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SUMMARY RECORD OF THE 679th MEETING

held at the Palais des Nations, Geneva,
on Wednesday, 4 June 1980, at 3 p.m.

President:

Mr. POPESCU

(Romania)

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The meeting was called to order at 3.10 p.m.

PROGRAMME IMPLEMENTATION (Agenda item 4) (continued)

- (a) ANNUAL REPORT OF THE ADMINISTRATOR (DP/460-462, 463 and Corr.1, 423 and Add.1, 439)
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PROGRAMME PLANNING AND PREPARATION FOR THE THIRD PROGRAMMING CYCLE
(Agenda item 5) (continued)

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

1. Mr. CAPPELEN (Norway) said that, in his Government's view, UNDP had performed well in 1979. Despite high inflation rates, field programme expenditures had risen by 25.5 per cent and net project approvals had reached a record level of \$701 million. Expenditure was commendably close to the Administrator's projections. Four additional field offices had been opened during the year and steps had been taken to strengthen UNDP's operational effectiveness. He welcomed the fact that UNDP's operational methods were very close to the model practices recommended by the Development Assistance Committee of the Organization for Economic Co-operation and Development (OECD). He was gratified by the progress made in the implementation of new dimensions policies, as shown by an increase in government-executed projects and in the number of experts from developing countries serving on projects financed by UNDP.

2. Among the evaluation studies carried out by UNDP in 1979, he particularly commended that on the assessment of rural women's participation in development.

3. Ten years after the consensus, a turning point had been reached with regard not only to the future of UNDP itself but to the whole concept of multilateral assistance through the United Nations system. Both the Economic and Social Council and the General Assembly at their forthcoming sessions would be dealing with the report of the Director-General for Development and International Economic Co-operation in which he reviewed policy issues connected with the operational activities for development undertaken by the United Nations system. Furthermore, the Administrator's report itself raised several issues that were basic to the operations of UNDP and the United Nations system as a whole. The Administrator had

also submitted a report on examination of the experience with country programming (DP/454) and two studies on investment follow-up (DP/442 and 472), the latter of which, by Sir Robert Jackson, presented pertinent views on a leading aspect of the consensus. Those reports were closely interrelated and should be considered together; he would therefore have thought it logical for the report of the Director-General to have been submitted to the Governing Council for consideration and comment. Taken together, the reports pointed to a number of problems which would have to be faced **sooner** or later.

4. Firstly, UNDP's share of the total funding for technical assistance in the United Nations system had decreased from two-thirds in 1968 to one-third in 1978. Such a development clearly ran counter to the intention of the consensus and made it increasingly difficult to maintain the concept of UNDP as the central instrument for international technical co-operation. In addition, the total resources pledged to UNDP had shown a tendency to stagnate if the erosion of value due to inflation was taken into account. Since 1970, there had also been a proliferation of new funds tending to divert resources from UNDP. A detailed discussion of such issues would be premature, but they might be raised in connexion with the Administrator's report and the studies on country programming and investment follow-up.

5. Secondly, the reports indicated that, while the concept of IPFs and country programming was accepted by recipient countries, there seemed to be room for further improvements. Nevertheless, the reports confirmed his Government's belief in the concept of country programming as such.

6. Thirdly, the level of investment follow-up was much too low and was declining. Successful investment follow-up should be one of the fundamental objectives of technical assistance financed by UNDP; it was a significant measure of the success of UNDP itself and of the impact of its activities on development in the recipient countries. Every effort must therefore be made by the Administrator and all concerned to improve the situation. One of the main causes of the low level of investment follow-up was unsatisfactory implementation of country programming. There was insufficient delegation of authority to resident representatives and inadequate staffing of United Nations offices at the country level. Recipient Governments also had an important part to play in the country programming, execution and evaluation procedure. The Administrator's report contained proposals for solving those problems in accordance with the intentions of the consensus; nevertheless, there was still a need for further decentralization of UNDP activities, particularly in decision-making and personnel matters.

7. Another cause for concern was the ineffective part played in country programming by the specialized agencies, and the poor support they gave to project personnel. Such factors contributed to the low level of investment follow-up for projects financed by UNDP. There should be a stronger link between the resident representatives and the financial institutions, while the representatives themselves should do more to make recipient Governments aware of the importance of financial follow-up when they were selecting and formulating projects. For their part, the financial institutions should inform resident representatives and recipient Governments of the type of pre-investment activities that were a prerequisite for investment. That in turn would necessitate closer contact between UNDP and the investment institutions; in that context, the establishment of an Investment Development Office (DP/460, para. 6) was a sound innovation.

8. He noted the Administrator's reference (DP/460, para. 4) to UNDP's limited resources. Although, in his delegation's view, more could be done to use existing resources more efficiently, he agreed that availability of resources was one of the main problems facing the operational activities of the United Nations system in general and of UNDP in particular. His Government felt strongly that unless there was a dynamic growth of real resources, the programme might begin to lose credibility. During the current cycle a mere dozen or so countries had provided the bulk of programme resources. For example, the Nordic States, all relatively small countries, had provided more than 25 per cent of those resources, and while those countries were proud of that effort, the situation pointed to a weakness in UNDP. If the programme was to fulfil the intentions of the consensus, more countries must increase their contributions. He was, however, encouraged by the number of countries which, at the meeting of the Intergovernmental Study Group on Future Financing of the Programme, had accepted, subject to parliamentary approval, the idea of indicating their contributions to UNDP for several years ahead.

9. Mr. MUHITH (Bangladesh) said his delegation was glad to see fresh emphasis on assistance for the development of administrative capacities in developing countries; the fact that there had been a total expenditure of \$161.8 million on investment follow-up in the sector of general development issues, policies and planning during 1979 was a good measure of that emphasis. The technical assistance programme of UNDP was essentially aimed at bridging the technological gap in the developing countries, and that could best be done by making a survey of the technical ability needed for the implementation of a country's development plan and of the availability of suitable talent within the country itself. It was also essential for UNDP experts to train counterparts to take over when they left the country. Similarly, training and fellowship programmes should be so designed by the Governments, in consultation with UNDP, that trained manpower could make a significant contribution to the bridging of the technological gap.

10. Equipment delivery was of vital importance to the developing world, so that the fall in the value of equipment delivered in 1979 as compared with the previous year was disconcerting, particularly since in the case of some countries, including Bangladesh, there had been a decline in the value of orders for equipment. He would like to see an increase in equipment deliveries not only in absolute terms but also in relation to other components of UNDP technical assistance.

11. Where the transfer of skills was concerned, he welcomed UNDP's assumption of administrative responsibility for the Interim Fund for Science and Technology for Development. That should not only accelerate the pace of development but also promote the search for an appropriate technology suitable to the resources of the country. The capacity study on science and technology undertaken by the Interim Fund in Bangladesh was a first step towards that objective.

12. In his statement at the 675th meeting, the Administrator had referred to the special role of UNDP, its operational effectiveness and inter-agency relations, while studies had been made of country programming experience and of inter-country, regional and global programming problems. He had a number of comments to make on those matters.

13. One of the purposes of UNDP country programming was to programme objectives rather than input supplies. Priorities must therefore be determined by the Government and it was gratifying to note that in most cases the government co-ordinating body was playing a leading part in project selection.

14. Another objective of country programming was to provide a coherent programme with clearly established relationships between sectors. That objective was not being achieved, principally because technical co-operation was still largely supply-based instead of need-based, so that sectoral studies to identify needs and gaps were unusual. The review exercise preceding the framing of a country programme was an important instrument in that connexion. In his delegation's view, there should be more sectoral studies and a greater effort to make country programming co-terminous with medium-term national development plans.

15. The declining role of pre-investment studies in country programmes was to be regretted. The advice of OECD regarding the wider use of feasibility studies commissioned by other donors might be helpful in expanding the role of UNDP. He noted with satisfaction the intensified efforts in the area of investment follow-up and hoped that the establishment of the Investment Development Office would soon bear fruit.

16. The increasing use of umbrella programmes was commendable. They were especially helpful to the least-developed countries where prior planning was invariably inadequate.

17. The fact that agency overhead costs had increased during 1979 in the same proportion as the cost of field activities gave cause for concern. Since some of the field activities were being implemented by UNDP and national Governments, the increase should have been less than proportional. He again stressed the need to reduce agency overhead costs and would like to see a quicker response by agencies to the needs of recipients; agency views on a country programme should be communicated to the country before the programme was finalized.

18. There would be teething troubles with government execution of projects in pursuance of the new dimension policies, but he remained convinced that there was no better way of ensuring the expeditious processing of projects and transfer of skills.

19. In the past, the documents relating to inter-country, interregional and global projects of UNDP had frequently not reached Governments until the stage of project implementation. It was important that such projects should be sponsored by Governments in the embryonic stage, or should be brought to their immediate notice if they had originated elsewhere. Bangladesh wished to sponsor a number of such projects in the fields of rural development, irrigation and flood control, inland water transport, agriculture, civil aviation, livestock and fisheries, and in order to ensure that such programmes met the needs of the least developed countries in the region, it was hosting a meeting of the interested countries and the framers of the programmes later in the year.

20. He noted with satisfaction that a plan of work had been prepared and a reasonable level of pledges secured for the Decade of Transport and Communication for Africa, but he remained sceptical about a mechanism for co-ordinating needs and the flow of funds. It was important that the plan as a whole should be implemented, both as regards its regional and its national components; the Economic Commission for Africa (ECA) and UNDP should consider how that might be done.

21. In the 11 country programme submitted for approval at the current session, about one-third of new programme resources was committed to agriculture, thus

continuing the trend of 1978. That was a good augury for the future of the programmes. The burden of ongoing programmes was comparatively low, even though still too high. However, the problem of approving programmes long after they had been commissioned still remained.

22. He noted with appreciation the efforts of the UNDP administration regarding technical co-operation among developing countries (TCDC). He still thought that TCDC as a concept had not yet captured the hearts of the developing countries. However, two of the recommendations of the high-level review meeting of intergovernmental experts on TCDC activities, namely, that a country's IPF might be used for financing its own inputs in TCDC projects, and that the question of reimbursing local currency expenditure in TCDC activities should be reviewed, would make for a wider acceptance of the TCDC concept in developing countries. The positive finding concerning the employment of more national experts in UNDP-assisted projects was a welcome development.

23. His delegation appreciated the Administrator's work in managing special funds and activities (DP/460, section IV). The United Nations Volunteers were a useful addition to UNDP and national development efforts; and retired government and business executives should be recruited where possible. The United Nations Capital Development Fund should continue to be exclusively devoted to the needs of the least developed countries. He noted with satisfaction that, during the previous year, the Fund had approved projects to a total value of \$41 million, a sum equivalent to 50 per cent of programme expenditure during the five years of the Fund's existence. Approval procedures and appraisal mechanisms needed simplification, and it might be helpful for government representatives to be present at meetings of the Board at which requests for assistance were considered. One problem in connexion with the Revolving Fund for Natural Resources Exploration was the time taken to process cases. The Administrator's proposal for an energy fund was opportune but, there again, a simple procedure for responding to needs expeditiously would have to be devised.

24. Where the conduct of Governing Council meetings was concerned, he supported the Administrator's recommendation that items should not be discussed unless members intended to raise specific issues.

25. With regard to the guidelines for UNDP's response to natural disasters, a country limit of \$2 million a year might be acceptable, but the limit of \$1 million for each disaster might not be adequate in the case of unusually severe disasters affecting most of a country.

26. With regard to the third programming cycle, the consensus reached at the last Special Meeting should guide the Council's work at the present session. A compromise worked out by all recipients could not, of course, be fully satisfactory to everyone, but it did seem to be widely acceptable to donors. The calculations contained in the Note by the Administrator (DP/496) showed that the proposal was a good one and he urged delegations to vote for it.

27. There were, however, two matters which needed to be clarified. The first was the replenishment of resources. The results of the last pledging session had been disappointing and lent support to the Finnish proposal for a multi-year pledging system. At the twenty-sixth session, his delegation had suggested an annual growth rate of 16 per cent for the third programming cycle, but at the Special Meeting in February 1980, he had sensed that the general feeling was in favour of the figure of 14 per cent. Any further reduction would spell disaster for the programme. An

effort of will by some of the developed Member States and a good number of the well-to-do Member States could make up the difference between the 4 per cent growth rate of the last pledging session and the 14 per cent growth rate being projected for the third cycle. He suggested that the Council should reaffirm at the present session its decision in favour of a minimum annual growth rate of 14 per cent in voluntary contributions.

28. The second matter to be clarified concerned the preservation of the floor concept in nominal terms. It had been suggested that every effort should be made to ensure that no country received less in the third cycle than in the second, though it had also been suggested that an increase might be considered in allocations for countries with a per capita GNP above \$500 but below a sufficiently high level. It had been further stipulated that, in the event of an over-all shortage of resources, the floor concept should not be protected. He could accept the view that countries whose development efforts were already being hampered by inflation should not be further penalized, provided that such acceptance did not affect the share of the low-income countries. In that connexion, he thought that the adverse comments on the weight given to the population factor in determining country IPFs were unfortunate.

29. He had been impressed by the suggestion made by the representative of Greece at the 676th meeting regarding net contributor status. It would indeed be a tribute to the development process if countries in a position to do so would indicate that by the end of the third programming cycle they would become net contributors.

30. He had been greatly encouraged by the gesture made by China at the 677th meeting that country's voluntary surrender of IPFs and earmarking of funds for TCDC constituted an example worthy of emulation.

31. Mr. MARTIN (United Kingdom) said that the quality of the Programme was no less important than the quantity of its resources. One of the Administrator's main achievements in the past few years had been a determined effort to improve that quality through appraisal and evaluation. The United Kingdom delegation had been impressed by the suggestions on improving the country programming process and enhancing the role of the developing countries themselves in the whole process of development and on the future direction of the programme, contained in some of the documents before the Council, especially in document DP/448. The lessons learned must be put to good use in the third cycle if the developing countries were to obtain maximum benefit from the common efforts.

32. At the current session, agreement had to be reached on how the resources available for the third cycle would be allocated. While fully recognizing the special claims of countries with a per capita GNP of less than \$500, his Government was also concerned about countries in the \$500 to \$1,000 band.

33. Country IPFs remained the essential core of UNDP's activities. They provided opportunities for taking a broad view of technical co-operation needs and achieving the correct priorities between various sectors. It was rightly stressed in documents DP/454 and DP/478 that Governments should not try to identify detailed programmes and projects at the initial stage but should first concern themselves with broad priority objectives.

34. There was an increasing tendency for UNDP to become responsible for funds made available for stated sectoral purposes, such as the Fund for Population Activities. There might often be advantage in the Programme's being responsible for the use of earmarked funds, but its main purpose must always be borne in mind.

35. The Administrator had correctly emphasized the importance of financial resources. The United Kingdom's contribution for the current year would be less than it had been in the past few years because the Government had decided that it must at present give major priority to the restoration of its own national economy, and that involved a substantial reduction in public expenditure. It would, however, still be among the main contributors to UNDP, which had relied for too long on the financial efforts of a few countries. His country's financial contribution would continue to be fully and freely usable for the purposes of the Programme. It was regrettable that so much time and effort had to be spent on problems of non-convertible contributions. It was also logical that if UNDP was achieving its goal as part of the total United Nations development effort, an increasing number of countries should be able to become net contributors. Such countries might still need outside technical assistance, but should increasingly be able to pay for it themselves. If UNDP was to achieve the 14 per cent growth target - and the United Kingdom did not suggest that the target should be lower - there must be a considerable broadening of the collective effort in the matter of contributions.

36. Although the recent TCDC meeting had been interesting and useful, it had produced detailed recommendations which would entail a great deal of work. While he did not seek to diminish the importance of TCDC, he wondered whether it would not be preferable to postpone the next high-level meeting to 1982.

37. The reduction in the United Kingdom's financial contribution for the current year in no way meant that it had lost confidence in the Administrator or in UNDP itself. The Administrator was in fact to be congratulated on the remarkable recovery the Programme had made since he had taken office.

38. Mr. LATOUR (Cuba) said that the effects of the economic crisis in the capitalist countries were most strongly felt by the poorest of the developing countries, and the aggressive actions of the main imperialist Powers were leading to a cold war which could benefit only the Powers which were provoking it. The arms race was becoming increasingly frenzied and the great Powers were turning a deaf ear to the repeated demands of the rest of mankind that the vast sums being spent on instruments of death should be used for development co-operation.

39. International economic negotiations had reached a deadlock. Despite the constructive position of the developing countries, demonstrated at the Sixth Conference of Heads of State and Government of the Non-Aligned Countries and various ministerial meetings of the Group of 77, the intransigent position of most developed capitalist countries had led to the failure of important international conferences, such as the fifth session of UNCTAD and the third General Conference of UNIDO. In such a world situation, the role of UNDP and the other United Nations bodies connected with the various aspects of development was assuming increasing importance, especially if the New International Economic Order was ever to be established.

40. His delegation fully endorsed the points made by the representative of Ecuador at a preceding meeting, points which reflected the position of all Latin-American countries without exception. At the recent Ministerial Meeting of the Latin-American Economic System, particular emphasis had been laid on the voluntary nature of the Programme, its universality and the need for balance in the application of the basic criteria in order to ensure an equitable allocation of national and regional IPFs. The most important resolution adopted at that Meeting had been one in which the Latin American countries had expressed their determination to continue to

co-operate with the other developing countries for the purpose of establishing a common position for all recipient countries represented on the Board. Such a position, putting the common good above national and regional interests, was particularly necessary at a time when a change in the nature of UNDP seemed possible. It was above all essential to pursue the policy embodied in the 1970 consensus, which had guaranteed the proper orientation of the Programme.

41. Specific examples had been given at an earlier meeting of ways in which the Programme was effectively helping the developing countries in combating poverty and promoting social development, UNDP and other United Nations agencies had given practical help to Cuba in its economic and social development plans, this providing real benefits for the population. The Programme's so-called multiplier effect was also of vital importance to the sound development of third world countries. In Cuba, for example, various subsidiary projects had grown up around the nucleus of the UNDP national programme, forming a dynamic economic and technical assistance programme much more extensive than the programme actually financed by UNDP.

42. Although the quantitative aspect of UNDP's assistance was important, the qualitative aspect was even more so. The current industrialization project for sugar cane by-products in Cuba, which would soon be completed, was of great interest to other countries, not only in the region but also in Asia and Africa. It had the further advantage of providing technical training for many young people, including a high percentage of women. That had been made possible because of the high quality of the international advisers provided by UNDP. All projects included in Cuba's national programme had the same objectives: the achievement of a multiplier effect in Cuba itself and the provision of opportunities for co-operation with other developing countries. It was that type of UNDP project which the developing countries wished to see maintained and increased.

43. Lengthy statements were made each year on the need to encourage co-operation among developing countries as part of a process in which the developed countries also had a very important part to play. Such statements were tending to become mere verbal exercises in view of the obstacles being put in the way of such co-operation. It was absurd that the developed countries should give the international monetary crisis as a pretext for reducing their contributions to so important a programme as UNDP while at the same time considerably increasing their expenditure on armaments.

44. His delegation strongly supported the proposals to increase aid to the least developed among the developing countries. It also supported the special treatment to be given to Nicaragua within that group of countries, and the request made to the Board by the Palestine Liberation Organization.

45. Every effort must be made to increase the capacity of the Programme. A larger flow of financial, technical and material resources was essential to the development effort. The international situation would improve with greater international co-operation on a just and equitable basis. As the President of Cuba had said, it was essential that the developed countries and those with natural resources should make increased funds available to the developing world during the coming ten years. If those funds were not forthcoming, there would be no peace in the world.

46. Mr. BULAJIĆ (Observer for Yugoslavia) said that his delegation fully supported the increase of 25.5 per cent in field programme expenditures in 1979, together with a modest increase in the main programme staff. The Administrator had clearly made further efforts to rationalize UNDP activities, and his delegation would appreciate continued progress on the same lines.

47. Another positive feature of activities in 1979 had been the increase in government-executed UNDP projects, expenditure on which had amounted to the modest but welcome sum of \$6.5 million. His delegation hoped that that trend would continue, since it helped to promote the national capacity of developing countries in accordance with the new dimensions approach. Furthermore, the Inter-agency Procurement Services Unit had achieved important savings through the procurement of standard project equipment. His delegation welcomed the Unit's intention to identify new manufacturers of such equipment and suggested that developing countries should be more fully involved in the proceedings.

48. Although, in terms of figures, participation by developing countries in implementing programme activities in 1979 had increased, the involvement of those countries had slightly declined except in the case of sub-contracting. The recent High-level Meeting on the Review of Technical Co-operation among Developing Countries had clearly supported TCDC activities aimed at the achievement of national and collective self-reliance by developing countries and the establishment of the New International Economic Order. His delegation suggested that a thorough study should be prepared and appropriate measures taken by UNDP and the specialized agencies with a view to a steady increase in the developing countries' participation in the implementation of programme activities.

49. With respect to preparations for the third cycle and the provision of financial resources for programme activities, his delegation fully shared the concern expressed by the Administrator. The Programme had demonstrated its viability and should be given financial support in order to ensure its dynamic growth in real terms. Inflation and the current economic difficulties were having a very severe impact on developing countries, which therefore needed technical assistance more than ever before. The achievement of more stable, continuous and predictable financing for the Programme should continue to be the prime concern of the Governing Council. All participating countries - developed and developing - should make the maximum effort to enable the Programme to grow in real terms, and should contribute in accordance with their real possibilities in order to share the financial burden more equitably. The developing countries could legitimately expect the developed world to make a more significant contribution in order to achieve that goal. Recipient countries in a position to do so should try to become net contributors as soon as possible.

50. His delegation therefore considered that a 14 per cent annual increase in voluntary contributions should be maintained as the required minimum. Furthermore, all Governments, in co-operation with UNDP, should give serious consideration to the possibility of multi-year pledging. His own Government had been making significant efforts to give financial support to the Programme. Yugoslavia had been a net contributor since 1976 and its voluntary contribution had steadily increased. For 1980 it would be \$2.6 million, and for 1982 it would be more than double Yugoslavia's annual IPF for the current cycle. It would be seen from table 5 in document DP/496 that Yugoslavia was the largest contributor to the Programme among recipient countries with a per capita GNP of over \$1,500.

51. With respect to the distribution of resources in the third planning cycle, his delegation fully supported the proposal in paragraph 14 of document DP/496 that 19 per cent of all available resources should be allocated to inter-country activities. It also agreed that all countries receiving UNDP technical assistance in the current cycle should be allotted IPFs in the third cycle. Recipients in a

position to do so should do their utmost to become net contributors, preferably at the beginning of the next cycle. No developing country receiving UNDP technical assistance in the current cycle should receive a lower IPF in the third cycle than in the second, particularly in view of the erosive effects of inflation. The least developed among the developing countries should continue to enjoy special treatment and therefore receive a larger share of the resources available for field activities in the third cycle. Developing countries with a per capita GNP below \$500 should be given significantly larger IPFs in the third cycle, appropriate attention being given to different income groups in that category of countries, without prejudice to the position of developing countries in the higher income groups.

52. Mr. ASRANI (Observer for India) said that his Government endorsed the Administrator's advocacy of technical co-operation in development, in which India wished to play a constructive part, as was indicated by its presence as an observer at sessions of the Governing Council. It also supported the Administrator's plea for more and larger voluntary contributions. Despite India's low per capita GNP and vast economic problems, it had been the thirteenth largest contributor, with a yearly average of over \$7 million for the previous four years.

53. In the introduction to his report for 1979 (DP/460), the Administrator expressed justifiable pride in the Programme's dynamic performance in 1979. Those achievements were in large measure the result of the Administrator's own dynamism. However, as the Administrator had himself admitted, the Programme had been too slow in implementing the decision taken by the Governing Council in 1975 regarding new dimensions in technical co-operation, and some policies and procedures were still cumbersome and inflexible. His delegation hoped for improvement, especially in fields such as technical co-operation among developing countries.

54. According to paragraph 31 of the Administrator's annual report (DP/460), main programme pledges for 1980 amounted to an increase of only 4 per cent over contributions for 1979. That figure fell far too short of the 14 per cent target, and every effort would therefore have to be made by the Administrator, the Governing Council and participants to achieve the target. The more fortunate of the recipient countries should consider becoming net contributors on a voluntary basis; that might not add substantially to total contributions but would be an excellent symbolic gesture.

55. His delegation had noted from the Administrator's report that, although field expenditures had shown an impressive rise of 25.5 per cent in 1979, the value of net project approvals had increased by only 2 per cent. It hoped that that disparity was merely a result of remarkably high approval figures for the previous two years and did not reflect any slackening in the process of approvals.

56. It had also noted with interest that, although there were still very few government-executed projects, expenditure on such projects had risen to \$6.5 million in 1979. India would be glad to have details of government-executed projects already under way in other countries, and would be grateful if the Administrator could encourage exchange of such information.

57. It was claimed that the number of experts from developing countries serving on UNDP-financed projects had risen by 20 per cent compared with 1978, but in the absence of information on actual man-months and on comparative expenditure, the time magnitude of the increase was not clear. It would be useful if the Secretariat could provide information on those points. The value of equipment ordered from developing countries in 1979 had regrettably risen by only 1 per cent as compared with a rise of 35 per cent for all countries, and the number of fellowship awards in developing countries had risen by only 27 per cent as compared with a rise of 35.3 per cent for all countries. Clearly, deliberate measures would have to be taken by the Administrator if any real meaning were to be given to the new dimensions decision.

58. He noted from document DP/492 that steps were being taken to post a IAPSU information officer in Geneva. He hoped that such officers would also be posted to the developing regions and that IAPSU activities would be extended in accordance with the recommendation of the recent High-level Meeting on the Review of Technical Co-operation among Developing Countries.

59. He welcomed the revised consultative process under way in regard to inter-country programming, in which the Government of India was willing to co-operate, and hoped that such inter-country programming would be progressively oriented towards technical co-operation among developing countries. In his opening statement the Administrator had expressed his belief that, if the Council was to exercise more meaningful supervision over the activities of the associate programmes and funds, it must determine the items on which it needed to provide real policy guidance; he had suggested that a number of questions that were at present the subject of separate documents and debate could in the future be the subject of brief reports to the Council for information purposes and be discussed only if members felt that policy issues appeared to be involved. His delegation generally supported that principle in the interests of streamlining the Council's work.

60. He endorsed the Administrator's hope that the Council would conclude many of the arrangements for the third programming cycle at its current session. With regard to the statement by the representative of Ecuador at a previous meeting, the Indian delegation stood by the compromise proposals agreed upon by recipient countries at the Special Meeting in February 1980, and still believed that every endeavour should be made to ensure that no country received lower IPF in the third cycle than in the second, and that progressivity should also be maintained. The representative of Ecuador had said that all the necessary efforts had not been made, and the question might therefore perhaps be considered by a small informal group.

61. Paragraph 16 of document DP/496 stated that the influence of population size on the IPF, i.e. its functional relationship, favoured smaller-sized countries. That was an understatement indeed. In graph B in annex table 3 in document DP/496, the curve describing the IPF weight and population function virtually flattened out beyond a population figure of 100 million. As he had pointed out in the past, UNDP effectively failed to recognize the existence of populations of over 100 million. In the interests of solidarity with other developing countries, his delegation did not intend to make an issue of that point but wished to place on record its dismay at such treatment of the population factor.

62. Mr. SAMMAH (Observer for Afghanistan) said that his delegation would confine itself to commenting on the problems of the least developed countries, problems which had been recognized by the world community in numerous resolutions adopted by the General Assembly. UNDP had prime responsibility for implementing those resolutions and, for the past two decades, its role in providing economic and technical assistance to the developing countries, and particularly to the least developed land-locked countries, had been of great importance to their over-all development.

63. His delegation agreed that since UNDP's technical co-operation activities covered the entire spectrum of economic and social endeavour and pursued the fundamental purpose of assisting developing countries to increase their own capacities for development, it had an important role to play in the 1980s, whatever the particular orientation of the next International Development Strategy might be.

64. Afghanistan fully shared UNDP's concern with the special needs of the least developed and other low-income countries among the developing countries. The economic situation of those countries had deteriorated during the Second Development Decade, and the gap had widened not only between them and the developed countries, but also between the more advanced and the least developed among the developing countries.

65. UNDP should therefore reorient its activities towards that group of countries, which should receive a larger share of its total effort in the 1980s. His delegation welcomed the Council's suggestion that, for the third planning cycle, UNDP's technical co-operation activities should be at least four times larger in the least developed and other low-income countries than in all other developing countries.

66. His own country, one of the least developed among the developing countries, was undergoing hardships stemming from many causes, including unfavourable and unjust international trade, monetary and financial mechanisms. After the victory of the April Revolution, the Government of Afghanistan had embarked on an ambitious development programme in order to overcome those problems and eradicate the vestiges of previous despotic régimes. The measures taken by the Government included a new five-year economic and social development plan, which had become operational in March 1979. Like other developing countries, Afghanistan had to rely on economic and technical co-operation and assistance from other countries, especially the developed ones, and from international organizations in implementing its development plan. His Government appreciated the technical and financial assistance received from friendly countries, particularly from its neighbour, the Union of Soviet Socialist Republics.

67. Unfortunately, his country had for some time been the object of particularly discriminatory and unjust policies on the part of some reactionary circles. Following the new phase of the April Revolution, some Western countries had discontinued their official development assistance to his country, in violation of their international obligations to promote co-operation for international economic and social development. Those attempts to use official development assistance as an instrument of political pressure violated the principles governing international economic co-operation and were a blatant departure from the letter and spirit of

the General Assembly resolutions on the establishment of the New International Economic Order. There had also been a disturbing trend in the activities of some international organizations of the United Nations system which provided technical and financial assistance to Afghanistan, in that some assistance had been slowed down and many projects had been suspended. His Government, in a letter to the Secretary-General of the United Nations, had drawn attention to the fact that international organizations were not supposed to engage in political intrigues, and had asked for urgent and immediate consideration of the problem. His delegation wished once again to bring the matter to the attention of international organizations, including UNDP. It asked the Administrator to give it the most serious consideration and take immediate action to fulfil UNDP's obligations by resuming assistance to Afghanistan, in accordance with the IPF allocations for the period 1977-1981.

68. Mr. vanden HEUVEL (United States of America) said that the vigorous expansion of UNDP activities during the previous decade had included the introduction of new country programming procedures, the Indicative Planning Figure system, new evaluation procedures and country programme management plans, and the tripartite project review system. In 1979 UNDP had assumed administrative responsibility for the Interim Fund for Science and Technology for Development. It had re-established itself as a major international enterprise dedicated to promoting the economic and social advancement of all peoples.

69. The basic thrust of UNDP should be towards providing systematic and sustained technical assistance for developing countries and fostering their economic self-reliance. Through thousands of projects, UNDP had played a pioneering role in demonstrating that development did occur and that progress could be made if the people directly affected were actively involved in shaping their own lives. In that role, UNDP had woven new and stronger threads of interdependence by co-operating with a whole range of bilateral donors, multilateral agencies and programmes, and by co-ordinating international assistance to the developing countries.

70. In the current period of global scarcities and crisis, resources must be used judiciously so that those in greatest need would benefit most. That required not only the improved administrative and financial management already provided by UNDP's current leadership but also much improved quality at the field level, from project selection to implementation and evaluation, where there was still room for improvement.

71. Against the present background of revolution in the world economic situation, UNDP's resources could not be expected to grow at the same rate as in the past if it was necessary to rely on the traditional sources of support. In that connexion, his delegation welcomed the example of the International Fund for Agricultural Development, in which member States of the Organization of Petroleum Exporting Countries had joined the industrialized nations in supporting the efforts of needy developing countries to meet their goals in agriculture. Increased support for UNDP by the oil-producing countries could ensure that the countries which had been hardest hit by prevailing worldwide economic difficulties would continue to receive technical assistance at the levels they required.

72. He viewed the third development cycle, 1982-1986, as a period of transition, during which the foundations could be laid for continued programme strength in the fourth cycle on the basis of new principles for generating and allocating resources.

Of the several models outlined in document DP/496, his delegation preferred the model in alternative VI of table 3, which was a variation of the model proposed by the recipient countries at the Special Meeting in February 1980. In the interests of a genuine compromise, his delegation was prepared to make a major departure from its position at the twenty-sixth session of the Governing Council and at the Council's Special Meeting in February 1980, in that it would no longer insist on limiting eligibility for access to UNDP grant assistance to countries with a per capita GNP of \$1,500 and below. His delegation's position on that point was linked to its strong support for another element of the apparent consensus at the Special Meeting, namely, the allocation of 80 per cent of total country IPF's to the countries with a per capita GNP of under \$500. That should be a key provision of any new IPF scheme. His delegation could find no good rationale for a floor in calculating IPF's, but in the spirit of compromise, was prepared to accept the 80 per cent floor incorporated in alternative VI. If the model contained in alternative VI could be adopted in its current form, the Council would have made great progress towards focusing UNDP's assistance on the countries most in need. His delegation would, however, view with concern attempts to make significant changes in that model.

73. The third cycle should also provide for a significant transition in the relationship between the wealthier recipient countries and UNDP. It was essential that the more advanced developing countries and those which had a relatively high per capita income should increasingly reimburse UNDP for grant technical assistance. His delegation applauded those countries which had already relinquished their IPF's or had recently become net contributors.

74. His delegation regarded the reimbursement plan suggested in document DP/496 as very innovative and would fully support the adoption of a similar plan for countries with per capita incomes above \$1,500. It would also be willing to consider an arrangement under which the reimbursement targets would be reached more quickly during the third cycle or would be raised in order to achieve more complete reimbursement of UNDP assistance by the end of the cycle.

75. In regard to resource growth rates for the future, it would be unrealistic to set definitive target levels which might or might not be met. Realistic planning should take into account the existing uncertainty regarding the collective ability to pay and should be made contingent on substantially increased contributions in readily usable or convertible currencies.

76. His delegation had been impressed by the solid record of accomplishment in programming and implementation reflected in the Administrator's report for 1979. It was a tribute to UNDP's much improved financial management that field programme expenditures had risen by over 25 per cent to a new record of \$547 million, which was very close to the projections of a year earlier. He cautioned against further increases in unbudgeted administrative costs.

77. The Administrator's report on UNDP's experience with country programming had suggested specific means of improving the country programming process in order to enhance the quality and effective implementation of future UNDP technical co-operation. That issue was of great importance to his delegation, which concurred with the Administrator's recommendations, especially with regard to continuous programming, as well as his suggestions for enhancing national capacities for managing external assistance.

78. His delegation strongly supported the evaluation system proposed by the Administrator for improving the efficiency of project implementation and urged that such standards of evaluation should also be applied to the operations and policies of the other programmes associated with UNDP.

79. Sir Robert Jackson's report on investment follow-up (DP/472), together with the Administrator's comments (DP/479) had been thought-provoking. His delegation had listened carefully to the comments of the Assistant Secretary-General for the Department for Technical Cooperation for Development and the FAO representative and believed that the issue merited further study.

80. Energy was a priority area in his country's international development assistance efforts and it was appropriate that UNDP should increase its activities in that field. Such activities should complement other UNDP efforts, such as those of the Interim Fund for Science and Technology for Development, as well as the programmes of other institutions such as the International Bank for Reconstruction and Development. His delegation urged the Council to study carefully the proposal for establishing a new energy fund for exploration and pre-investment surveys and suggested that a final decision should be deferred until the twenty-eighth session. The topic of new and renewable energy resources could be appropriately studied by the Interim Fund for Science and Technology for Development. The relationship between the proposed activities in support of petroleum resources development and the United Nations Revolving Fund for Natural Resources Exploration should be given further consideration and the question could be included in the comprehensive review of the Revolving Fund's operations scheduled for 1981. His delegation endorsed the appointment of Mr. Kobayashi as the Fund's new Director.

81. His delegation maintained its strong support for the United Nations Fund for Population Activities as the major multilateral source of assistance for national population programmes. Increased world-wide awareness of the impact of unrestrained population growth on finite global resources was the best hope of meeting the most pressing of development issues. So successful had the Fund been that, over the next few years, demands would exceed projected contributions unless donor support was broadened. Prudence dictated that the Fund should establish a plan for adjusting its programme. The resources actually available without any loss of momentum.

82. His delegation welcomed the results of the recently concluded High-level Meeting on the Review of Technical Co-operation among Developing Countries and hoped that the Council would accept the recommendations contained in its report. His delegation would give serious consideration to the suggestions made by the representative of the United Kingdom.

83. His Government continued to support the excellent work of the United Nations Volunteers and would contribute \$300,000 to the Special Voluntary Fund for the calendar year 1980.

84. A key issue in the entire development effort was the continuing discrimination against women and their exclusion, in poor as well as advanced countries, from the tasks of development. He welcomed the Administrator's report summarizing the action-oriented assessment of rural women's participation in development (DP/453) and urged UNDP to continue its pioneering work in supporting the integration of women in the development process.

85. The Administrator had properly drawn the Council's attention to the problem of the appropriate organization of its time and energies. His delegation considered that the present organizational framework wasted both time and resources. Action was needed, not only in UNDP but throughout the United Nations system, to control the overwhelming flow of paper. Representatives of interested delegations might meet as an informal working group to make recommendations for streamlining the Council's future agenda and on other matters relating to its effective functioning.

86. Mr. NKOBI (Observer, African National Congress of South Africa) said that, in view of the current political situation in South Africa, the African National Congress wished to place its view of current developments on record.

87. The fascist régime had been endeavouring to portray the situation in South Africa as one of change and had thereby attempted to trick the international community into supporting their fraudulent programme for so-called "removal of apartheid by reform." The whole world was, however, aware of the nation-wide resistance to every facet of the apartheid régime, which had called for a national convention within the context of the proposed constellation of southern African States designed to ensure the enslavement, not only of all South Africans but of all front line States as well. The overwhelming response of the people had been to call for the release of all political prisoners, including Nelson Mandela; for the dismantling of the entire apartheid structure; and for the transfer of all power to the people on the basis of the Freedom Charter, which was the basic programme of the people of South Africa for the type of future which they intended to create.

88. The fraudulent Bantustan programme was designed to achieve the calculated and systematic physical liquidation of the people. The white population of South Africa enjoyed one of the highest standards of living in the world but for the African people, both in urban and rural areas, the story was one of hardship, disease, malnutrition and outright starvation. The Bantustans were the areas to which the régime had forcibly removed the sick, the aged, the infirm, the very young and their mothers.

89. The African National Congress was currently preoccupied with two main projects, one in Tanzania - the Solomon Mahlangu Freedom College (SOMAFCO) - and the other an agricultural farm in Zambia. UNESCO had provided \$3 million for SOMAFCO for 1980 and UNDP was contributing \$600,000 for three years. During November 1979, United Nations agencies had sent representatives to Dar-es-Salaam to discuss the question of assistance to SOMAFCO on the basis of a report by a UNESCO expert. As a result of that meeting, a project document had been produced, which contained information on the background and justification of the project; long-term and immediate objectives; project activities; institutional framework; inputs; outputs; future assistance; and project budget. There were annexes on education, vocational training, the farm and the medical centre.

90. The project was basically educational. Education formed a cornerstone of the policy of apartheid in South Africa, where a special and inferior type of education had been created for African children only. The African National Congress had decided that the most effective means of meeting the educational needs of the people was to establish a school, and that had become possible thanks to a gift of land from the Government and people of Tanzania and the co-operation of the OAU Liberation Committee.

The aims and objectives of the school were: to provide educational facilities at the junior, middle and upper level, together with boarding, recreational, cultural and library facilities, to set up agricultural projects linked to training programmes and animal husbandry, horticulture, farm management and rural development, and to set up a vocational training centre.

91. . SOMAFCO had started operations in 1979 and currently had 400 students and a staff of six professionally qualified teachers assisted by undergraduate students. The goal was to have 15 teachers by the beginning of 1980. He appealed to UNDP to assist the African National Congress in building the school, which would represent a substantial contribution to the people of South Africa.

92. Mr. vanden HEUVEL (United States of America) said that his delegation must take issue with the accusation made by the Observer for Afghanistan that major Western donors had used the termination of assistance as a means of bringing unfair pressure on Afghanistan in violation of recognized international obligations. The United States had no obligation to provide development assistance to a country under the military occupation of another country, which had been condemned by 104 nations as a violator of Afghanistan's independence. In the circumstances prevailing in Afghanistan, assistance staff were in great personal danger and there could be no assurance that the assistance provided would actually reach the people in need. His delegation considered that those considerations should be given significant weight in determining United Nations assistance programmes to countries described by both the Security Council and the General Assembly as invading aggressors or as countries occupied by such aggressors.

The meeting rose at 5.45 p.m.