

and the conclusion of collateral measures with particular attention to nuclear disarmament until general and complete disarmament is achieved; the staging of nuclear-weapons tests and the dumping of chemical weapons in the peaceful Southwest Pacific area; and the complementary role of regional organizations and such trans-regional groupings as the Commonwealth.

Southern Africa

6. The meeting reviewed major developments in southern Africa, including in particular those in South Africa and Namibia (South West Africa), the Portuguese colonies and Rhodesia, and noted that tensions in that region were likely to increase rather than decrease unless there were fundamental changes in the conditions now prevailing. Earlier discussions on N.I.B.M.R. were recalled. There was unanimous reaffirmation of the importance of the principle that any proposals for settlement must be acceptable to the people of Rhodesia as a whole.

7. The meeting had before it the report of the Commonwealth Sanctions Committee, which reviewed the working of economic sanctions over the last two years. Heads of government authorized the Committee to continue to review the situation.

8. Heads of government discussed fully the question of the sale of arms to South Africa.

9. Heads of government considered the factors affecting the security of maritime trade-routes in the South Atlantic and Indian Oceans, which are of vital importance for a large number of Commonwealth countries. They decided to set up a study group, consisting of representatives of Australia, Britain, Canada, India, Jamaica, Kenya, Malaysia and Nigeria, with instructions to consider the question further and report to them through the Secretary-General as soon as possible.

10. Certain heads of government stipulated the understandings on which they agreed to support the proposal to set up the study group.

The Security of the Indian Ocean

11. In their discussion of a paper presented by the Prime Minister of Ceylon on the security of the Indian Ocean, heads of government agreed on the desirability of ensuring that it remains an area of peace and stability.

Economic Affairs

12. Heads of government held a full and frank discussion on the world economic situation and broadly reviewed recent developments and trends. Among the items discussed were: liberalization of trade and access to markets; the special problems relating to exports of developing countries; the generalized preferences system and the problems connected with it; international commodity problems; high freight-rates, inflation and its consequences; debt-servicing problems of developing countries; targets for the transfer of resources to developing countries; terms and conditions of assistance, including the untying of aid; supplementary financing; the possibility of a link between special drawing rights and development finance; and, the lending policies of international financial institutions.