



General Assembly

Distr.
GENERAL

A/50/617/Add.8
14 December 1995
ENGLISH
ORIGINAL: ARABIC

Fiftieth session
Agenda item 95 (h)

SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC
COOPERATION: BUSINESS AND DEVELOPMENT

Report of the Second Committee (Part IX)*

Rapporteur: Mr. Basheer F. ZOUBI (Jordan)

I. INTRODUCTION

1. The Second Committee held a substantive debate on agenda item 95, sub-items (f), (g), (h), (i), (j) and (k) (see A/50/617, para. 3). Action on sub-item (h) was taken at the 40th and 43rd meetings, on 30 November and 12 December 1995. An account of the Committee's consideration of the item is contained in the relevant summary records (A/C.2/50/SR.40 and 43).

II. CONSIDERATION OF DRAFT RESOLUTIONS A/C.2/50/L.41 AND A/C.2/50/L.41/Rev.1

2. At the 40th meeting, on 30 November, the representative of the United States of America introduced a draft resolution entitled "Business" (A/C.2/50/L.41), which read as follows:

"The General Assembly,

"Reaffirming its resolution 48/180 of 21 December 1993,

"Taking note of the biennial report of the Secretary-General on entrepreneurship and privatization, 1/

* The report of the Committee on this agenda item is being issued in several parts, under the symbol A/50/617 and addenda.

1/ A/50/417.

"Taking note of chapter VI of World Economic and Social Survey, 1995, touching on the same subjects, 2/

"Taking note of the twelfth meeting of experts on the United Nations Programme in Public Administration and Finance and endorsing its finding that the economic role of Government is to enable national development, primarily through private-sector development, 3/

"Aware of the need for increased private-sector involvement in the sustainable development and provision of infrastructure services, particularly in developing countries and economies in transition, while protecting essential services and safeguarding the environment,

"Taking note of the World Ministerial Conference on Organized Transnational Crime, held in Naples from 21 to 23 November 1994, 4/ and in Buenos Aires in November 1995, and of the Ninth United Nations Congress on the Prevention of Crime and the Treatment of Offenders, 5/ held in Cairo from 29 April to 8 May 1995, in particular their consideration of the issue of illicit payments in international business transactions,

"Noting the recommendations adopted by the Organisation for Economic Cooperation and Development in April 1994 in which its members take concrete and significant steps to combat commercial bribery,

"Acknowledging the need for an international instrument to deal with the problem of illicit payments in international business transactions, in particular the completion of the draft international agreement on illicit payments, so as to promote governmental accountability, a stable and predictable international business environment and fair economic and social development for the general public,

"1. Values the promotion of entrepreneurship in support of small and medium-sized industry, and of privatization, demonopolization and administrative deregulation, by various actors throughout civil society;

"2. Invites Member States, requests the Secretary-General, and calls upon and encourages the relevant organs, organizations and programmes of the United Nations system to continue to undertake and improve their activities in support of entrepreneurship, privatization, demonopolization and administrative deregulation, as described in its resolution 48/180;

"3. Invites Member States, requests the Secretary-General, and calls upon and encourages the relevant organs, organizations and programmes of

2/ United Nations publication, Sales No. E.95.II.C.1.

3/ ST/SG/AC.6/1995/--.

4/ See A/49/748, annex.

5/ See A/CONF.169/16.

the United Nations system, in their respective activities for the sustainable development and provision of infrastructure services, to increase private-sector involvement and to improve the utilization and maintenance of existing infrastructure, for example, through increased use of guarantees and co-financing for infrastructure investment and through closer integration of the United Nations specialized agencies for that purpose;

"4. Calls upon the Secretary-General and encourages the relevant organs, organizations and programmes of the United Nations system, in their management of United Nations system internal procurements practices, to involve, to the greatest extent practicable, efficiencies afforded by private-sector outsourcing for the sake of more effective and efficient execution of United Nations system programmatic mandates;

"5. Looks forward to its resumed fiftieth session in March-April 1996, at which it will examine public administration and development and address further the restructuring of the public sector for private-sector development;

"6. Calls for the completion of the draft international agreement on illicit payments through:

"(a) The re-convening of the Economic and Social Council's Committee on an International Agreement on Illicit Payments which, in order to complete the draft, would take account of progress already achieved on this issue in areas such as the definition of illicit payments, the establishment of uniform reporting procedures and the promotion of a framework for information exchange;

"(b) A report by the Committee, through the Council at its 1996 session, on progress achieved on a completed draft, to the General Assembly at its fifty-first session for its consideration under the agenda item entitled 'Report of the Economic and Social Council';

"7. Decides to consider at its fifty-second session activities relating to the present resolution under an agenda item entitled 'Development and international economic cooperation: business and development'."

3. At the 43rd meeting, on 12 December, the representative of the United States of America introduced a revised draft resolution (A/C.2/50/L.41/Rev.1), entitled "Business and development", submitted also on behalf of Poland and the Russian Federation, subsequently joined by Ukraine, and orally revised it as follows:

(a) In the sixth preambular paragraph, in the third line, the words "developing countries and" were deleted;

(b) In operative paragraph 1, in the second line, after the word "enterprises" the words "and industries" were inserted;

/...

(c) In operative paragraph 4, in the second line after the word "development", the remainder of the paragraph was deleted and replaced by the following: "and address the issues contained in its agenda, including the role of public administration in promoting partnership for development";

(d) In operative paragraph 6, the words "determine a time-table" were replaced by the words "consider the appropriate time-frame and procedure".

4. Before the adoption of the revised draft resolution, statements were made by the representatives of Benin, the United States of America, Nigeria, Morocco and Algeria (see A/C.2/50/SR.43).

5. At the same meeting, the Committee adopted revised draft resolution A/C.2/50/L.41/Rev.1, as orally revised, without a vote (see para. 7).

6. After the adoption of the revised draft resolution, a statement was made by the representative of China (see A/C.2/50/SR.43).

III. RECOMMENDATION OF THE SECOND COMMITTEE

7. The Second Committee recommends to the General Assembly the adoption of the following draft resolution:

Business and development

The General Assembly,

Reaffirming its resolution 48/180 of 21 December 1993,

Taking note of the report of the Secretary-General concerning policies and activities related to entrepreneurship, privatization, demonopolization and administrative deregulation, 6/

Also taking note of chapter IV of the World Economic and Social Survey, 1995, 7/

Further taking note of the report of the Committee on an International Agreement on Illicit Payments on its first and second sessions, 8/ the report of the Commission on Transnational Corporations on efforts by the United Nations to address the issue of corrupt practices 9/ and work undertaken in other international forums on the issue of corrupt practices,

6/ A/50/417.

7/ United Nations publication, Sales No. E.95.II.C.1.

8/ E/1979/104.

9/ E/1991/31/Add.1.

Looking forward to the review by the Economic and Social Council of the report of the Twelfth Meeting of Experts on the United Nations Programme in Public Administration and Development,

Aware of the need to increase private-sector involvement in the provision of infrastructure services, inter alia, through joint ventures between public and private entities, particularly in countries with economies in transition, while protecting essential services and safeguarding the environment,

Recognizing the important role of Governments in creating, through transparent and participatory processes, an enabling environment supportive of entrepreneurship and facilitative of privatization, in particular in establishing the judicial, executive and legislative frameworks necessary for a market-based exchange of goods and services and for good management, 10/

Taking note of the World Ministerial Conference on Organized Transnational Crime (Naples, 21-23 November 1994 and Buenos Aires, November 1995), and of the Ninth United Nations Congress on the Prevention of Crime and the Treatment of Offenders (Cairo, 29 April-8 May 1995), in particular the consideration by those conferences of the issue of illicit payments in international business transactions,

Acknowledging the need for international cooperation to deal with the problem of illicit payments in international business transactions, such as in the United Nations ongoing work on its draft international agreement on illicit payments, 11/ so as to promote accountability and a stable and predictable international business environment, and acknowledging further that international efforts in that field require the cooperation of all countries concerned,

1. Values the promotion of entrepreneurship in the development of small and medium-sized enterprises and industries by various actors throughout civil society, and of privatization, demonopolization and the simplification of administrative procedures;

2. Invites Member States, requests the Secretary-General and calls upon and encourages the relevant organs, organizations and programmes of the United Nations system to continue to foster active participation in support of entrepreneurship, privatization, demonopolization and the simplification of administrative procedures, as described in General Assembly resolution 48/180;

3. Also invites Member States, requests the Secretary-General and calls upon and encourages the relevant organs, organizations and programmes of the United Nations system, in their respective activities for the provision of infrastructure services, to encourage private-sector cost-effective involvement in the efficient construction, use and maintenance of infrastructure;

10/ See Proceedings of the United Nations Conference on Trade and Development, Eighth Session, Report and Annexes (TD/364/Rev.1) (United Nations publication, Sales No. E.93.II.D.5), part one, sect. A, paras. 27 and 28.

11/ See E/1991/31/Add.1 and E/AC.67/L.3/Add.1.

4. Looks forward to its resumed session in March and April 1996, during which it will examine public administration and development, and address the issues contained in its agenda, including the role of public administration in promoting partnership for development;

5. Welcomes the continuation of work on illicit payments in relevant international forums, including the United Nations, taking account of progress already achieved on that issue;

6. Recommends that the Economic and Social Council, at its organizational session of 1996, consider the appropriate time-frame and procedure for the continuation of the work with a view to completing the draft international agreement on illicit payments, including consideration of the draft at the substantive session of 1996 of the Council, and recommends that the Council report to the Assembly at its fifty-first session;

7. Decides to include in the agenda of its fifty-second session the item "Sustainable development and international economic cooperation: business and development".
