 222(XXI), and that the multilateral financial institutions had not been able to assist debt-ridden countries significantly. His Group hoped that the Board would examine debt problems in a development context at its current session, and that its deliberations would lead creditor countries to provide debtor countries with resources on terms and conditions more compatible with their development needs. At the same time, efforts should be made to reduce the social costs involved in the adjustment process. Finally, he reiterated his Group's support for an active UNCTAD role in the field of services, and expressed the hope that the Board could adopt a broad work program designed to identify the problems in this sector.

The representatives of the developing countries who intervened in the debate, while supporting the statement of the spokesman for the Group of 77, put special emphasis on issues of direct interest to their respective governments. The representative of India called for the restructuring of the post-war system of trade and payments, and deplored the fact that international financial institutions were "often contributing to a further accentuation of the difficulties of the developing world by insisting on doctrinaire and one-track policy measures such as severe

adjustment measures." The representative of Yugoslavia complained that developing countries were advised to solve their difficulties primarily by cutting public and private spending and by financing development from national savings. The representative of Cuba said that the retrenchment measures in Fund stabilization programs carried unbearable social costs, and complained that several developed countries continued to use coercive economic measures against various developing and socialist countries for political purposes. The representative of Peru welcomed the recent decision of the U.S. Government not to impose import restrictions on copper, but expressed serious concern about the recent investigation of Peruvian textile imports into the United States. Referring to UNCTAD work in commodities, he advocated the launching of a program of cooperation on copper covering research and development. The representatives of Algeria, Bangladesh, and Egypt also called for a resumption of UNCTAD activities in the area of commodities. The representative of Sri Lanka regretted that the Seventh Replenishment of IDA represented a steep decline in both nominal and real terms compared with the Sixth Replenishment.

The representative of China said the developing countries had been severely hit by the economic crisis of the western countries, and had not benefited much from their subsequent economic recovery. It could no longer be argued that economic recovery in a few major developed countries would bring about a revival of economic activity in the developing countries. There was therefore an urgent need to restructure the system of international economic relations to meet evolving needs. Regarding the debt problems of developing countries, he said that "the developed creditor countries, the commercial banks, and international financial institutions had unshirkable responsibilities for finding a fair and rational solution to these problems." Turning to commodity issues, he noted that prices had dropped drastically during the recent economic crisis and, after a temporary upturn, had now started to fall again. To correct the situation, he advocated an acceleration of work on the Integrated Programme for Commodities and a further relaxation of CFF lending terms by the Fund. In conclusion, he said his authorities supported the convening of a ministerial meeting of the TDB in 1985.

A number of Group D countries made individual statements. The representative of the U.S.S.R. stated that UNCTAD "had to be protected from spurious and unjustified attacks aimed at disorganizing and paralyzing the activities of such a major organization of the United Nations system." The prevailing crisis, for which the western economies were to blame, had forced developing countries "to sacrifice social and economic progress in order to try to effect the necessary balance of payments adjustment." The only solution for overcoming the crisis was to restructure the international economic order in accordance with the principles embodied in the Charter of Economic Rights and Duties of States and in the Declaration of the Programme of Action on the Establishment of a New International Economic Order. It was only on such a basis, he concluded, that the developing countries would be able to "resist the attempts by imperialism to exploit the current economic situation with the aim of imposing its capitalist economic models of development, and in particular of providing unlimited facilities for private capital."

The representative of Hungary noted that the Trade and Development Report 1984 gave the impression that "socialist countries could afford not to adjust their economies to the changing circumstances in world markets." This was not true, even though the magnitude of the adjustment efforts required of socialist countries varied in relation to their reliance on foreign trade and financial markets. On trade problems, he deplored the fact that some major trading powers were bypassing their contractual obligations under the GATT, and complained about "the deliberate discriminatory policy pursued by the European Communities against centrally planned economy countries." The representatives of Czechoslovakia and Poland also expressed concern about the gradual erosion of the multilateral trading system.

3. Specific issues

a. Ministerial meeting of the TDB

The Board had for consideration the report of an Ad Hoc Consultative Committee 1/ established at its previous session to discuss the timing and agenda of a TDB ministerial meeting to be held in 1985 in pursuance of Conference resolution 90(IV). In introducing the report, the Chairman of the Consultative Committee explained that participants had reached consensus that the meeting should be held in the autumn of 1985, that its duration should not exceed three days, and that its agenda should be formulated in general terms without mention of specific sectoral issues. Agreement had not been reached on the precise contents of the agenda or the character of the ministerial meeting. The Board referred the matter to an informal contact group, where the regional groups limited themselves to reiterating the views expressed in the Consultative Committee. The Group of 77 representative restated that the ministerial meeting should aim at concrete results, and its agenda should offer the chance to discuss substantive issues within UNCTAD's competence. The Group B spokesman thought the meeting's main purpose should be to provide for a high-level exchange of views on the agenda items. It was finally decided that the matter should be considered further by an interim committee which would report to the Board at its thirtieth session. 2/

b. Debt problems of developing countries

The Group of 77 circulated a draft resolution which stressed the importance of adopting comprehensive measures to deal with current debt servicing problems, and recommended, inter alia, that multi-year reschedulings spread over at least 15 years and embodying substantial grace and consolidation periods should be more extensively used; that the Fund's CFF should be expanded to compensate indebted countries for the rise in interest rates, and that Fund-sponsored adjustment programs should be reoriented to encourage export promotion rather than import curtailment. 3/ This draft was not discussed in the Board, however, as Group B indicated it was not prepared to examine debt issues in detail on this occasion.

1/ TD/B/L.731/Add.3.

2/ TD/B/L.740.

3/ TD/B/L.712, attached.

c. International trade

The Board had for consideration a draft proposal of the Group of 77 recommending that the study of developments in the international trading system initiated in pursuance of Conference resolution 159(VI) should be accelerated, so that the Board could make recommendations and proposals on this matter at its thirty-first session in September-October 1985. 1/ The spokesman for the Group of 77 said the drift away from multilateralism, the intensification of discriminatory measures against developing countries, and the movement toward managed trade, made it imperative to set a deadline for the adoption of a new set of rules and principles in the area of international trade. The spokesman for Group B argued that it was premature to assume in advance of the review of the trading system that the system required basic reform. However, at the next session of the Board, his Group would be prepared to consider the convening of a special session to carry out the review of the trading system. The Board finally decided to annex the draft proposal tabled by the Group of 77 to its report.

d. Services

The Group of 77 tabled a resolution 2/ requesting the UNCTAD secretariat to carry out further studies of the role of the services sector in the development process. The proposed text was unacceptable to Group B, however, because it did not specify that UNCTAD work in this field was to be only a complement to the work undertaken by other international institutions in the same field. This proposal, therefore, also was annexed to the report of the Board.

e. Other issues

The Board approved four resolutions of a procedural nature regarding the program of work of the Secretariat on trade relations among countries having different economic and social systems, 3/ transit transport infrastructures and services for landlocked developing countries, 4/ technical cooperation among developing countries, 5/ and voluntary contributions to the International Trade Centre. 6/ It also adopted a decision of an ancillary nature regarding the control of documentation. 7/

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- 1/ TD/B(XXIX)/CW/L.5, attached.
2/ TD/B(XXIX)/CW/L.4.
3/ TD/B/L.744.
4/ TD/B/L.741.
5/ TD/B/L.739.
6/ TD/B/L.736.
7/ TD/B/L.735.



Distr.
LIMITED

TD/B/L.712
13 September 1984

Original: ENGLISH

United Nations Conference on Trade and Development

TRADE AND DEVELOPMENT BOARD
Twenty-ninth session
Geneva, 10 September 1984
Agenda items 3 and 4

INTERDEPENDENCE OF PROBLEMS OF TRADE, DEVELOPMENT FINANCE
AND THE INTERNATIONAL MONETARY SYSTEM

DEBT AND DEVELOPMENT PROBLEMS OF DEVELOPING COUNTRIES

Draft resolution submitted by Argentina on behalf
of the States members of the Group of 77

The Trade and Development Board,

Noting that the persistence of high real interest rates, weak terms of trade of most primary commodities, sluggish growth in export volumes, decline in net transfers and increasing protectionism of recent years have severely impaired the debt-servicing capacity of developing countries,

Noting with concern that the extremely difficult debt-servicing situation presently facing many developing countries has intensified the pressures on their balance of payments which have adversely affected their creditworthiness and retarded their development,

Highlighting the far-reaching and rigorous policies and measures developing countries have adopted to deal with their debt-servicing obligations despite the attendant social, political and economic costs,

Noting that the efficacy of adjustment policies and measures has been impaired by unfavourable developments in the world economy beyond their control such as increases in interest rates and intensified barriers to trade,

Concerned at the inordinate burden of adjustment placed on developing countries by the present debt-servicing difficulties,

Recalling Trade and Development Board resolutions 165 (S-IX) and 222 (XXI) on the debt and development problems of developing countries, Conference resolution 161 (VI) on external debt and Trade and Development Board decision 238 (XXVIII) of 6 April 1984,

Welcoming the pledge undertaken at the Summit Conference of the seven industrialized countries which took place in London to encourage a more extended multi-year rescheduling of commercial debts, to resist continuing protectionist pressures and to reduce barriers to trade,

Persuaded of the need to move rapidly towards a permanent and long-term solution to the present debt-servicing problems,

1. Emphasizes that the burden of economic adjustment and of resolving the debt problems of the developing countries should also be shared by developed creditor countries, the international private banking system and the international financial institutions;

2. Recommends that governments of developed countries should adopt measures leading to a significant reduction in nominal and real interest rates in international markets;

3. While recognizing that the present ad hoc country-by-country rescheduling has so far avoided a world-wide financial crisis, stresses the importance of adopting comprehensive measures to deal with the current debt-servicing problems consistent with the imperatives of development and orderly adjustment;

4. Agrees that a lasting solution to the current debt crisis will require immediate and wide-ranging measures including specific debt-relief measures, particularly in favour of the least developed countries, an increasing net flow of new public and private financial resources, balance-of-payments support, measures against rising interest rates, elimination of trade impediments affecting exports of developing countries and measures to improve commodity prices;

5. Recommends that debt renegotiations should exclude conditions requiring drastic adjustments entailing high economic and social costs;

6. Recommends that debt renegotiations should take fully into account the present and evolving debt-servicing capacity of each country, its prospects for economic recovery and resumption of sustained development and growth;

7. Further recommends more extensive use of multi-year reschedulings, which should stretch over 15 years at least and embody substantial grace and consolidation periods. The payments to be made by developing countries should represent a reasonable percentage of their exports so as to ensure adequate volume of imports to sustain their adjustment and development plans and programmes;

8. Urges the adoption of mechanisms to ease the impact of high interest rates through measures such as the adaptation of the compensatory financing facility in the International Monetary Fund.

9. Further recommends that in renegotiating debts and undertaking new loan commitments, international banks should use rates of reference which should not exceed the real cost of securing funds in financial markets;

10. Further recommends the reduction of the margins of intermediation and other joint expenses, eliminating commission charges and, during periods of renegotiation, abolishing penalties on accumulated arrears;

11. In the context of debt re-organization, urges the adoption of clauses designed to prevent payment of interest on a portion of the deferred interest payment;

12. Recommends that IMF-sponsored adjustment programmes should be re-oriented to encourage promotion of exports rather than curtailment of imports and that such programmes should allow for unanticipated rises in interest rates on fiscal and balance-of-payments targets;

13. Recommends the allocation of a greater volume of resources so as to strengthen the lending capacity of the international financial institutions such as the International Monetary Fund, the World Bank and the African Development Bank, the Asian Development Bank and the Inter-American Development Bank and to allow them to tailor their lending programmes to the nature and character of the payments deficits and long-term capital requirements of developing countries;

14. Urges a new allocation of special drawing rights by the International Monetary Fund, compatible with the current and evolving needs of countries for liquidity, for lengthening the duration of adjustment programmes and for increased access to the resources of the International Monetary Fund;

15. Recommends that the disbursement of official development assistance be accelerated and in the transfer of resources, measures such as appropriate allocation of greater shares to programme assistance, local and recurrent cost finance and finance to meet maintenance imports be adopted, in particular in respect of the least developed countries. In this connection, urgent attention should be given to mobilizing supplemental funding for the International Development Association to compensate for shortfalls in the seventh replenishment;

16. Urges full and expeditious implementation of Board resolution 165 (S-IX) and adoption of debt-relief measures for the least developed countries in particular. All outstanding official development assistance debts of the least developed countries owed to developed countries should be converted into grants;

17. Calls for a thorough reform of the Bretton Woods system which would secure the objectives of sustained development and growth, exchange and monetary stability, and adequacy of resources for investment while meeting the special concerns of developing countries.



Distr.
LIMITED

TD/B(XXIX)/CW/L.5
19 September 1984

Original: ENGLISH

United Nations Conference on Trade and Development

TRADE AND DEVELOPMENT BOARD
Twenty-ninth session
Geneva, 10 September 1984
Agenda item 2
Committee of the Whole

SPECIFIC MATTERS ARISING FROM THE RESOLUTIONS, RECOMMENDATIONS
AND OTHER DECISIONS ADOPTED BY THE CONFERENCE AT ITS
SIXTH SESSION REQUIRING ATTENTION OR ACTION BY THE BOARD AT
ITS TWENTY-NINTH SESSION

International Trading System

Draft conclusions submitted by Argentina on behalf
of the States members of the Group of 77

1. The Board recognized the importance of the tasks assigned to it in paragraph 14 of Conference resolution 159 (VI). It noted that recent developments had further accentuated the urgent need for concrete actions aimed at improving and strengthening the international trading system, and reversing the dangerous tendencies which were becoming increasingly apparent.
2. While recognizing that the review and in-depth study of development in the international trading system represented a continuing activity, the Board agreed that this process should be accelerated and intensified to permit it, at its thirty-first session, to enter into the stage of making recommendations and proposals with respect to international trade and with the aim of strengthening and improving the trading system along the lines foreseen in Conference resolution 159 (VI).
3. To this end, the Board requested the Secretary-General to take the necessary action to facilitate this process, including organizing meetings and soliciting pertinent contributions from the widest possible range of governmental and non-governmental sources.
4. The Board invited the Secretary-General to prepare studies to facilitate the discussion at its thirty-first session, including on:
 - (a) The state of implementation of commitments in favour of developing countries and measures to be taken to ensure the implementation of such commitment;

(b) Developments in international trade in the textiles and clothing sector and measures to be taken to restore to this trade the adherence to the basic principles of the international trading system, in particular, non-discrimination, comparative advantage, prohibition of quantitative restrictions (including voluntary exports restraints) and differential and more favourable treatment in favour of developing countries;

(c) Adverse impact of tariff and non-tariff measures and other factors on the international trade in commodities, in general, and on the export earnings of developing countries from commodities in their processed forms, in particular; and trade policy measures necessary to mitigate such adverse impact;

(d) The special problems of the least developed countries taking into account the commitments made in the SNPA and other relevant decisions.

5. The Board also invited governments to make such contributions as they considered appropriate to accelerate the fulfilment of the mandate in Conference resolution 159 (VI), paragraph 14.

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