

ARTICLE 59

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TEXT OF ARTICLE 59

The Organization shall, where appropriate, initiate negotiations among the states concerned for the creation of any new specialized agencies required for the accomplishment of the purposes set forth in Article 55.

INTRODUCTORY NOTE

1. The structure of this study is similar to that of Article 59 in the Repertory, but the material is supplementary.
2. There is no new development to report under the following headings: The International Refugee Organization (I,A), The World Health Organization (I,B) and Analytical Summary of Practice (II).

I. GENERAL SURVEY

** A. The International Refugee Organization

** B. The World Health Organization

C. The Inter-Governmental Maritime Consultative Organization

3. At its seventh session held during the period under review, the Transport and Communications Commission noted 1/ the information in the Secretary-General's report 2/ on recent developments with regard to ratification of the Convention on the Inter-Governmental Maritime Consultative Organization (IMCO), including the action taken in compliance with resolution 518 C (XVII) of the Economic and Social Council.

4. The report included notes from the Governments of Denmark, Norway and Sweden proposing amendments to the Convention with a view to limiting the scope of the purposes and functions of IMCO to technical matters in the field of shipping. The Commission also considered a draft resolution 3/ submitted by the representative of Norway to convene a conference of interested Governments to examine amendments to the Convention in order to bring about a wider participation than would seem possible under the present terms of the Convention. The Commission rejected this proposal and maintained the standpoint expressed in its previous resolutions on the desirability of the early establishment of IMCO.

5. At the Council's resumed nineteenth session a draft resolution 4/ submitted by the representatives of Norway and Yugoslavia similar to that submitted by Norway (see paragraph 4 above) was discussed 5/ in the Council's Economic Committee. Some representatives stated that the relatively slow pace of ratification of the Convention could be attributed to the structure and terms of reference of the new organization and this, in their view, would justify its revision. Others, however, considered that there was no need for any modification at the current time, and yet others stressed the procedural difficulties which would arise for countries that had already ratified the Convention if it were to be amended now. They expressed the hope that the Convention, as it stood, would soon be ratified by the required number of Governments. The draft resolution was rejected.

6. On 20 July 1955, Switzerland deposited with the Secretary-General its instrument of acceptance of the Convention on IMCO; on 26 March 1956, Greece notified the Secretary-General of the withdrawal of its acceptance; and on 12 July 1956, Ecuador deposited its instrument of acceptance.

1/ E S C (XIX), Suppl. No. 4 (E/2696-E/CN.2/164), paras. 25-30.

2/ E/CN.2/145 and Add.1.

3/ E/CN.2/L.24.

4/ E/AC.6/L.121.

5/ E/AC.6/SR.172 and 174.

7. As of 1 September 1956, acceptances were in effect from eighteen 6/ States, six 7/ of them having at least one million gross tons of shipping. 8/

D. The International Trade Organization

8. At its twentieth session, the Economic and Social Council had before it a draft resolution from the Union of Soviet Socialist Republics, 9/ according to which the Council would invite "the governments of States Members of the United Nations to ratify the Charter of the International Trade Organization [(ITO)] as soon as possible" and would request "the Secretary-General to take appropriate steps for calling the first regular session of that Organization".

9. In the Council's Economic Committee, 10/ certain representatives supported 11/ the USSR draft resolution; others observed 12/ that conditions had changed substantially since the ITO Charter had been drawn up. A new draft resolution was prepared, incorporating various proposals placed before the Committee, in which the reference to the Charter of ITO did not appear. This draft was adopted by the Council as resolution 579 A (XX) on expansion of world trade; at its resumed twentieth session, the Council adopted resolution 592 (XX) on international machinery for trade co-operation in which it requested the Secretary-General to prepare and transmit to Member States a report on international procedures and bodies concerned with the development of trade co-operation.

E. The International Atomic Energy Agency 13/

10. At its ninth session, the General Assembly adopted a resolution, 14/ in which after noting that "negotiations are in progress, and the intention that they should continue, for the establishment as quickly as possible of an International Atomic Energy Agency", the Assembly expressed the hope that the Agency would be established "without delay"; transmitted to the "States participating in the creation of the Agency, for their careful consideration, the record of the discussion" of the question; and suggested that "Members of the United Nations be informed as progress is achieved in the establishment of the Agency and that the views of Members which have manifested their interest be fully considered".

6/ Argentina, Australia, Belgium, Burma, Canada, Dominican Republic, Ecuador, Egypt, France, Haiti, Honduras, Ireland, Israel, Mexico, Netherlands, Switzerland, United Kingdom and United States.

7/ Argentina, Canada, France, Netherlands, United Kingdom and United States.

8/ Article 60 of the Convention on IMCO provides that the Organization "shall enter into force on the date when twenty-one States, of which 7 shall each have a total tonnage of not less than 1,000,000 gross tons of shipping, have become parties to the Convention".

9/ E S C (XX), annexes, a.i. 2, p. 7, E/L.677.

10/ E/AC.6/SR.175-177 and 186.

11/ E/AC.6/SR.176, Czechoslovakia, p. 14; USSR, pp. 26 and 27.

12/ E/AC.6/SR.176, Argentina, p. 19; Australia, pp. 4 and 5; France, p. 23; United States, p. 21; E/AC.6/SR.177, Dominican Republic, p. 10; Turkey, p. 7; United Kingdom, pp. 5 and 6; Venezuela, p. 8.

13/ For the question of the relationship of the International Atomic Energy Agency with the United Nations, see in this Supplement, under Article 57.

14/ G A resolution 810 A (IX).

F. The International Finance Corporation 15/

11. At its ninth session, the General Assembly adopted a resolution, 16/ in which after expressing the belief that "an international finance corporation, in appropriate form, could contribute materially to the economic development of under-developed areas and to the general stability of the world economy", the Assembly requested the International Bank for Reconstruction and Development "to prepare draft statutes to govern the corporation, taking into account the views expressed in the United Nations ...; to present the draft to the Governments of members of the Bank for discussion ...; to take steps to bring about agreement among its members on the draft statutes"; and "to report on the results of its work to the Economic and Social Council at its twentieth session". The Council in turn was requested to report to the General Assembly at its tenth session.

12. At its twentieth session, the Economic and Social Council received, through the Secretary-General, the draft articles of agreement 17/ of the proposed International Finance Corporation prepared by the International Bank, together with a report 18/ from the President of the Bank on the progress made toward the establishment of the Corporation. After discussion, 19/ the Council adopted a resolution, 20/ in which the Council looked forward "to the establishment of the Corporation as soon as practicable".

13. The General Assembly considered the report 21/ of the Council on this question, at its tenth session, and adopted a resolution, 22/ in which the Assembly looked "to the early establishment of the International Finance Corporation".

14. At its twenty-second session, the Council adopted a resolution, 23/ in which it noted "with satisfaction that the International Finance Corporation has commenced operations". 24/

**** II. ANALYTICAL SUMMARY OF PRACTICE**

15/ For the question of the relationship of the International Finance Corporation with the United Nations, see in this Supplement, under Article 57.

16/ G A resolution 823 (IX).

17/ E/2770.

18/ Ibid.

19/ E S C (XX), 884th-887th and 892nd meetings; E/AC.6/SR.183.

20/ E S C resolution 583 B (XX).

21/ G A (X), Suppl. No. 3, (A/2943), chap. III A, paras. 178-190.

22/ G A resolution 922 (X).

23/ E S C resolution 619 B (XXII).

24/ The Agreement constituting the International Finance Corporation entered into force on 20 July 1956, and the Corporation began operations on 24 July 1956, in accordance with the provisions contained in article IX of the Articles of Agreement of the Corporation.