

Mr. Chairman,

I am very pleased to be given the opportunity to open this important discussion with my colleagues in the Organization for Economic Co-operation and Development (OECD) on the North-South dialogue.

This is a question which, as you know, has been very much at the centre of my attention during the past several months. 1976 is a particularly significant year for this dialogue because of the United Nations Conference on Trade and Development (UNCTAD IV) which recently concluded its work in Nairobi, and because of the Conference on International Economic Co-operation being held here in Paris. UNCTAD IV was an important test of the political will of developed and developing countries to pursue substantive issues in the context of an established North-South dialogue. Some developing countries found that it was disappointing that proposals put forward by the United States of America were not supported for further consideration. However, in our view the results were satisfactory in that they constituted forward steps in certain areas, thus permitting the continuation of the North-South dialogue in an atmosphere of understanding, and, on balance, UNCTAD IV was more successful than many people had anticipated.

The decisions taken in Nairobi were primarily of a political and procedural nature. The issues dealt with there are perceived by developing countries as being highly political in nature. It is extremely important that the political will to reach compromise and to avoid a return to confrontation continue to play a role in the implementation of the results of UNCTAD IV. There is still considerable scepticism among developing countries that substantive progress will be made. We must avoid damaging our credibility in the crucial period ahead which will see the follow-up to the results of UNCTAD IV.

In part, as a result of the Nairobi meeting, the Conference on International and Economic Co-operation (CIEC) can continue to play a key role in the North-South dialogue. There is a unique opportunity during the next few months for CIEC to work for realistic progress by examining issues, by stimulating action in other international bodies, and by creating a programme for co-operation for both developed and developing countries. This opportunity should not be lost. CIEC has provided in its first and analytical phase a useful forum for detailed discussion on a wide range of economic problems, including energy, of concern to both developing and industrialized countries. This work has provided a good