

PREFACE

Volume 1 of this series presented three papers prepared by private consultants for the Commonwealth Technical Group on the Common Fund. These papers dealt with selected operational aspects of the Common Fund as well as some of the wider issues which must be taken into account in determining the scope of the Common Fund. In this sense the papers in Volume 1 can be described as policy oriented.

The eight papers presented in Volume 2 are of a different character. The Economic Affairs Division was requested by the Technical Group to prepare a number of short papers summarising the stage of the dialogue and identifying some of the principal issues on which action appears to be necessary. The papers were intended to be largely of a stocktaking type - describing the existing situation and the path over which the dialogue had travelled. Their purpose was twofold - firstly, to present factual data and descriptions of the ongoing dialogue on aspects of the Common Fund and of the individual commodity negotiations which have been set in train following UNCTAD Resolution 93(IV); secondly, to identify some of the contentious issues before the international community in its continuing deliberations on the establishment of the Common Fund as a separate entity designed to play a key role in achieving the objectives of the Integrated Programme for Commodities.

With the agreement of the Technical Group, a selection of the papers prepared is being made available in this Volume to a wider audience.

The first paper describes the main issues on which the current negotiations are centred; it sets these issues against the background of the agreed objectives, structure and purpose of the Common Fund and draws attention to some of the possible consequences of alternatives now under consideration.

Paper two considers the case for the inclusion of "other measures" as part of the activities of the Common Fund in its Second Window and brings together some of the partial data on the costs of the several activities mentioned from time to time as falling within the scope of the Second Window.

The manner in which the proposals for a Common Fund have evolved over time is described in paper three.

The remaining papers present supporting data. Estimates of the cost of buffer stocks have been a contentious issue in the debate on the Common Fund; but each of the several estimates available is based on independent and not always consistent assumptions; the consequent results inevitably differ. The bases of a number of the cost estimates are given in paper four.

Commonwealth Heads of Government required the Technical Group to have particular regard to the position of the least developed and net importing developing countries; some considerations relating to these countries, in so far as the Common Fund is concerned, are outlined in paper five.

Under various proposals being considered for structuring the finances of a Common Fund, the resources available to existing commodity organizations have assumed considerable importance; data on the resources available to the Tin and Cocoa Organizations are given in paper six.

Paper seven describes the progress of negotiations on the Common Fund, highlighting the salient features of the negotiating positions of the Group of 77, the Group B and the Group D countries in so far as these are known.

The Integrated Programme for Commodities has two principal components - a series of international commodity agreements covering a range of commodities of export interest to developing countries and the Common Fund which is its integrating mechanism. The successful completion of the individual commodity agreements is a critical aspect of the Programme. Paper eight describes the progress (or lack of progress) achieved in the negotiations on individual commodities; the information given has been updated up to early October 1977 but may not fully reflect the current situation.

These papers, which were prepared as brief background material for the Commonwealth Technical Group on the Common Fund, are being published to assist the ongoing negotiations on the Integrated Programme for Commodities and the Common Fund.

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