Tenth special session
AD HOC COMMITTEE OF THE
TENTH SPECIAL SESSION
Agenda item II

ADOPTION OF A PROGRAMME OF ACTION ON DISARMAMENT


The Permanent Mission of France presents its compliments to the Secretariat of the United Nations and, with reference to the address by His Excellency Mr. Valéry Giscard d'Estaing, President of the French Republic, on 25 May 1978 (see A/S-10/FV.3, p. 2) has the honour to transmit to it herewith a memorandum from the French Government concerning the establishment of an "International Disarmament Fund for Development".

The Permanent Mission of France would be grateful if the Secretariat would have this memorandum distributed in all the official languages of the Organization as a document of the tenth special session of the General Assembly under agenda item II.
ANNEX

Memorandum from the French Government concerning the establishment of an International Disarmament Fund for Development

1. The tenth special session of the General Assembly will not have accomplished its task unless it avails itself of this unique opportunity to deal with the economic and social aspects of disarmament.

2. A proposal sponsored by France and other countries has been made for the preparation of a study of the relationship between disarmament and development, and the purpose of that study should be defined by the General Assembly at the present session.

3. On this issue, however, that action alone will not suffice. The General Assembly should also concentrate now on seeking approaches to a practical solution to the problems created by the blatant disproportion between the resources now being applied to military expenditure and those devoted to development assistance. As a great many speakers have pointed out during the session, the world is over-supplied with weapons - although, as matters stand, with a continuing arms race caused by a climate of insecurity, there is no accepted criterion for applying that description to any nation in particular. Moreover, the international community is at one in recognizing the need to increase development assistance. There are certainly difficulties in redeploying into development assistance part of the sums expended on weapons, but they do not seem to be insurmountable.

4. The General Assembly's approach to this issue should be based on the following four principles:

   (a) Establishing a specific link between disarmament and development;

   (b) Devising procedures for the transfer of resources according to objective and unchallenged criteria;

   (c) Utilizing the released resources for development assistance to the poorest countries;

   (d) Taking account of the transfers so made in the evaluation of official development assistance in relation to the United Nations target of 0.7 per cent.

It is these considerations that have led France to propose the establishment of the International Disarmament Fund for Development and to explain how it envisages the Fund.

1. **Need for a fund**

5. The establishment of a fund, whose statute would be that of a United Nations
specialized agency, reflects the need for a practical manifestation of the link which the United Nations community acknowledges as existing between the enterprise of disarmament and the work of development.

6. This link is twofold: there can be no development without security, a fact that justifies the setting, within the framework of a regional approach, of an optimum security threshold. But excessive expenditure on security has the result of reducing the resources available for development.

7. The Contributors to the Fund must therefore be those States which are both most heavily armed and most developed; its beneficiaries should be those which are poorest and least well-armed.

2. Need for transitory arrangements

8. Theoretically, the Fund should be built up from the resources released by the implementation of disarmament measures decided on at the regional or world levels. Steps would therefore have to be taken to have the contribution system so designed as to encourage the adoption and application of those measures.

9. In practice, it is impossible to proceed to this stage of the Fund's operations immediately.

10. If the Fund, as seems necessary, is to be established promptly, provision must be made for a transitory period in which another mode of operation, relying on an initial one-time endowment, would apply. The endowment might be fixed at $1 billion.

3. Need for objective criteria

11. In order to obviate the obstacles that wrecked all earlier proposals, this endowment would be made up of contributions based on objective data, i.e., on weapons that are both the most representative of military effort and the most well-known.

12. In practice, this means:

   (a) In the sphere of nuclear weapons, the number of vehicles possessed by each of the nuclear Powers should be used;

   (b) In the sphere of conventional weapons, the basis should be the quantities of certain war equipment the possession of which can be considered as representative of military effort.

13. The one-time contributions might be divided equally between these two categories of weapons.

4. Need for a balanced organization

14. The Fund would give loans or grants to developing countries or appropriate intergovernmental organizations.
15. The agreement establishing the Fund would set forth the list of its founder members, which would be composed of countries which are potential beneficiaries of the Fund's action and contributing countries. The principle of balance between these groups should be observed in the structures and rules for decision-making.

16. Finally, the operating procedures of the institution would be such as to place strict limitations on management expenditure. As a general rule, the Fund would rely on the services of international agencies for the consideration of projects and programmes submitted to it and for the administration of loans and grants.

17. France proposes that a group of experts be established with instructions to report to the General Assembly on all questions related to the establishment of an International Disarmament Fund for Development and, in particular, to define the objectives of the Fund, its organization, the guiding principles of its work, the characteristics of its operations and the nature of its resources. France may see fit to supplement the proposals outlined above within the Working Group.