

RESOLUTION ON THE COMMON FUND

The Council of Ministers of the Organization of African Unity, meeting in its Thirty-First Ordinary Session in Khartoum, Democratic Republic of the Sudan, from 7 to 18 July 1978,

Recalling UNCTAD resolution 93 (IV) on the Integrated programme for Commodities,

Bearing in mind the agreement reached in the Conference on International Economic Co-operation (CIEC) in Paris in July 1977 that a Common fund should be established as a new entity to serve as a key instrument in attaining the agreed objectives of the Integrated Programme for commodities,

Noting with regret that the United Nations Negotiating Conference on a Common Fund was not able to arrive at an agreement on the main constituent elements of the Fund despite two sessions in March and November 1977,

Concerned at the slow pace of progress in the preparatory work and negotiations on individual commodities under the Integrated Programme,

Recalling its resolution 611 (XXX) adopted at its 30th Ordinary Session in Tripoli, Libya, in February 1978 and UN General Assembly resolution 32/193 of 19 December 1977, on the UN Negotiating Conference on a Common fund under the IPC,

Emphasizing the crucial importance of the establishment of the Common fund and the implementation of the Integrated Programme for Commodities in the wider context of the relations between developed and developing countries and of the efforts to establish a New International Economic Order:

1. **RE-ITERATES** the view that the Common Fund should:
 - i. not only finance buffer stocks but also consider other measures through a “second window”

- ii. have substantial paid-in capital of its own, financed by direct government contributions, to enable it to discharge effectively its role of facilitating the establishment of International Commodity Agreements, while recognizing the desirability of moving away from the polarized concepts of a source and pool;
2. **NOTES** with satisfaction that the intensive consultations undertaken by the Secretary-General of UNCTAD in pursuance of General Assembly resolution 32/19 to facilitate the resumption of the Negotiating conference on the Common fund indicate possibilities of positive forward movements on the part of some developed countries on the financing of other measures and on the capital structure of the Fund;
3. **URGES** all developed countries to adopt a more positive attitude on the question of direct contributions to the capital structure of the Fund and a financing role of the Fund in respect of measures other than stocking so that the Common fund would be financially viable, economically meaningful, in a position to play a catalytic role in the conclusion of commodity agreements, and take account of the interests of all commodity producing and consuming countries especially developing countries;
4. **URGENTLY CALLS** for the early resumption and the successful conclusion of the negotiations on the Common Fund;
5. **URGES** all countries to make greater efforts to make more rapid progress in the preparatory work on individual commodities and to initiate negotiations at an early date for the conclusion of commodity arrangements in fulfilment of the objectives of the Integrated Programme.