

RESOLUTION ON UNINTENDED DIFFICULTIES AS A RESULT OF THE RECENT
INCREASE ON THE PRICE OF PETROLEUM PRODUCTS

The Council of Ministers of the Organization of African Unity meeting in its Twenty Second Ordinary Session in Kampala, Uganda, from 1 to 4 April 1974,

Considering the fact that there is to be a Special Session of the United Nations scheduled to begin in New York on 9 April 1974,

Bearing in mind that one of the main considerations will relate to lower prices of raw materials and on the other hand the present escalation of prices of manufactured goods imported by the developing countries from the developed countries,

Noting the perilous state of the economies in most developing countries deeply affected by the inflation of prices in the developed countries,

Welcoming the eventual realization by the oil producing States that they have been suffering for too long from extreme exploitation of their main product,

Bearing in mind that the recent increase in the price of oil and the adjustment to the economic imbalance between the cost of primary and finished products are long overdue,

Convinced that similar adjustment must be considered in relation to other primary products,

Seriously concerned about the sudden and paralyzing, though unintended, effect the price increase of petrol and petroleum products has had on the economies of the developing Non-Aligned Nations which include the majority of Nations of the OAU,

Convinced of the need for closer co-operation between the developing countries of the Non Aligned States with a view to assisting their social and economic development,

Noting that this meeting offers the important opportunity for preparation for the presentation of a United Front at the Special Session of the United Nations where all developing countries could oppose the traditional exploiters of their primary products,

1. DECIDES: to endorse and support a formula whereby
 - (a) A Fund shall be established out of a levy from the sale of oil to both developed and developing countries;
 - (b) that the oil producing nations should not be asked to bear the cost of establishing this Fund;
 - (c) the Fund thereby created from a levy from the sale of oil to both developed and developing countries should consist of a small addition to the present price and should be distributed to the developing countries in accordance with the proportion that the amount of oil purchased by any developing country in 1973 bears to the total amount purchased by all developing countries for that year;

3. DECIDES to accept and use this formula with necessary adaptations in respect of other commodities produced by Non-Aligned Nations in order to make a similar equitable readjustment in favour of the developing countries;

3. RECOMMENDS that the Secretary General of the OAU transmits this decision to the Secretary General of the O.P.E.C. and the Secretary General of the United Nations.