



Resolution 591 (1975)¹

Development co-operation in a changing world economic situation

Parliamentary Assembly

The Assembly,

1. Taking note of the report of its Committee on Economic Affairs and Development on development co-operation in a changing world economic situation ([Doc. 3597](#)) and of the 1974 annual report of the Chairman of the Development Assistance Committee (DAC) of OECD ([Doc. 3527](#)) ;
2. Recalling its [Resolution 567 \(1974\)](#), on development co-operation ;
3. Deploring the unjustified relative overall decrease in the flow of official development aid from industrialised countries ; welcoming, however, the recent decisions of certain governments of Council of Europe member states significantly to increase this aid ;
4. Appreciating the substantial increase of aid flows from certain high-income oil-producing developing countries ;
5. Emphasising that one prerequisite for making the developing countries economically self-reliant is the combination of sustained development co-operation with efforts to reform the world trade and monetary system in their favour, and pointing out that these countries must step up their own efforts, mobilise their resources and introduce radical reforms at home, in particular in the social sector ;
6. Concerned at the serious repercussions which the recent development of prices for oil, raw materials, food and fertilisers have on the poorer and/or most densely populated countries ;
7. Equally concerned at the effect of inflation in the industrialised countries on the price of technical equipment needed by the developing countries for the development of their industry, agriculture and infrastructure, and realising that the economic difficulties in the aid donor countries weaken the willingness of the public at large to consider development aid as necessary ;
8. Welcoming the terms of the Lomé Convention concluded between the European Economic Community and forty-six African, Caribbean and Pacific countries,
9. Urges DAC countries, especially the Members of the Council of Europe among them :
to increase their official development aid, to make more funds available for official action to promote public understanding for development co-operation and, together with the politicians and trade unionists responsible, to call attention to the long-term mutual advantages of such cooperation ;
to adapt development co-operation selectively to meet with the different needs of developing countries, first by concentrating official aid on the poorest developing countries for which "development" means the satisfaction of basic human needs (financial and humanitarian aid, and food supplies in the form of grants or loans on favourable terms), then through technical and industrial co-operation with relatively

1. Assembly debate on 23 April 1975 (4th Sitting) (see [Doc. 3597](#), report of the Committee on Economic Affairs and Development). Text adopted by the Assembly on 23 April 1975 (4th Sitting).



"rich" developing countries (in any case paid technical assistance), and lastly by measures involving differentiated conditions for investment and technical aid combined with the increase of trade opportunities for the middle group of developing countries to facilitate their "take-off" ;

to co-ordinate bilateral and multilateral cooperation programmes, in order to achieve fairer distribution among the different geographical areas and to concentrate aid in particular on the poorest strata of the population, and to concentrate official development aid on concessionary terms to the poorest developing countries, e.g. those with a per capita income of less than S1 000 ;

in addition to a considerable increase in industrial and craft production, to promote rural development more urgently, while stressing the need to give priority to the increase of food and fertiliser production in the developing countries, taking into account environmental considerations ;

to extend or promote with all speed trilateral co-operation (and hence the three-cornered combination of capital, technology and labour) between financially strong countries and institutions, the suppliers of technical know-how and equipment goods, and the needy developing countries ;

to develop the international economic system further with a view to improving the economic situation of developing countries, having regard to the principle of the constructive coexistence of different economic systems, and at the same time :

- a. to promote regional co-operation among developing countries ;*
- b. to stimulate the efforts of UNCTAD to elaborate and implement an integrated programme for commodities consisting in the establishment of international commodity stocks, common international financing of stocks, supply and purchase commitments, compensatory payments of export fluctuations in commodity trade, and the processing of raw materials and foodstuffs in developing countries, in order, inter alia, to ensure to developing countries adequate prices and stable export revenues as well as the transformation of their economies and diversification of their exports ;*
- c. to ensure that further tariff dismantling by the industrialised countries among themselves will not erode advantages afforded to developing countries under generalised systems of preferences or other bilateral or multilateral agreements, and to use the current multilateral trade negotiations in the framework of GATT to increase substantially the foreign exchange earnings of the developing countries ;*

in so far as they have not yet done so, to adhere to the "Understanding on untying of bilateral development loans in favour of procurement in developing countries" agreed upon by a number of DAC countries in June 1974 ;

to invest in development co-operation the funds released by cuts in expenditure on armaments which would necessitate the adoption by all industrialised countries in the East and West of a common attitude and a declared readiness on the part of the developing countries to limit their own spending on armaments.