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Held at Headquarters, New York,
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President: Mr. FULCI (Italy)
(Vice-President)

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ADOPTION OF THE AGENDA AND OTHER ORGANIZATIONAL MATTERS [1]

The meeting was called to order at 3.05 p.m.

EXPRESSION OF SYMPATHY IN CONNECTION WITH THE RECENT TSUNAMI IN PAPUA NEW GUINEA

The PRESIDENT, on behalf of the Council, expressed sympathy with the Government and people of Papua New Guinea, who were still suffering from the great tragedy and loss of life caused by the tsunami. He expressed particular dismay at the large number of children who had lost their lives, and promised the Council's support in Papua New Guinea's relief and reconstruction efforts.

IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES BY THE SPECIALIZED AGENCIES AND THE INTERNATIONAL INSTITUTIONS ASSOCIATED WITH THE UNITED NATIONS (continued) (E/1998/L.22)

Draft resolution E/1998/L.22

Mr. BENITEZ VERNON (Cuba), introducing draft resolution E/1998/L.22 on behalf of the original sponsors as well as Colombia, Grenada, India, Lebanon, Namibia and Togo, highlighted paragraphs 3, 4, 8, 13 and 14.

ECONOMIC AND ENVIRONMENTAL QUESTIONS (continued) (E/1998/89)

- (a) SUSTAINABLE DEVELOPMENT (E/1998/29, E/1998/34, A/53/156-E/1998/78)
- (b) NATURAL RESOURCES
- (c) ENERGY
- (d) INTERNATIONAL COOPERATION IN TAX MATTERS (E/1998/57)
- (e) PUBLIC ADMINISTRATION AND FINANCE (E/1998/77)
- (f) CARTOGRAPHY (E/1998/47)
- (g) POPULATION AND DEVELOPMENT (E/1998/25)

Mr. SHUKRI (Observer for Malaysia) associated his delegation with the statement made by the representative of Indonesia on behalf of the Group of 77. He welcomed the Committee for Development Planning's focus on the financial crisis in Southeast Asia, which had become a global crisis raising the issue of how to finance and sustain development in the affected countries. As even experts could not agree on the causes of the crisis, any hasty solutions might cause new problems. Therefore, the Committee report and its recommendations (E/1998/34), however unusual they might appear, deserved further consideration.

The development of a vulnerability index was of great concern to countries

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like small islands States that were particularly vulnerable due to either economic or natural circumstances; the recent loss of lives in Papua New Guinea, due to a tsunami, provided a tragic example. He encouraged the Committee for Development Planning to associate itself with the work being carried out by the Commonwealth Secretariat on the questions.

He warned that the globalization of development could cause marginalization of the least developed countries unless the international community gave them special consideration. Therefore, his delegation supported the statement made by the representative of Vanuatu at the 39th meeting requesting that his country's graduation from the least developed countries list be postponed until the year 2000 as decided by General Assembly resolution 52/210.

Mr. ITO (Japan) said that the recommendation of the Committee for Development Planning called for the creation of a new international financial institution; he pointed out that the issues it would deal with were already handled by the World Bank and the International Monetary Fund (IMF). Moreover, the proposal did not take into account the recent reforms in those institutions improving their existing mechanisms following the recent crisis in Southeast Asia. Consequently, it appeared unrealistic to discuss the proposal at the present time.

The same comment applied to other recommendations, such as the proposal to establish an economic and social security council and also the possibility of establishing a permanent contingency fund to provide up-front payments to precertified countries prior to conclusion of negotiations for IMF assistance. He doubted the usefulness of making those kinds of sweeping recommendations without consulting the competent organizations and Member States. He suggested that the Council should review the report carefully and consider how best to deal with it.

In reply to previous comments by the representative of Korea under item (f) Cartography, he said that when a geographical name, such as the "Sea of Japan", was already established internationally, the application of a different name or the alteration of the existing one could cause confusion; therefore, there did not appear to be any need for consultations on the matter.

Mr. Young-Wan SONG (Republic of Korea) expressed his delegation's satisfaction at the measures adopted at the seventh United Nations Conference on the Standardization of Geographical Names. The creation of a French-speaking

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division of the United Nations Group of Experts on Geographical Names (UNGEGN) and the promotion of Internet-based standardization activities would provide important momentum for the standardization of geographical names at the international and national levels.

He urged the Government of Japan to engage in a constructive dialogue with the Republic of Korea concerning the name for the sea area between the Korean peninsula and the Japanese archipelago. He reiterated his delegation's position that the names "East Sea" and "Sea of Japan" should both be used in all official documents pending agreement on a mutually acceptable name, and reaffirmed its commitment to continued participation in international efforts for the standardization of geographical names.

Mr. GERUS (Belarus) welcomed the new format for the sessions of the Commission on Sustainable Development because it had enabled the Commission to focus on two fundamental themes - strategic approaches to the sustainable use of freshwater resources and the relationship between industry and sustainable development - and to have a shorter, more productive and more effective session that had provided a number of decisions of signal importance for the implementation of the Programme for the Further Implementation of Agenda 21.

However, the discussions at the sixth session had shown just how much States were still taking a conservative line towards the Commission's work. To consider the Commission as a body dealing only with environmental protection problems ran counter to the very concept of sustainable development, which presupposed interconnected implementation by national governments of economic, social and environmental policies.

His delegation believed instead that one of the results of reform in United Nations economic and social sector activities should be to strengthen the Commission on Sustainable Development and treat it as the fundamental body within the United Nations system responsible for studying, monitoring and regulating the implementation of the United Nations Conference on Environment and Development (UNCED).

Since 1992, when UNCED was held, Belarus had been attempting to make the transition to a sustainable economy. As provided in its national sustainable development strategy it was passing new domestic legislation in addition to ratifying the Convention on Biological Diversity and the amended Montreal Protocol on protecting the ozone layer. In that connection, he recalled that

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the International Conference on Sustainable Development of Countries in Transition, held in Minsk in April 1997, had not only helped identify the most acute problems of the countries in the region, but had also pointed effective ways of solving them.

His Government was considering the possibility of signing the United Nations Framework Convention on Climate Change and its Kyoto Protocol. In that connection, he called for an international convention on forests to be drawn up and signed as soon as possible: it would be in States' environmental interest to do so, and it would also promote the development of and orderly trade in forest resources.

Given the outcome of the 1997 Minsk Conference, his Government was currently studying the possibility of establishing a regional sustainable development centre in Minsk. The practical applications of the scientific and research work of such a centre would benefit all the countries of Eastern Europe and the Commonwealth of Independent States that were switching onto the sustainable development track. In that connection, he cautioned that success in implementing any United Nations programme depended on how far implementation was operational and effective at the regional and country levels and that only joint efforts by the whole international community could bring the world closer to dependable, stable and sustainable development.

Mr. CHOUINARD (Canada) said that while the Secretary-General's report (A/53/156-E/1998/78) on products harmful to health and the environment was useful, Canada did not support the fourth recommendation, namely, that the domestically prohibited goods notification should be revived and the World Trade Organization (WTO) Committee on Trade and Environment could be invited to take action in that regard. The Canadian delegation felt that the notification system was already mostly covered by the new prior informed consent convention and by the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal.

Mr. GRKOV (Observer for the former Yugoslav Republic of Macedonia), commenting on the Secretary-General's report on the seventh United Nations Conference on the Standardization of Geographical Names (E/1998/47), stressed the special importance of the resolutions for national standardization based on local usage and a list of country names in the local language and in romanized form, to serve as a reference for all cartographic applications published using

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the Roman alphabet. That list would also be updated on a regular basis. His delegation was preparing a list of country names and features in both the Cyrillic and Roman alphabets, which would be communicated to the Secretary-General.

He stressed that the work of the seventh United Nations Conference on the Standardization of Geographical Names must remain apolitical. At a time of increasing globalization, all countries should make an effort to use names and spellings which reflected local usage.

Mr. PANKIN (Russian Federation) welcomed the results of the sixth session of the Commission on Sustainable Development, particularly the Secretary-General's report (A/53/156-E/1998/78) on products harmful to health and the environment. In that connection, he asked for details of how and when the Secretariat planned to make available direct computer access to the Consolidated List of Products Whose Consumption and/or Sale Have Been Banned, Withdrawn, Severely Restricted or Not Approved by Governments which it mentioned in paragraph 11 of the report. He wanted to know specifically what plans it had for a Web site and what forms of support or programmes it intended to provide to assist countries with obtaining access. He enquired also if the information would be made available in all official languages of the United Nations.

Because of the seriousness of the tax evasion problem, his delegation also welcomed the report (E/1998/57) on the eighth meeting of the Ad Hoc Group of Experts on International Cooperation in Tax Matters, particularly its recommendation that six interregional training workshop should be held for tax administrators in developing and transitional economy countries, one of which would be in Moscow.

With regard to the work of the Committee on Development Planning he pointed out that whereas some of its recommendations (E/1998/34) might be interesting in theory, the Committee should be encouraged to relate its work more closely with that of other United Nations system entities in areas relevant to the Committee's agenda. The Russian delegation believed that the draft resolution in course of preparation, would need to define the future format and terms of reference of the Committee.

Mr. ISLAM (Committee for Development Planning) said that the Committee had looked at three aspects of the recent financial crises in Asia: the instability of the international financial system; appropriate sequencing and

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the extent of capital market liberalization in developing countries, and how best to regulate highly volatile international short-term capital flows. On that basis the Committee had considered a number of policies in four areas of concern: expansion and improvement of existing arrangements; the possibility and scope of regional arrangements; what should be the private sector's share of the burden of the crisis; a review by an independent committee of experts of the way in which the international actors responded to and managed the crisis.

The recommendation calling for a new international financial institution was just one of many suggestions. As for the question that fund quotas should be increased and special drawing rights re-examined, the Committee had suggested creating a new contingency fund because no international lender of last resort currently existed. Therefore, the Committee had suggested that the international funds should consider a contingency fund that would provide immediate assistance; however, those who required such assistance would be under surveillance by the fund and there would be a precertification process. Moreover, market rates of interest would be charged.

The Committee believed there was scope for regional aid, even regional banks, as countries in the same region were better placed to monitor and exert peer pressure.

A systematic attempt should be made to bring the private sector into the process to share the burden and resolve the crisis. The new international financial institution would set rules and standards for private capital flows, as no existing international body systematically set or monitored such issues. The Committee did not find that the World Bank and the International Monetary Fund (IMF) were duplicating those functions and their charters would need to be reformed to allow them to perform some of the tasks ascribed to the new institution. For example, the private sector would have to play an important role in the new institution because the problems were caused by private capital flows. The Committee's overall intention had been to identify gaps and draw them to the attention of the world community.

The Committee had not discussed its ideas with Governments before issuing its report because it was a committee of non-governmental experts and it was not in their terms of reference.

The function of developing a vulnerability index was given to an ad hoc expert group, not to the Committee of Development Planning; the Committee was

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merely requested to analyze how such an index could be used. The question had arisen whether the vulnerability index should be used as a criterion to place countries on the list of least developed countries and whether the index could be incorporated in the Committee's own index of economic diversification. Vulnerability to natural disasters was also important but it would be difficult to make an index on such disasters.

Mr. WINNICK (United States of America) asked what action was planned in connection with the report of the Committee for Development Planning (E/1998/34, Supplement No. 14).

The PRESIDENT said that since no draft resolution or decision had been proposed in connection with the report, the Council should simply take note of it.

Mr. WINNICK (United States of America) said that his delegation was not prepared to take note of the report on a consensus basis. He noted that in view of the many questions raised in connection with the report there should be at least informal discussions on how it was to be handled.

Mr. ITO (Japan) supported the request for informal discussion of the report.

The PRESIDENT accepted the request; the Council would revert to the matter at a later date.

Mr. RI (Democratic People's Republic of Korea), speaking in exercise of the right of reply, said that the representative of Japan, speaking under sub-item (f), "Cartography", had refused to recognize that the reference to the "Sea of Japan" was historically unfair and a left-over from Japan's past colonial rule. He recalled that his delegation had already remarked on the historical and toponymic unfairness of the title "Sea of Japan" at the Sixth and the Seventh United Nations Conference on the Standardization of Geographical Names.

He believed that the representative of Japan must have had the 1920s or 1930s in mind when he said that the reference to the "Sea of Japan" was internationally recognized, because at that time, as a historical fact, Korea was under Japanese colonial rule, and it was well known that the Japanese colonialists had enforced a policy of obliterating the history and national culture of Korea. They had failed, but if the reference to the "Sea of Japan" was to be used now simply because it had been recognized at that time, he

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wondered if the representative of Japan wanted such inequitable and disgraceful agreements of those days as the Munich agreement imposed by the Nazis on Czechoslovakia to be applied once more, if he believed that Japanese policy towards Korea had been right, and if he wanted that policy to be applied once more also.

The issue was restoration of the national traditions and dignity of which Korea had been deprived, not merely changing a geographical name. The delegation of the Democratic People's Republic of Korea was therefore resolutely rejected the statement of the representative of Japan, and urged the Japanese authorities to respond positively to the request for the correction to the geographical name "Sea of Japan" recommended by the Sixth and the Seventh United Nations Conference on the Standardization of Geographical Names.

Mr. KHAN (Officer in Charge for Economic and Social Support and Coordination), in response to a question at the previous meeting from the representative of the United States concerning inaccuracies on the Consolidated List of geographic names, said that there could be two possible reasons for apparent inaccuracies. First, trade names, which were verified with the corporations concerned, often differed from country to country, with the same product - aspirin for example - being sold under a different name. All names were placed on the List in an effort to ensure completeness and comparability, along with the generic chemical description, but any apparent inconsistencies were more a question of marketing than of real inaccuracies. Second, corporation names often changed as the result of mergers, purchases, et cetera and, until a new, corrected List was published, the old name could be a source of confusion. He said that if there were any other issues or possible inaccuracies concerning the List, he would request delegations to communicate them to his office so that they could be addressed.

Another issue was the possible overlap of the List with the prior informed consent procedure, but he pointed out that the latter only included internationally traded chemicals, of which there were 27, whereas the Consolidated List was much larger, with more than 350 chemicals that were subject to regulations or restrictions by Governments; any overlap was therefore minimal. The List was available on the Department of Economic and Social Affairs Web site; although all data were not available from the site, complete information could be provided on CD-rom or diskette.

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With reference to the concerns expressed by some delegations concerning overlap with the work undertaken in the same area by the World Trade Organization (WTO), he said that to the best of his knowledge no conclusion had been arrived at, although views had been exchanged, and that in any case the recommendations in the Secretary-General's report had been intended to facilitate and advance that process, not hinder it.

The PRESIDENT invited the Council to consider what action to take on the item "Economic and environmental questions". Under sub-item (a), "Sustainable development", he drew attention to draft decisions I, II and III, entitled "Consumer protection guidelines for sustainable consumption", "Matters relating to the third session of the Intergovernmental Forum on Forests" and "Report of the Commission on Sustainable Development on its sixth session and provisional agenda for the seventh session of the Commission", contained in chapter I, section A of the report of the Commission on Sustainable Development (E/1998/29, Supplement No. 9).

Draft decisions I, II and III were adopted.

The PRESIDENT then invited the Council to turn its attention to sub-items (b) and (c), "Natural resources" and "Energy". During informal consultations under the chairmanship of Vice-President Chowdhury (Bangladesh), a consensus had been reached, ad referendum, to merge the Committee on Natural Resources and the Committee on New and Renewable Sources of Energy and on Energy for Development into a single expert body, to be named the Committee on Energy and Natural Resources for Development. As a result the Bureau had decided to cancel the scheduled sessions for the old Committees. Action on the proposed merger would take place at a later date.

In connection with sub-item (d), "International cooperation in tax matters", he invited the Council to adopt the recommendation contained in paragraph 51 of document E/1998/57, the report on the eighth meeting of the Ad Hoc Group of Experts on International Cooperation in Tax Matters, that the ninth meeting of the Group of Experts should take place in the first half of 1999, as envisaged in the proposed programme budget for the biennium 1998-1999, so that the report of the ninth meeting might be submitted to the Council at its 1999 substantive session in July.

It was so decided.

The PRESIDENT also invited the Council to adopt, under sub-item (e),

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"Public administration and finance", the two recommendations contained in paragraphs 3 and 4 of document E/1998/77, the report of the Secretary-General on the work of the Fourteenth Meeting of Experts on the United Nations Programme in Public Administration and Finance, namely, that the Fifteenth Meeting of Experts in Public Administration and Finance should take place during the first quarter of 2000 and that the Secretary-General should conduct a five-year assessment of the progress made in the implementation of General Assembly resolution 50/225 on public administration and development, and report his findings to the General Assembly through the Council in 2001.

It was so decided.

The PRESIDENT said that under sub-item (f), "Cartography", the Council was asked to adopt the recommendations contained in subparagraphs 12 (a), (b) and (c) of document E/1998/47, the report of the Secretary-General on the Seventh United Nations Conference on the Standardization of Geographical Names, that to endorse the recommendation that the Eighth United Nations Conference on the Standardization of Geographical Names should be convened for eight working days in the second half of 2002, as well as the recommendation that the twentieth session of the United Nations Group of Experts on Geographical Names should be convened during the fourth quarter of 1999, and to request the Secretary-General to take measures, as appropriate, to implement the recommendations of the Seventh United Nations Conference on the Standardization of Geographical Names, especially with regard to the work of the United Nations Group of Experts on Geographical Names.

It was so decided.

The PRESIDENT took it that the Council wished to adopt, under sub-item (g), "Population and development", draft resolutions I and II contained in paragraph 1 of document E/1998/25, Supplement No. 5, the report on the thirty-first session of the Commission on Population and Development and entitled "Importance of population census activities for evaluation of progress in implementing the Programme of Action of the International Conference on Population and Development" and "Review and appraisal of the implementation of the Programme of Action of the International Conference on Population and Development".

Draft resolutions I and II were adopted.

The PRESIDENT drew the Council's attention to the draft decision in

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paragraph 2 of the report (E/1998/25, Supplement No. 5). The reference under item 4 of the proposed provisional agenda for the thirty-second session of the Commission on Population and Development to the report of the ACC Task Force on Basic Social Services for All should be deleted for the reasons given by Mr. Chamie, Director of the Population Division, at the 39th meeting.

The draft decision, as revised, was adopted.

IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES BY THE SPECIALIZED AGENCIES AND INTERNATIONAL INSTITUTIONS ASSOCIATED WITH THE UNITED NATIONS (resumed) (A/53/130, E/1998/76, A/53/153-E/1998/75, A/53/152-E/1998/71)

Ms. SIBAL (United Nations Educational, Scientific and Cultural Organization) referred to General Assembly resolution 52/170 calling on the agencies of the United Nations to assist in the development of the West Bank and the Gaza Strip. UNESCO had worked closely with the Palestine Liberation Organization and through Palestinian institutions to that end, as documented in paragraphs 49 to 51 of the Secretary-General's report on assistance to the Palestinian people (A/53/153).

She also wished to inform the Council that, in the context of the agenda item entitled "Bethlehem 2000" proposed for the plenary of the fifty-third session of the General Assembly, her Organization, in cooperation with other agencies, organizations and Governments, had developed an emergency action plan for Bethlehem financed by the Government of Italy, involving some 100 projects in the areas of cultural heritage, infrastructure, the economy and tourism. A donor's conference had been held in May with the participation of more than 600 representatives of Governments, the private sector and religious communities. She hoped that with the support of Italy, the United Nations Development Programme (UNDP) and the World Bank, the project could be implemented in the near future and contribute to the preservation of the heritage of Bethlehem and the surrounding area.

Mr. AMMARIN (Jordan) said that the signing of the peace treaty between Jordan and Israel on 26 October 1994 had signalled a new beginning in a region adversely affected by decades of wars and armed conflict. Designed by able men and women who believed in a just and lasting peace that would serve future generations, it represented a model for regional cooperation for development. The signing of the Oslo Accord in 1993 and the relevant agreements had also marked a new beginning for the peoples of Palestine and Israel, paving the path

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towards a better future.

The United Nations had repeatedly emphasized the position of Member States on the illegal establishment of Israeli settlements on the Palestinian and other Arab territories occupied by Israel since 1967, including Jerusalem. The report of the Economic and Social Commission for Western Asia (ECSWA) accurately reflected current conditions in the occupied territories including Jerusalem, and in the Syrian Golan, as a result of the continued illegal building of Israeli settlements and noted the deliberate Israeli policy of changing the demographic nature of occupied east Jerusalem, contrary to the provisions of numerous United Nations resolutions.

In the interest of peace and security, he called on the Israeli Government to comply with all agreements, not to embark on any policy that prejudged the final status of the negotiations and to halt the construction of settlements in all occupied territories.

Mr. COHEN (Israel) said that he regretted the time lost in redundant debate on a report that did not reflect reality. Indeed, the report was an obstacle to the commitment undertaken by both Palestinians and Israelis to resolve the conflict only through bilateral exchanges. The Oslo Accord expressly forbade either party from unilaterally attempting to influence issues like settlements which had been reserved for the final status talks. The Secretary-General's report and note (A/53/153-E/1998/75 and A/153/163-E/1998/79) which tried to use outside frameworks to influence the factors in discussion, could directly endanger the peace process and it would be regrettable if otherwise helpful Governments were to associate themselves with that report and thereby exclude themselves from the opportunity to play a constructive role in the peace process.

The report was outdated and obviously one-sided; ninety-eight per cent of Palestinians were living under the jurisdiction of the Palestinian Authority. Furthermore, Israelis and Palestinians had begun many cooperative ventures to improve the economic and social conditions for Palestinians, including joint agricultural, environmental and health projects.

Following a number of suicide bombings in Israeli cities during early 1996, the number of work permits granted to Palestinians for employment in Israel had fallen to 22,000, but despite the failure of the Palestinian Authority to curb terrorism, Israel had taken risks to improve the Palestinian economy by issuing

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nearly 60,000 work permits, with the result that Palestinian earnings in Israel accounted for 40 per cent of the income of the Gaza Strip and 23 per cent of the income in the West Bank, and GNP had grown 5 per cent from 1996 to 1997. In addition, truck traffic leaving the West Bank and the Gaza Strip, controlled by Israel, had grown by 32 per cent as a result of Israeli efforts to streamline crossing procedures, stimulating Palestinian exports.

Anyone who supported Israeli-Palestinian economic cooperation and peaceful coexistence would oppose the report. He regretted that ESCWA and the United Nations had squandered an opportunity to encourage peace by producing an inaccurate report which would probably hinder the peace process they claimed to support. He hoped that the good will of both peoples would nevertheless prevail.

Mr. DONOKUSUMO (Observer for Indonesia) said that a critical juncture in the history of the Middle East region had been reached, with the peace process stalemated, the economic and social ordeal of the Palestinian people continuing and the deteriorating situation on the ground, as chronicled in the ESCWA report.

Aggressive Israeli settlement was a major obstacle to Palestinian socio-economic development and undermined the viability of a future Palestinian state. The Tenth Emergency Special Session had unequivocally condemned Israel's settlement activities in the south of East Jerusalem as a violation of the Fourth Geneva Convention, of 1949, international law and relevant Security Council and General Assembly resolutions. Those illegal settlements had also severely reduced Palestinian agricultural lands, resulting in loss of agricultural income as well as increased unemployment.

Israel was exploiting water resources in the occupied territories for its own population while restricting the consumption of that basic necessity for Palestinians, denying the inherent sovereign right of Palestinians to use their natural resources. Israeli-owned factories in the occupied territories were subject to far less stringent environmental regulations than those in the State of Israel, leading to a high ratio of health-related problems, especially for those living near the industrial sites.

He pointed out that frequent closures had led to delays in the flow of goods into the territory and affected the production of goods, income generation, marketing and employment, and were undeniably a major factor in the

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dismal economic figures contained in the ESCWA report.

Given the economic and social situation, the United Nations system must continue to play its significant role in alleviating the plight of the Palestinian people and contributing to the formidable and challenging task of nation-building. Indeed, it was crucial for the entire international community to extend every assistance in promoting the development which provided the basis for an enduring and stable peace. His delegation reaffirmed its unwavering support for the inalienable rights of the Palestinian people and their quest for a secure and flourishing independent homeland.

Mr. AL-HASSAN (Oman) expressed his concern at the worsening situation in the occupied territories. He pointed out that it was Israel's duty as the occupying Power to respect international law, including the Fourth Geneva Convention of 1949 and to protect the lives and livelihood of the Palestinian people. Continued confiscations, restrictive measures, lack of access to water resources and increased pollution had all contributed to the plight of the Palestinian and other Arab peoples in the occupied territories. He called on Israel to put an end to such measures and to demonstrate the political will to achieve peace through constructive action.

Mr. HAMDAN (Lebanon) echoed the misgivings expressed by the Observer for Palestine about report A/53/163-E/1998/79. He added that great care must be taken in the terminology used in discussions of the issue because the political and the international law aspects of the issue, both of which were important, must be clearly distinguished.

He noted in connection with restrictions on housing construction that Israel's persistent policy had prohibited Arabs, even in Arab areas in Israel itself, from restoring their own old dwellings, and as a consequence the occupants had no alternative but to sell or leave when the buildings became dangerous; in effect, the buildings were confiscated. If they were renovated or restored without permission, they would be demolished.

Paragraph 49 of report A/53/163-E/1998/79 referred inter alia to a deal whereby a private company, "McDonalds", obtained potatoes from a kibbutz in the Golan Heights. Such economic involvement by private firms in occupied territories as clearly against the norms of international law, as repeatedly reaffirmed in General Assembly and Security Council resolutions, and all States should exact the legislation necessary to prohibit their private companies from

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becoming involved in such activities, which were detrimental to the interests and welfare of the people living under occupation.

Mr. AZAIEZ (Tunisia) said that authors of the ECSWA report had done a good job, considering the difficulties in obtaining the information they needed in the occupied territories which, he noted, included southern Lebanon. Even so, the report was sufficient to give the lie to the utopian picture of the occupied territories painted by the representative of the occupying Power.

Tunisia demanded that the occupying Power should abide strictly by the Geneva Conventions in its treatment of the civilian population, that the United Nations should continue providing all forms of assistance to the Palestinian population until their legitimate rights were restored, and that the Council should keep the question of Palestine on its agenda until the Israeli occupation ended, the Palestinian people had their rights as a people restored and the other territories occupied by Israel had been liberated.

Mr. JILANI (Observer for Palestine) said that the report prepared by ESCWA had divided the occupied Palestinian territory, including Jerusalem, into separate parts. At the same time, the Council, in paragraph 1 of its resolution 1997/67, had stressed the need to preserve the territorial integrity of all of the occupied Palestinian territory. While the need for separate statistics was understandable, it was incomprehensible that Jerusalem should at times be treated as if it was separate from the rest of the occupied Palestinian territory.

The report used the terms "the West Bank and Gaza Strip" and "the areas" to refer to the occupied Palestinian territory. Those terms were foreign to the language used in United Nations resolutions and reports, and his delegation rejected their use. It wished to point out once more that the Council's resolutions and all the relevant resolutions of the General Assembly used the expression "the occupied Palestinian territory, including Jerusalem". The report submitted to the Council under the present agenda item should also be separate from that submitted to the General Assembly under the item on permanent sovereignty over natural resources.

Those comments did not, however, diminish the importance of the report or of the information and figures it gave to illustrate the devastating impact of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population

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in the occupied Syrian Golan. The report conveyed the scale and gravity of the Israeli colonization policy, as represented in particular by the building of settlements, the expropriation of land and the exploitation of the water resources of the occupied Palestinian territory for the benefit of Israel and of the settlers.

By at the end of 1998, more than 350,000 Israeli settlers would be living in more than 200 settlements established in the territories occupied by Israel since 1967. The entire international community had condemned the Israeli building policies and practices and had declared them to be unlawful and a major impediment to the achievement of a just and comprehensive peace in the region. They also violated the relevant United Nations resolutions and the 1949 Geneva Convention relative to the Protection of Civilian Persons in Time of War.

In parallel with the policy of building settlements, the Israeli Government was also pursuing a policy of demolishing the homes of Palestinians. The report indicated that 233 homes had been demolished in 1997 and 290 between January 1997 and March 1998. A report by the Israeli human rights organization B'Tselem indicated that 322 orders for the demolition of Palestinian homes in East Jerusalem had been issued and that more than 1,000 homes were targeted for demolition by the Netanyahu Government. The Government was also continuing to confiscate the identity documents of Palestinian residents of Jerusalem as part of its overall policy of creating a Jewish majority in East Jerusalem and thus judaizing the Holy City. The recent decision by the Israeli Government to expand the municipal boundaries of Jerusalem in order to annex a number of Israeli settlements to the municipal administration had been taken in the same context. In addition to their social and economic repercussions, those policies and practices also were aimed at destroying the peace process.

The Israeli Government had rejected the proposals made by the United States with a view to reviving the peace process. The Palestinians had accepted them, despite the fact that they had been Israeli ideas put in the form of American proposals and were much closer to the Israeli position than to that of the Palestinians. The Israeli Prime Minister was continuing to use all possible means to postpone and evade the fulfilment of his obligations and compliance with the agreements concluded, using flimsy excuses and false allegations that had destroyed his credibility even in Israel.

The international community must take appropriate measures, as dictated by

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moral and legal responsibility, to bring a halt those policies and practices and thus salvage the last chance for peace.

Mr. A'ALA (Observer for the Syrian Arab Republic) said that there was a consensus in the international community that the question of development should be placed at the top of the agenda of the organizations of the United Nations system. The situation under consideration was one on the threshold of the twenty-first century, that still represented a manifest threat to international peace and security and a serious obstacle to genuine efforts for peace and development in the Middle East.

The continuation of the Israeli occupation was impeding sustainable development and obstructing the improvement of the economic environment in the region, not to speak of the devastating impact it had on the living conditions of Syrian citizens in the occupied Syrian Golan and of the Palestinian people in the occupied Palestinian territory. It was self-evident that the illegal practices of the occupation authorities had adverse repercussions on levels of investment and productivity and that they had perpetuated distortions and structural imbalances in the economic and social milieu of the occupied territories.

The ESCWA report presented many examples of Israeli practices in the occupied Arab territories, including Jerusalem, that were in violation of international law and of the resolutions of the United Nations. Israel provided incentives for Israelis to settle in the occupied Golan while the living conditions of Syrian citizens there were deteriorating because of the settlements established, the restrictions imposed on educational opportunities and means of livelihood and the manifold and unjust taxation policies.

Israeli restrictions had resulted in a reduction in the area of land cultivated by Syrian citizens, particularly irrigated land, and in a decrease in the productivity of land under cultivation. Many residents had been obliged to refrain from investing in agricultural or industrial projects and to leave for other locations.

Since the Israeli Government had taken office, the policy of encouraging Israeli settler colonialism in all the Arab territories occupied in 1967 had been stepped up and the Israeli Prime Minister had persisted in pursuing policies that were inimical to peace.

The "Golan 2000" programme mentioned in the report had the objective of

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increasing the number of settlers by some 10,000 over the next four years. Israel was continuing to violate international law and the resolutions of the United Nations in its sustained effort to judaize the City of Jerusalem and to cut it off from the rest of the occupied Palestinian territory. Its recent decision to expand the City's municipal boundaries and the ongoing settlement activities at Jabal Abu Ghneim provided clear evidence of a policy of rejecting and evading the principles on which the peace process was based.

The resolutions of the Security Council, including its resolution 497 (1981), had expressed the position of the international community with regard to the occupation and had affirmed that Israel's decision to annex the Golan was null and void. The Israeli Knesset had nevertheless adopted a bill opposing any withdrawal from the Golan or from any other territory annexed by Israel, thereby defying the will of the international community and contributing anew to the destruction of the peace process.

The persistence of the Israeli Government in adopting an approach that was inimical to peace, its continued evasion of its obligations and of the undertakings given at previous stages of the peace process and its rejection of the principles on which the peace process was based did nothing to promote peace in the Middle East or support efforts to advance development in the region. The achievement of a just and lasting peace was the only way to guarantee security and thus ensure the success of efforts for that genuine and sustainable development that the United Nations had placed at the top of its agenda.

The Syrian Arab Republic had always maintained a firm position with regard to the principles on which the peace process was based, namely, the implementation of the relevant Security Council resolutions and the principle of land for peace. That required complete Israeli withdrawal from all the occupied Arab territories, including the Golan, to the line of 4 June 1967, and from southern Lebanon and the western Bekaa, as well as a guarantee of the legitimate national rights of the Palestinian people.

Mr. FATTAH (Observer for Egypt) said that the ESCWA report again revealed the fact that Israel, the occupying Power, did not respect the norms of international law, the Fourth Geneva Convention or the relevant United Nations resolutions, all of which prohibited the occupying Power from transferring its civilian population to the territories under occupation and from exploiting the natural resources of those territories.

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Israel's most injurious practice in the territories it occupied was its exploitation of the water resources. The occupation authorities were also preventing Palestinians from using those resources, to the clear detriment of economic development in general and agricultural development in particular. The areas of the occupied territories cultivated by Jewish settlers were seven to 13 times larger than those cultivated by Palestinians.

Control of water resources was a major reason for Israel's intransigence and its refusal to return the territories it was occupying. It was not a matter of security or of ideology, but of Israel's plans to have dominion over the water resources of the Jordan River and the West Bank aquifer.

The Israeli authorities treated the West Bank as an enormous dump for the disposal of industrial and other waste, and Israeli companies disposed of waste there without regard for the fact that the territories were protected by international law and subject to the provisions of the Fourth Geneva Convention. Israel was seeking locations relatively remote from its own population centres for the disposal of the waste produced by Israeli society. That was a practice that must be rejected by all members of the Council, as it had previously been rejected by the General Assembly in a number of its resolutions.

The Israeli policy of routinely closing areas under the control of the Palestinian Authority was causing obvious damage to the Palestinian economy, exacerbating unemployment in an already weakened economy and consequently having an adverse impact on the living conditions of the Palestinian people.

The practices of the Israeli Government in the occupied Syrian Golan revealed that it was endeavouring to perpetuate its occupation by establishing economic enterprises and granting Jewish settlers privileges and exemptions in order to induce them to settle there.

His delegation had hoped that, at its current session, the Council might consider ways of improving the economic and social conditions of the Palestinian people in the event the peace process had continued in the manner intended. Regrettably, however, the deterioration in the peace process over the past two years and the persistence of the Government of Israel in perpetuating his illegal presence in the occupied Arab territories by means of settlement in violation of all the relevant norms of international law, required that the Council should submit to the General Assembly a new draft resolution calling on Israel once more to honour its international obligations as the occupying Power.

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ADOPTION OF THE AGENDA AND OTHER ORGANIZATIONAL MATTERS

The PRESIDENT invited the Council to act on the following draft decision:

"The Economic and Social Council

"(a) Authorizes the Commission on Sustainable Development to convene an organizational meeting in 1998 for the sole purpose of holding elections to fill the two remaining posts of vice-chairmen of the Bureau of its seventh session in accordance with rule 15 of the rules of procedure of the functional commissions of the Council. The terms of office of the two vice-chairmen will begin immediately upon election and will end at the conclusion of the seventh session of the Commission, in 1999; and

"(b) Decides that, in this context, the provisions of paragraph (d) of its decision 1993/207 of 12 February 1993 do not apply."

The draft decision was adopted.

The meeting rose at 5.30 p.m.