



GOVERNING COUNCIL

Twenty-seventh session

SUMMARY RECORD OF THE 678th MEETING

held at the Palais des Nations, Geneva,
on Wednesday, 4 June 1980, at 10.30 a.m.

President: Mr. POPESCU (Romania)

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The meeting was called to order at 10.40 a.m.

PROGRAMME IMPLEMENTATION (agenda item 4) (DP/500, 501) (continued)

- (a) ANNUAL REPORT OF THE ADMINISTRATOR (DP/423 and Add.1, 439, 460-462, 463 and Corr.1)
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- (e) ASSISTANCE TO NATIONAL LIBERATION MOVEMENTS RECOGNIZED BY OAU (DP/467 and Corr.1)
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- (g) INTERNATIONAL CO-OPERATIVE ACTION IN SUPPORT OF THE MAR DEL PLATA PLAN OF ACTION (DP/474)
- (h) STANDARDIZATION OF DEVELOPMENT CO-OPERATION PROCEDURES (DP/468)

PROGRAMME PLANNING AND PREPARATION FOR THE THIRD PROGRAMMING CYCLE
(agenda item 5) (continued)

- (a) PREPARATION FOR THE THIRD PROGRAMMING CYCLE, 1982-1986
(DP/451 and Corr.1, 496)

1. Mr. ABD-EL RAHMAN KHANE (Executive Director, UNIDO) said that the current session was very important for the third programming cycle and for the future of UNIDO/UNDP relations. He shared the concern about the difficulties which the United Nations system was experiencing in responding to a steadily growing demand for technical co-operation. In view of the essential strategic role which such co-operation was required to play in the establishment of the new international economic order, the Council should give the greatest attention to manpower, funding and other resources which were necessary to make such co-operation as effective as possible. Given the grave imbalance between needs and resources, the system should place emphasis upon rigorous programming, efficiency, selectivity, continuing evaluation and effective co-operation and co-ordination among its multiple components. In that connexion, he was happy to note that UNIDO's technical co-operation activities had increased by more than 52 per cent in real terms since 1974, even though its staff resources had remained static and had in fact decreased as far as technical-

co-operation activities were concerned. In 1978 and 1979 UNIDO had been the third-ranking executing agency for UNDP-funded technical-co-operation activities. Although it was not possible to guarantee similar growth rates in the future if its supporting resources did not increase, UNIDO earnestly wished to make a substantial contribution to the third programming cycle, consistent with the growing role of industry in the economies of developing countries.

2. He fully subscribed to the views expressed by the Administrator in document DP/454 on the role of the United Nations system in country programming and considered it particularly important to strengthen co-operation activities among recipient countries, UNDP, UNIDO and other components of the system, both in the field and at headquarters. With regard to UNIDO inputs, the Industrial Development Board had recently agreed by consensus that priority should be given to several areas of direct relevance to UNIDO's technical-co-operation programme. One such area was development and transfer of industrial technologies and the strengthening of the technological capabilities of developing countries. UNIDO had placed, and continued to place, special emphasis on industrial technologies in its technical assistance activities, and was making special efforts to establish an institutional infrastructure and information flows which would enable developing countries to determine their own policies in that area and to choose the most appropriate technologies. It was drawing up proposals for technical co-operation projects which could be financed within the third-cycle country and intercountry programmes or from the Interim Fund for Science and Technology for Development. A second priority area identified by the Industrial Development Board was that of the relationship between industry and energy. Within the context of its ongoing activities, UNIDO intended to intensify its efforts, firstly, to improve energy use in industry, particularly through conservation measures and energy-appropriate industrial technologies, secondly, to help developing countries produce, repair and maintain equipment and appliances for the use of conventional and new sources of energy, and thirdly, to improve the production of new and renewable sources of energy, including biomass-derived fuels.

3. Taking into account the central role of energy in industrial development he had established a special advisory group to consolidate and guide the future UNIDO energy programme. UNIDO was looking forward to close co-operation with the UNDP energy policy group in planning and carrying out technical-co-operation programmes in that field. Moreover, if the Governing Council should decide to establish the fund proposed in document DP/438, UNIDO would welcome the opportunity to assist in research projects on new and renewable sources of energy through demonstration plants and small pilot plants. Other areas given priority by the Industrial Development Board included the development of human resources, industrial production and, in particular, the local processing of natural resources, and special measures in favour of the least developed countries.

4. With reference to the latter group of countries, it was absolutely essential to strengthen their ability to prepare industrial investment projects, i.e. to carry out the prefeasibility and feasibility studies necessary to mobilize the massive financial and technological resources required for their industrial development. The Third General Conference of UNIDO had recognized the need to establish a special project-preparation facility.

5. The quality of UNIDO's technical-co-operation activities depended to a large extent on other substantive activities carried out by the secretariat, particularly the work of the International Centre for Industrial Studies and the system of consultation. That system had, for example, helped to identify needs, opportunities and priorities for technical assistance and co-operation among developing countries. Such interaction of the different components of the United Nations system was essential if the system was to respond effectively to the changing needs of developing countries during the Third Development Decade.

6. There are two programmes closely related to UNIDO's technical-co-operation activities and ability to plan and deliver the services expected of it, namely, the Special Industrial Services (SIS) programme and the Senior Industrial Development Field Advisers (SIDFA) programme, both of which were funded by UNDP and had clearly demonstrated their value. The Industrial Development Board and the Third General Conference of UNIDO had called for a significant increase in resources for those programmes and he hoped to draw the Governing Council's attention to the reasons which, in his opinion, justified that increase. The amount allocated by UNDP to the SIS programme (\$3.5 million) had remained unchanged since the first country-programme cycle in 1972, even though in the meantime the average cost of expert services had practically doubled. That meant that UNIDO was currently delivering half the expert services it had provided in 1972. During the same period, UNDP resources had increased by 169 per cent. It should be recognized that during recent years more countries had been giving greater priority to industrialization and therefore had an increasing need for highly specialized short-term advisory services to meet urgent and unforeseen requirements in the industrial sector. The General Assembly had recognized that tendency and, in resolution 33/78, had recommended that the UNDP Governing Council should make an appropriate increase in the annual volume of financial resources under the SIS programme. He was thus confident that the Governing Council would share the opinion of the Industrial Development Board that the resources of the SIS programme should be at least doubled to offset the effects of inflation. That meant that resources should be increased in real terms in order to enable the programme to provide the increasing services requested of it.

7. The SIDFA programme should be strengthened for similar reasons. An increasing number of countries required the services of such advisers and the range of services requested had been expanding as industrialization gathered momentum in developing

countries. UNDP and UNIDO studies agreed on the need for additional SIDFA posts and the Industrial Development Board has invited the UNDP Governing Council to consider increasing the number of such posts to 50 in 1980. Projects carried out by UNIDO currently represented 10 per cent of total IPFs and in view of the important role that the industrialization of the developing countries was expected to play in the establishment of the new international economic order, it might be assumed that the percentage would increase to at least 13 per cent. Assuming also that IPF expenditure increased by 10 per cent during the third programming cycle, the annual cost of UNIDO's technical-co-operation activities financed by UNDP would be about \$90-100 million during the period 1982-1986. In those circumstances and in view of the project formulation, monitoring, appraisal and follow-up activities to be carried out at the country level, the network of SIDFAs should be strengthened to cover almost all the developing countries on a full-time or part-time basis. In order to attain the delivery targets for the third cycle, programming and project formulation activities should begin immediately, and for that reason the Industrial Development Board considered it very important to increase the number of SIDFA posts in 1980. He was confident that UNIDO could provide suitable candidates. In his opinion, only through a strong network of SIDFAs could the necessary sectoral support be provided at country level, in particular in the context of "continuous programming". While fully recognizing the intelligence and dedication of the junior professional officers, he did not feel that they had the necessary experience to replace advisers, especially since one of the main purposes of the programme was to provide on-the-job training for young and relatively inexperienced officials. Similarly, there were a few countries in which experts assigned to long-term technical-co-operation projects in broad areas of planning and strategy had been able to provide Governments and UNDP with some of the services expected of a SIDFA, but those services were necessarily limited in scope. Moreover, countries were tending increasingly to employ short-term highly-specialized consultants who did not have the qualities required of an effective SIDFA. Lastly, while headquarters missions were used to supplement the work of SIDFAs, they were not an adequate substitute for the SIDFA, particularly as member countries were calling for a restriction of travel expenses in the organizations. What was required was quite simply more of what already existed, namely, a cadre of experienced, well-qualified senior advisers who were well-informed about the industrial development priorities, strategies and problems of the countries of their assignment, had close working relationships with local industrial development officials, UNDP resident representatives and officials of other multilateral and bilateral organizations, and were thoroughly familiar with the organization, activities and procedures of the United Nations development system. He hoped, therefore, that the Governing Board would decide to strengthen the programme, as recommended by the Industrial Development Board and the General Assembly.

8. Turning to the increasing role of UNDP as executing agency, he expressed the view that such a trend, which was of some concern to the organizations participating in the technical-co-operation activities of the United Nations system, was at odds with the overall philosophy of the system and with the continuing efforts to streamline activities and avoid duplication. The fact that UNDP project expenditure had increased from \$1.8 million in 1972 to \$45.2 million in 1979 seemed to imply that UNDP was in the process of building up technical and administrative support services which duplicated those of the executing agencies. One could not argue that the Office of Projects Execution should be used to execute interdisciplinary and multi-purpose projects and, at the same time, call for greater interagency co-ordination and jointly executed projects. Rather than creating new capabilities for the execution of multidisciplinary projects at UNDP headquarters, it would be better to continue to draw upon the existing capabilities of the United Nations agencies. He was not pleading for a greater UNIDO "share" in the programme, but wished solely to draw the Council's attention to the need for consistency and firmness on the part of member States in their legitimate efforts in various governing bodies to promote cohesion, co-ordination and economy in the United Nations system.

9. Mr. MORSE (Administrator) said that a consensus should be reached at the current session on agenda item 5 (a) "Preparation for the third programming cycle, 1982-1986", in view of the considerable progress made at the two most recent sessions of the Council. There were two fundamental questions to be resolved. The first concerned the volume of resources that would be necessary in the 1980s to meet the needs of the developing countries for technical-co-operation assistance. The proposed annual target of a 14 per cent increase in voluntary contributions for the third cycle was a reasonable starting-point. However, meeting that target through the accumulation of non-convertible currencies would be of little use: there was a need for contributions in readily usable currencies.

10. The second question related to the equitable allocation of UNDP resources. In that regard, he considered that table 2 in document DP/496 accurately reflected the Council's position with regard to the allocation of resources among broad categories of the Programme (aggregate country IPFs, regional and intercountry IPFs, other elements of the field programme, agency support costs and UNDP administrative budget), and he hoped that the Council would decide to devote 81 per cent of the total resources to individual country IPFs and 19 per cent to intercountry activities.

11. As to the calculation of individual country IPFs, the Council seemed to be in agreement on two important points: the retention for the third cycle of the general methodology used for the current cycle, and the allocation of 80 per cent of the total amount available for country IPFs to countries with a per capita GNP of up to \$500. That general methodology required the use of data on population, per capita GNP and various supplementary criteria. Inquiries had been made concerning the best source for the data to be used; for the time being, since the information must be comprehensive, timely and above all internationally comparable, it was not possible to use anything other than the estimates provided by the World Bank. With

regard to supplementary criteria, he had endeavoured to apply the ideas of the Council. Table 1 in the annex to document DP/496 contained calculations - based on the above-mentioned guidelines and having regard to the Council's decision at its recent Special Meeting - of third-cycle individual country IPFs for countries with per capita GNP of up to \$500. For other countries, the Council had requested a set of calculations based on various criteria, and those were summarized in tables 3 and 4. Table 2 contained the detailed results of some of those calculations. It showed, in particular, that the comparison between calculations I and VI, based on different interpretations of draft decision DP/L.334 as proposed by the recipient countries, resulted in an aggregate reduction in the IPFs of about \$73 million, a figure which was of particular interest.

12. All the calculations submitted in document DP/496 were based on the assumption of an average annual growth rate in contributions of 14 per cent; otherwise, all individual allocations would have to be reduced by a flat percentage. In that connexion he pointed out that IPF estimates for a small number of countries were not included in document DP/496 because the essential basic data were not yet available; the relevant figures would be communicated to the Council at a later stage. New means should perhaps be considered to encourage developing countries at the upper end of the per capita GNP scale to become net contributors; those which had acquired that status were still too few in number. Net contributor status did not, of course, prevent a country from continuing to participate fully in the Programme.

13. With regard to regional IPFs, the calculations submitted in document DP/494 for the third cycle had been prepared on the basis of the same methodology as for the second cycle and a specific set of supplementary criteria. In his opinion, the preparation for the third cycle would be facilitated if the Council decided to adopt the same mechanism for a mid-term review as that which had proved so useful for the current cycle.

14. Mr. KASTOFT (Denmark) welcomed the fact that field programme expenditure had increased by 25.5 per cent. That increase, announced by the Administrator, was an impressive illustration of the efforts made to enhance the efficiency and dynamism of the Programme.

15. The third programming cycle, 1982-1986, was the most important subject before the Council. Denmark, which had provided 9 per cent of total voluntary contributions and whose official development assistance, comprising 50 per cent multilateral assistance, had reached the target of 0.7 per cent of GNP, hoped that a significant increase could be achieved in UNDP resources. But if it was to be achieved, the burden-sharing pattern would have to be changed: it was not normal that five small countries - Denmark, Finland, the Netherlands, Norway and Sweden - should together account for more than one third of all voluntary contributions. Other countries should increase their contributions substantially in order to ensure the satisfactory growth of the Programme.

16. His Government attached great importance to the increased predictability of UNDP assistance. The ideal solution would obviously be replenishments of the same kind as those applied to the International Development Association (IDA), the International Fund for Agricultural Development (IFAD) and the regional banks. However, in order to be realistic and at the same time ensure maximum mobilization of funds, it would perhaps be advisable to adopt the procedure (already applied by Denmark) proposed in the report of the Intergovernmental Study Group on Future Financing of the Programme (DP/451), i.e. rolling pledges for three consecutive years, including a firm pledge for the first year and indicative pledges for the following two years.

17. With regard to the use of funds, Denmark would like UNDP to follow the policy which it had itself adopted in the field of official development assistance: virtually all its bilateral aid went to countries with a per capita income of less than \$550; its projects were to the fullest extent possible geared to serve the needs of the most disadvantaged strata of the population; they also sought to improve the lot of women and their role in the development process. Furthermore, recipient developing countries might make contributions which represented increasing proportions of their IPFs. Some of them were already doing so and, in that connexion, he welcomed the statement made the previous day by the representative of Greece. Recipients which were not developing countries but still received UNDP assistance should make urgent efforts to become net contributors.

18. Of course UNDP drew no distinction between recipients which were developing countries and those which were not; it was a global programme. But a line had to be drawn somewhere, and it was the view of his Government that some European countries which, after 30 years of economic growth, were still net recipients should reconsider their position, particularly since in some cases they made their contributions in non-convertible currencies, while part of the aid they received was financed by convertible funds.

19. With regard to distribution between country programmes and global, interregional and regional projects, UNDP's primary task could be said to be to assist individual countries through its field offices. On the other hand, it could be argued that activities which did not concern a specific country had an important role to play in UNDP's efforts to promote a new international economic order. Of those activities, he wished to single out UNDP's contribution to the important work done by the Consultative Group on International Agricultural Research (CGIAR). Special attention should also be given to technical assistance, which increased the negotiating capacity of developing countries vis-à-vis transnational corporations. In any event, his Government took the view that the essential goal remained an increase in the proportion of total UNDP resources allocated to country programmes. In no circumstances should there be a significant change in that proportion.

20. The distribution of procurement continued to be a source of concern to his Government and its contribution to UNDP - which was the highest in per capita terms - was giving rise to increasingly vocal criticism during the current period of recession and unemployment, since public opinion failed to understand why Danish industry and firms did not obtain more contracts. Procurement contracts must be concluded with the cheapest suppliers, but it was important that small and developing countries should not feel that they were being treated unfairly.

Their enterprises had difficulty in understanding the various procurement procedures and lacked information on projects. UNDP and the executing agencies should make concerted efforts to seek out potential suppliers in those countries, especially since their prices might well be competitive.

21. The time seemed to have come, at the end of the second cycle, to take stock of the evolution of UNDP. Important changes had occurred during the 1970s, but they had not always been for the better and it was regrettable that in 1978 UNDP's share in expenditure on operational activities within the United Nations development system had not exceeded 25 per cent. At the beginning of the 1970s, many had hoped that UNDP would play a leading role in the system; that would have enabled recipient countries to establish their own priorities for the use of the funds made available. However, with the proliferation of special-purpose funds and multilateral agencies, the recipients had a limited choice and priorities were more or less determined by the international community, of which of course the recipients formed an important part. Both recipients and donors were responsible for that development: the recipients had frequently pressed for the establishment of special-purpose funds and organizations in order to draw attention to a particular problem or, perhaps, in the hope of obtaining additional contributions; the donors had preferred to earmark funds for purposes which they felt should be given special attention.

22. Nevertheless, if an energy fund for exploration and pre-investment surveys (DP/438) was established under the auspices of UNDP, the disadvantages from the standpoint of organizational proliferation would be minimal. The fund would deal with a vital sector for economic development. It would contribute to the growth of non-oil-exporting developing countries by increasing their energy supply and, therefore, reducing their balance-of-payments deficit. Its establishment seemed justified since energy exploration was a capital-intensive, high-risk undertaking. If, exceptionally, the fund offered reasonable prospects of mobilizing additional resources, the Administrator's proposal should be given serious consideration.

23. Apart from the reduced role of UNDP within the United Nations development system, the structure of UNDP activities had undergone a significant change in the 1970s. In particular, its pre-investment activities had clearly diminished; those activities were, of course, extremely useful, but a fundamental principle of the country programming system was that recipients should be enabled to determine priorities for the use of UNDP funds, and there were no doubt good reasons why they preferred assistance in fields other than pre-investment. Moreover, the financing institutions tended to carry out pre-investment studies themselves - which was perhaps preferable in order to ensure that the studies were followed up and to avoid duplication. In his report (DP/472), Sir Robert Jackson had recommended that the intended sources of financing should be associated with pre-investment projects as early as possible; the co-operation between UNDP and FAO, mentioned in the report of the Administrator (DP/460), seemed to be a step in that direction. In that regard, his delegation, which had noted with great interest the views expressed in Sir Robert Jackson's report and, in particular, his severe criticism of the lack of decentralization, was pleased to learn from the report of the Administrator (DP/460) that UNDP was aware of many of the problems mentioned by Sir Robert.

24. Drawing attention to the report on policy issues pertaining to operational activities for development, he noted that the introduction of systematic arrangements under which Governments were informed of the resources likely to be available from the United Nations system over a particular period of time would be extremely useful; quite clearly, predictability of UNDP assistance alone was no longer sufficient. In that respect the resident co-ordinator had an important role to play in the dialogue between donors and recipients. He also wished to stress the importance of the overall co-ordination of the internal organization of the United Nations system, which had been one of the main objectives of several donor countries at the time of adoption of General Assembly resolution 33/201.

25. The contents of the strategy for the Third Development Decade were not yet known in detail, but maximum efficiency in the use of available resources would certainly be necessary. In view of the importance of the decisions which the Council was to take at its current session, he assured members that his delegation would participate fully and constructively in the deliberations.

26. Mr. ALVAREZ SOBERANIS (Mexico) said that at its current session the Council faced the difficult task of adopting substantive decisions on the third programming cycle, at a time when the world was confronted with recession, unemployment, inflation and poverty. Recently, the Brandt Commission had indicated in its report that, if certain trends were not reversed in the near future mankind would be faced with famine of unprecedented proportions. In his delegation's view, technical co-operation was one means of combating those evils and, as had been noted by the Administrator, constituted a central element of development.

27. Unfortunately, the gap between industrialized and developing countries continued to widen. The egoism and indifference of certain powerful countries served only to make the situation worse. To stop that trend, a major technical-co-operation effort was necessary, especially among developing countries. In that regard, the High-level Meeting on the Review of Technical Co-operation among Developing Countries which had just been concluded had produced encouraging results, but the decisions taken still had to be implemented, at the national, regional and interregional levels. For that purpose, all countries should adopt a more concerted and more responsible attitude. For its part, Mexico was prepared to make that effort, as had been demonstrated by its decision to increase its annual contribution, which would continue to grow in the coming years. In addition, his country supported the initiatives of the Group of 77 concerning the strengthening of technical co-operation.

28. The financing of technical co-operation by multilateral bodies such as UNDP offered clear advantages over bilateral assistance. He therefore supported a strengthening of multilateral technical co-operation and, in particular, an increase in UNDP resources, which were too limited in view of the scope of the tasks to be undertaken. The recommended annual growth rate of 14 per cent was a reasonable minimum, and it was to be hoped that the most advantaged countries would exceed it.

29. He associated himself with the comments made at the 676th meeting by the representative of Ecuador concerning the fundamental principles which should continue to govern UNDP. From the operating principles of UNDP his delegation drew the following practical conclusions: first, it was essential to increase the Programme's resources; secondly, the IPFs of the Latin American countries should be maintained; thirdly, a reduction in any country's IPF endangered the very existence of the Programme and was therefore unacceptable; fourthly, the major proportion of resources should be earmarked for countries which were in greatest need and, in that regard, Mexico supported the recipient countries' decision (DP/L.334) that 80 per cent of resources should be allocated to countries with a per capita GNP of up to \$500 (Mexico had, in fact, accepted the "freezing" of its IPF out of solidarity with countries which had greater needs, and had intensified its technical co-operation with other countries in the region - with excellent results); fifthly, the indicators used for the distribution of IPFs should be revised in the light of the following supplementary criteria: a country's development effort, structural changes made, distribution of income, external debt servicing, balance-of-payments deficit, and chronic deterioration in terms of trade, social criteria such as population growth rate, life expectancy, literacy rate, education standards, living conditions, availability of drinking water, health and nutrition.

30. In conclusion, he said that in preparations for the third programming cycle it would be necessary: to reaffirm the universality of UNDP and the voluntary nature of contributions; to note with satisfaction the efforts made by the Latin American countries to achieve an annual increase of about 14 per cent in their contributions; to ensure that the real value of the IPFs of recipient countries during the third cycle was in no case lower than in the second cycle; to reject such criteria as "ceilings" and "thresholds", which caused distortions; to reaffirm the need to bring into balance the application of fundamental and complementary criteria for the establishment of equitable national and regional IPFs; and to reaffirm that Latin America was prepared to collaborate with the other developing countries in determining, in the Council, a just, equitable and concerted position endorsed by all the recipient countries.

31. Mr. DOMINGUEZ-PASSIER (Spain) commended the report of the Administrator for 1979 (DP/460) and the excellent way in which he had presented it. He (Mr. Dominguez-Passier) had taken particular note of the Administrator's appeal that the needs of UNDP should constantly be brought to the attention of the executive and legislative bodies of the various countries. In spite of its economic difficulties, Spain had increased its voluntary contribution for 1980 by 15 per cent, without, however, reducing the co-operation which it had established with virtually every country of Latin America; it had observer status at meetings of the Andean Pact countries, was a member of the Inter-American Development Bank and participated in the work of ECLA. Spain also took an interest in the nations of Africa.

32. The situation of countries which had reached an intermediate stage of development created a special problem in so far as they had not yet achieved full development and remained vulnerable in certain areas. Aid to the most disadvantaged should, of course, be increased, as the figures in table 1 in the annex to document DP/496 made clear, but it should as far as possible be increased without reducing the programmes of the intermediate countries. A number of countries mentioned in table 2 of the above-mentioned annex might become net contributors in the near future, and the representatives of Greece and Ecuador had made interesting comments in that connexion. In general, the important point was to preserve the principles of the universality of UNDP and the voluntary nature of contributions.

33. His delegation was concerned about the proliferation of special-purpose funds, which did a disservice to the goal of properly co-ordinated technical co-operation and disconcerted legislative bodies because of the multiplicity of contributions requested.

34. Mr. KERCKHOFF (Federal Republic of Germany), referring to agenda item 4 (Programme implementation), said that the detailed and objective report prepared by the Administrator would certainly be of great help to those Governmental officials who had direct responsibility for UNDP-related matters. He wondered, however, whether the report fully met the expectations of the legislative bodies which had to decide on the Programme's future and whether it provided a convincing basis for those members of the general public who had an interest in development co-operation or questioned the effectiveness of multilateral co-operation. In his view, the report, without simply trying to "sell" UNDP to the public, should give a better account of the work of UNDP. The preparation of the annual report should provide an opportunity for the Administrator, first, to report on the situation of countries in the field of technical expertise, secondly, to indicate UNDP's conception of regional and sectoral priorities, and thirdly, to report the results achieved by the Programme in the developing countries. In other words, the Administrator's report, in line with the approach taken in the "new dimensions", should be a coherent account of the results of the work done by UNDP during the preceding year.

35. He wished to congratulate the Administrator and his staff on their successful initiatives for improving UNDP's operational activities, particularly in evaluation. In that connexion his Government was in full agreement with the findings and proposals contained in document DP/448, and welcomed the progress achieved in setting up new financial and programme management systems, and the establishment of the Office for Projects Execution. Lastly, the Administrator's findings in his report regarding consultations on more uniform or standard procedures to facilitate the administration of development co-operation (DP/468) deserved careful examination.

36. In his country's view, the proper execution of the Programme did not at present require any far-reaching changes in UNDP's general policy. The principles underlying the Consensus adopted in 1970 were not, in fact, being called in question. What did seem to be in question now was UNDP's role as a central agency for funding and co-ordinating technical-co-operation activities.

37. The role of UNDP in the technical-co-operation activities of the United Nations system had decreased considerably over the years, from 76 per cent in 1967 to 53 per cent in 1978. There were two reasons for that. Firstly, some specialized agencies could now devote more resources to technical co-operation, and secondly, newly-established multilateral funds attracted a proportion of the voluntary contributions which might otherwise have been made to UNDP.

38. Nevertheless, despite the multiplication of sectoral technical-co-operation programmes undertaken by specialized agencies, UNDP was still the main agency for funding, and especially co-ordinating, technical-co-operation activities within the United Nations system, and it should continue to be. It went without saying that sectoral priorities could be defined and properly integrated into development planning only at the country level. It was therefore essential to incorporate all those activities within the country programming exercise. In that way not only would programming be improved, but Governments would accord high priority to UNDP-financed programmes.

39. Referring to Sir Robert Jackson's study on UNDP and pre-investment (DP/472), his delegation agreed that UNDP had a special role to play in that area. The Administrator shared responsibility for the selection of projects, a process which must be carried out in strict compliance with the principle of national sovereignty. In that connexion he wished to emphasize that the planning figures were purely indicative and expressed his Government's desire for a somewhat clearer definition of sectoral priorities.

40. Turning to agenda item 5 (a) (preparation for the third programming cycle), he said it was important for planning purposes to keep in mind the voluntary nature of the Programme's financing.

41. The question whether financial assistance should be given to the more advanced developing countries had not yet been settled. His delegation had stated at the first session of the Intergovernmental Study Group on Future Financing of the Programme that it did not favour establishing a cut-off point beyond which the developing countries would be refused any assistance. The more advanced developing countries might in fact need UNDP assistance just as much as the less advanced. The principle of universality, under which all countries without exception could benefit from UNDP programmes, must therefore be maintained. Nevertheless, the more advanced countries should consider the possibility of becoming net contributors as soon as possible. In general, they might be granted an adjustment period of five years, but the oil-exporting countries and the industrialized European countries should make every effort to become net contributors sooner.

42. In connexion with agenda item 7 (c), his delegation recognized the need to explore new oil resources and to develop new and renewable sources of energy. By participating in that kind of activity, UNDP could strengthen its role in the United Nations development system. Nevertheless, the establishment of a fund for the exploration and development of energy resources still raised certain problems. It might well be asked, for example, whether it was advisable for the same fund to finance the exploration of oil resources and to develop renewable energy resources. The mandate of that fund must also be precisely defined in order to avoid overlapping with the United Nations Interim Fund for Science and Technology for Development and the United Nations Revolving Fund for Natural Resources Exploration.

43. UNDP, which his Government would continue to support, would have a major role to play during the Third United Nations Development Decade and could serve as a model for the establishment of constructive co-operation between North and South.

44. Mr. DOO KINGUE (Assistant Administrator and Director, Regional Bureau for Africa) said he would like to comment on the programme of assistance to national liberation movements recognized by OAU and on the programme for the United Nations Decade for Transport and Communications in Africa.

45. With respect to the former programme, on which the Administrator reported in document DP/467, UNDP had shown great caution in using the financial resources allocated and there was no danger of overstepping the budget during the current programming cycle. UNDP continued to co-operate closely with OAU in planning and implementing the programme. The meeting held in June 1979 on UNDP's initiative had enabled representatives of OAU and the African liberation movements recognized by OAU and representatives of various United Nations agencies to exchange views on how to establish closer mutual co-operation and to raise the level of United Nations assistance to national liberation movements in Africa. A similar meeting was currently being held in Nairobi.

46. As to the Nationhood Programme for Namibia, it had not yet been possible to implement several of the projects approved, mainly because of the difficulty in finding Namibians willing to attend training programmes and delays in the recruitment of experts. Referring to assistance to Zimbabwe, he reminded the Council that after that State had declared its independence on 18 April 1980, UNDP had opened an office in Salisbury and on 27 May he himself had signed a co-operation agreement with Zimbabwe on behalf of UNDP. During his stay in Zimbabwe he had taken part in a meeting organized by the Government with the help of UNDP to study the major development problems facing the new State and to decide how the United Nations system in general and UNDP in particular could assist the Zimbabwean Government in overcoming those problems. That meeting had made it possible to identify approximately 100 technical-assistance and pre-investment projects, some of which would shortly be submitted to UNDP for funding.

47. On the question of the programme for the United Nations Decade for Transport and Communications in Africa, the participants in the ECA Conference of Ministers held at Addis Ababa in April 1980 had recognized that the system of world pledging conferences for the programme had not met the expectations of African Governments. Other measures were therefore being studied. UNDP itself had made it known that it would be prepared to co-operate with the ECA in order to develop other procedures for mobilizing resources, but ECA had not yet submitted specific proposals. In connexion with the Decade, he wished to draw attention to a problem which could not be solved until consideration was given to the question of the distribution of resources for the Programme for the period 1982-1986, namely the funding during that period of the regional projects intended to form part of the programme for the Decade.

The meeting rose at 12.45 p.m.