

39. Heads of Government were concerned that the gap between the rich and poor was widening, but were encouraged by growing recognition of the increasing inter-dependence of nations. Greater co-operative action was vital to ensure economic progress and prosperity on which stability and peace so largely depend. Postponement of adequate and united efforts would lead to greater political and economic problems.

40. They took note of the fact that developing countries of the Commonwealth were making efforts to help themselves. They were steadily laying the ground-work of future self-sustained growth by paying increasing attention to agriculture, education, population control and administrative and institutional reforms. It was therefore hoped that if they were assisted by appropriate international measures, they would be in a position during the decade of the 1970's to achieve higher rates of economic growth.

41. Heads of Government noted the growing movement towards greater regional co-operation among the developing countries of the Commonwealth. This represented a valuable form of self-help on the part of the developing countries.

42. Heads of Government recognized that the results of UNCTAD II had been very disappointing to the developing countries. While there had been agreement on the need to evolve an international policy for development and a global strategy to implement it, little progress had been made in achieving this. On the other hand UNCTAD II had mapped out certain promising lines of approach.

43. They stressed the need to give practical effect to the unanimous agreements reached in principle at UNCTAD II. They expressed the hope that it would soon be possible to conclude successfully the negotiations on a scheme of generalized preferences which would be of benefit to all developing countries and which would provide compensation for the less developed countries whose export trade might be adversely affected by the introduction of such a scheme. They agreed that close and continuous consultations among Commonwealth countries would be necessary during the consideration of the scheme of generalized preference. They emphasised the importance of continuing consultation at the Trade and Development Board and other organs of UNCTAD and asked the Secretary-General to maintain close contacts with these

and other international agencies in order to keep these developments under review.

44. Heads of Government agreed that the first Development Decade had fallen short of expectations in achieving practical results. They hoped, however, that the experience gained would help in the identification of areas of development and the strategy to which urgent attention needs to be directed with a view to achieving greater concrete results during the second Development Decade.

45. It was recognised that the terms of trade had moved against some countries of the Commonwealth who depend to a great extent on the export of primary products. More orderly and satisfactory markets for primary products were crucial for Commonwealth countries. Recognising the present unsatisfactory state of major export markets for many primary products, Heads of Government stressed the need for further efforts by Commonwealth countries in international forums to secure improved conditions for international commodity trade, including better access to markets in both developed and developing countries and equitable and stable prices for primary products. They expressed gratification at the extension of the Commonwealth Sugar Agreement which has always been of special interest to the Commonwealth producer countries. They welcomed the recent conclusion of the International Sugar Agreement and expressed the hope that those governments which had not already signed it would do so. They further hoped that other commodities of special economic importance to Commonwealth countries would be covered similarly by suitable international arrangements which arrangements would be pursued and be supported by Commonwealth countries.

46. In this connection, they noted recent developments in the negotiations for the conclusion of an International Agreement on Cocoa. They urged all parties to the negotiations to intensify their efforts so as to reach a speedy agreement, and on the progress of which the Secretary-General should keep members fully informed.

47. Heads of Government welcomed the liberalization of trade in respect of manufactured products consequent on the conclusion of the Kennedy Round of negotiations, and hoped that this process of trade liberalization would be carried further in respect of all products. They regretted however that these