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SUMMARY RECORD OF THE 702nd MEETING

held at the Palais des Nations, Geneva,
on Tuesday, 24 June 1980, at 10 a.m.

President: Mr. POPESCU (Romania)
later: Mr. ALBORNOZ (Ecuador)

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The meeting was called to order at 10.15 a.m.

OTHER FUNDS AND PROGRAMMES (agenda item 7) (continued)

(g) INTERIM FUND FOR SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (DP/487)

1. Mr. MORSE (Administrator) reminded the Council that the establishment of the Interim Fund had been recommended in 1979 by the United Nations Conference on Science and Technology for Development and that the General Assembly, in adopting that recommendation, had decided that the Interim Fund should operate as an identifiable and separate fund and that it should be administered by the United Nations Development Programme. The first Pledging Conference had been held only three months after that decision, but 35 governments had made firm pledges of contributions totalling \$35.8 million, while a number of other countries had given clear indications of pledges to be made shortly and 39 countries had announced their decision to contribute, though without specifying the amount or timing of their contributions. It must be recognized that in view of the current economic situation it was a difficult time to raise new resources. Nevertheless, it could already be estimated that the total amount of pledges would shortly amount to \$45.7 million. At any rate, the main aim had been to obtain sufficient resources to enable the Interim Fund to start operating, and that objective had been achieved. Governments still had another month - until 31 July 1980 - in which to pledge contributions and he would urge all governments which had indicated that they would contribute to confirm their pledges before that date. They would have a further opportunity to make pledges in the fourth quarter of 1980, and he hoped that those governments which had not so far made pledges would be able to do so by then and that those which had announced pledges for the first year of the interim period would be prepared to do the same for the second year. It was necessary to keep firmly in mind the consensus reached at the Vienna Conference that the target for voluntary contributions for the two-year period 1980-1981 should be at least \$250 million.

2. The Interim Fund had become operational on 19 May 1980, but even before that date agreement had been reached with the specialized agencies, the Centre for Science and Technology for Development and other United Nations organizations on the procedures to be followed by the Interim Fund for the identification, formulation, appraisal, approval, execution and review of projects. To avoid duplication, procedures similar to those of UNDP had been adopted, but they had been streamlined and adapted to meet the particular characteristics, responsibilities and objectives of the Interim Fund. Thanks to the support of all the organizations concerned, it had been possible to make the necessary arrangements for establishing the Fund in a very short time.

3. It was already clear that the creation of the Interim Fund had aroused widespread interest and encouraged many countries to prepare specific projects in the field of science and technology. The Fund had already received 350 projects in varying stages of preparation. Around 70 had been selected for initial appraisal, on the basis of the general principles and other provisions adopted by the General Assembly with respect to the Fund's purposes and terms of reference and the recommendations of the Vienna Programme of Action. Account had also been taken of the state of preparation of each project and the probability of attaining

the stated objectives. It should be emphasized that a number of the projects not included in the initial selection might well be reconsidered for approval at a later stage. Participation of the Interim Fund in the financing of those 70 projects was estimated at just over \$50 million. In addition, 12 countries had requested assistance in identifying and formulating projects. Several projects currently under consideration would doubtless be approved in September. Clearly, therefore, the Interim Fund had very quickly established itself as an instrument calculated to achieve excellent results in the future.

4. The Intergovernmental Committee on Science and Technology for Development had recently adopted two resolutions of concern to the Interim Fund, the first (A/CN.11/L.13) on pledges and the minimum target of \$250 million and the second (A/CN.11/L.18) on the additional guidelines established by the Committee in accordance with paragraph 8 (e) of General Assembly resolution 34/218. Some of those guidelines seemed to him to be particularly important. For instance, the Committee had decided that pending substantial increases in contributions, the Fund should provide assistance only at the request of, or through, Governments of States or groups of States. The annex to General Assembly resolution 34/218 had provided that organizations fulfilling the necessary conditions might receive assistance from the Interim Fund. Moreover, the Committee had recommended that intercountry projects conforming to the principle of collective self-reliance and to the spirit of technical co-operation among developing countries should receive support from the Fund, it being understood that during the first year the share of intercountry projects should not represent more than 15-20 per cent of the total amount of financial aid granted by the Fund. The Committee had requested that suitable arrangements should be made to ensure close and continuous working relations between the Centre for Science and Technology for Development and the Interim Fund, including, inter alia, discussions on an appropriate involvement of the Centre in the review of the operation of the Interim Fund. In that connexion, he would like to inform the Council that the Secretary-General had appointed Mr. Ferrari to be in charge of the Centre. Finally, the Committee had decided to give governments extra time to submit their projects to the Interim Fund, so that they could examine the additional guidelines established by the Committee before doing so.

5. Finally, he was glad to note that the Interim Fund had met with a favourable reception, in particular among developing countries, which were giving it practical support. Clearly, the Governments of those countries were determined to strengthen their capacity in the field of science and technology for development. He was convinced that, given that climate of interest and co-operation, the Interim Fund would achieve results which would attract additional support. It would thus be possible to make an early start with new activities in the field of science and technology and to prepare the basis for more substantial efforts in the future.

6. Mr. von DANIKEN (Switzerland) said that the support given by his country to the Interim Fund was aimed at increasing the impact of international scientific and technical co-operation on development through practical action in the field. In his view, the development process could be speeded up by strengthening the developing countries' scientific and technological research capacity and by establishing suitable institutions and research centres, not only at the local or national level, but also, and above all, at the regional and international level.

7. It must be recognized that the total amount of contributions pledged to the Interim Fund constituted no more than a minimum to enable it to start operating. Considering the developing countries' needs, and also capacities, in the field of science and technology, it was essential that the resources of the Fund should not be spread too thin and that priorities should be clearly defined. The main areas of activity selected by the Intergovernmental Committee on Science and Technology for Development at its second session were rather vague, and he hoped that the Director of the Fund would endeavour to determine more clearly, in agreement with countries requesting support, those sectors to which the Fund's resources might most usefully be directed.
8. At the United Nations Conference on Science and Technology for Development, his country's delegation had expressed the hope that from the institutional standpoint the Interim Fund would be attached to UNDP. The Programme's operational experience and its close relations with the specialized agencies offered the best guarantee for an early start to the Fund's activities. His Government had every confidence in the UNDP officials entrusted with the management of the Fund and hoped that it would make a positive contribution to development activities, achieving an appropriate balance in the division of responsibility with the other agencies concerned, in accordance with General Assembly resolution 34/218.
9. Mr. SOARES DE LIMA (Brazil) reaffirmed his delegation's interest in the promotion of science and technology for development within the United Nations development system, as a means of assisting developing countries to attain the objective of self-reliance.
10. He hoped that the Interim Fund would be seen as an independent mechanism for assisting those countries, without prejudice to the normal sources of finance for projects in the field of science and technology, such as country and intercountry IPFs. Lastly, he was glad to see that many countries had made pledges to the Fund; his own Government was considering making a contribution of its own.
11. Mr. FALKNER (United States of America) said that the information given by the Administrator on the operations of the Interim Fund gave grounds for optimism. He believed that the Fund could become an effective instrument for improving the quality and the content of the North-South dialogue by focusing on sectors where progress could reasonably be expected in developing countries. He was glad to note that developing countries had played an active part in the second session of the Intergovernmental Committee on Science and Technology for Development and that they had signified their intention of making use of the Interim Fund. That showed that they were determined to strengthen their scientific and technological capacity.
12. He welcomed the fact that the administration of the Fund had been entrusted to UNDP, which had wide experience of development problems and would be able to make it operate effectively with a minimum of support costs. He hoped that the Intergovernmental Committee on Science and Technology for Development would be satisfied with giving UNDP broad guidelines without encroaching on its preserve and that the Interim Fund would continue to demonstrate its usefulness, for in order to attract greater contributions it would have to achieve positive results. He pointed out that his own country was among the principal contributors to the Fund; he hoped that the forthcoming Pledging Conference would increase the Fund's resources and that the target of \$250 million would be quickly achieved.

13. Mr. SCHMID (Austria) said that since the Conference on Science and Technology for Development his delegation had consistently stressed the need to make the Interim Fund a reality. That was why, at the first Pledging Conference, his Government had committed itself to contribute \$1 million in 1980 and, subject to parliamentary approval, the same amount in 1981. It was to be hoped that countries which had announced their decision to contribute would be able to make their intentions clear before 31 July 1980, so that the Fund could become operational as soon as possible.
14. His delegation hoped that the procedures and the arrangements which had been worked out in consultation with the specialized agencies and the Centre for Science and Technology for Development would make it possible to take advantage of the expertise and capacity of the whole United Nations development system, so as to provide developing countries with the most efficient assistance possible.
15. With regard to the selection of projects to be supported by the Interim Fund, it was to be hoped that, in accordance with General Assembly resolution 34/218 and the Fund's objectives, projects would be subjected to careful scrutiny, so as not to waste the scarce resources available. UNDP resident representatives would be called upon to enter into consultations with potential recipient Governments on behalf of the Interim Fund, in order to identify the most useful projects. He hoped that the Interim Fund's administrative costs would be kept to a minimum, so as to ensure that the greatest amount of resources would be available for operational purposes.
16. Mr. ENKER (Observer for Sweden), speaking on behalf of the Nordic countries, observed that the credit for bringing the Fund into operation so quickly was due to the UNDP and its Administrator. He noted with satisfaction that the first Pledging Conference had made it possible to raise enough resources for the Fund to come into operation. The Governments of the Nordic countries hoped that other countries would shortly give financial support to the Fund and that the target of \$250 million would be reached.
17. The Governments of the Nordic countries hoped that the Fund's assistance would be distributed fairly among the various developing countries, but that the low-income countries would receive preferential treatment. They also hoped that the projects would be selected in a disciplined manner and that priority would be given to those aimed at building institutions and strengthening the technical capacities of the developing countries.
18. In view of the fact that the Fund had been established for an interim period of two years, the Administration might feel impelled to move very quickly, and it was therefore to be feared that projects might not be screened thoroughly enough and that certain projects might be selected simply because they seemed likely to produce quick results. In the Nordic countries' view, the Fund should select projects very carefully but should nevertheless become capable as early as possible of making an effective contribution to strengthening the technological capacities of the developing countries. In order to do so, it was essential for it to be closely linked to UNDP.

19. Mr. BA-ISSA (Democratic Yemen) expressed the hope that the Interim Fund, which had begun in a promising way, would be able to justify the hopes of the developing countries. He hoped, in particular, that it would enable them to reduce their dependence on the developed countries and to make up some of their lost ground. The transfer and application of foreign technology raised problems related to intellectual property, and the Interim Fund could play an important role by making the balance somewhat less unequal in that area.

20. He expressed satisfaction at the action taken by the Administrator with regard to the Interim Fund. Nevertheless, the modest amount of contributions pledged or made did not, in his view, match up to the needs of the developing countries as shown by the many project proposals made in various fields. With the assistance of the UNDP resident representatives, Governments should be able to submit well-prepared requests and to obtain the necessary assistance. In its resolution A/CN.11/L.18, the Intergovernmental Committee on Science and Technology for Development had decided to extend the time-limit for the submission of projects by Governments.

21. The needs of the developing countries, and in particular of the least advanced countries, with regard to infrastructure, institution-building, transfer of technology and manpower training were enormous. Since becoming independent, his country had endeavoured to develop its scientific and technological capacity by modernizing education and promoting the establishment of higher educational institutions and scientific research centres designed to meet development requirements. It had also sought to encourage the participation of the people, and in particular of women, in the development process. It hoped to receive assistance in the scientific and technological field so that it could increase its food production, speed up its industrialization and develop non-traditional sources of energy such as solar or geothermal energy.

22. Mr. PREUSS (Federal Republic of Germany) said that he too wished to congratulate the Administrator on having set up the Interim Fund so speedily. His country, which attached great importance to the application of science and technology to development, was prepared to co-operate actively with the Interim Fund not only by providing it with financial support but also by suggesting ideas and providing human resources. It was, in particular, ready to contribute to the execution of specific projects for the application of science and technology to development. It would examine any projects submitted to it carefully and try to finance them without delay in accordance with the funds-in-trust rules, taking account of its own financial capacity and the contributions made by other donors. Since it supported the objectives of the Interim Fund, his Government intended to continue that type of co-operation in 1981. It would determine its position with regard to assistance in the light of the attitude of other donors and would attach particular weight to the availability of carefully prepared projects.

23. Mr. FREYRE (Argentina) congratulated the Director of the Interim Fund and his associates on the results they had already obtained. Argentina attached great importance to the contribution of science and technology to development and had played an active part in preparations for the Vienna Conference; in that spirit, his Government had decided to make a contribution to the Fund, the amount of which would be announced as soon as possible. He hoped that all developing countries would be able to benefit from the Fund's operations. He also hoped that the

procedure for submitting requests for assistance would be simple and drew the Governing Council's attention to operative paragraphs (g) and (i) of the draft resolution submitted by the Chairman of the Intergovernmental Committee on Science and Technology for Development (A/CN.11/L.18), which seemed to him important. Lastly, he emphasized that Governments ought to make substantial contributions if the Fund was to operate properly.

24. Mr. ALBORNOZ (Ecuador) considered that the application of science and technology to development was entirely consistent with the UNDP programme of action, since it could make a decisive contribution to bridging the gap between rich and poor countries. The Fund's activities should promote not only the transfer of science and technology to the poor countries but also the use by those countries of their own technology so as to reduce their dependence on the developed countries, of which the patents statistics gave a good idea. At the Pledging Conference held on 27 March 1980, his country had announced that it would contribute to the Fund in convertible currency. He shared the hope of the Argentine representative that the procedure for submitting requests for assistance to the Interim Fund would be simple so as to avoid harmful delay, and he urged Governments to give the Interim Fund adequate financial support.

25. Mr. FRANZI (Italy) observed that his country's contribution to the Interim Fund, which was at present the largest, and should logically be exceeded by others, since Italy had calculated it on the basis of its share of the United Nations regular budget. In addition to that financial outlay, Italy would supply experts and staff for the administration of the Fund and would provide places for nationals of developing countries at Italian scientific institutions. Lastly, he emphasized the great importance of the selection of projects for the Interim Fund: science and technology were very wide fields, but the money available was limited.

26. Mr. HARE (Canada) said he was pleased to note that the Interim Fund had become operational as a result of the steps taken in recent months. The United Nations Conference on Science and Technology for Development had been well advised to entrust the establishment of the Fund to UNDP. His delegation hoped that the Fund would maintain close relations with the specialized agencies and would in general use the capacity of the United Nations system to the full. Priorities should be established in order to avoid too broad a scattering of projects. Canada was making an active contribution to strengthening the scientific capacity of the developing countries, particularly by increasing its contributions to the Research Centre for International Development (RCID); it was therefore encouraged to see that an expanded programme was to be drawn up for RCID in collaboration with the Interim Fund.

27. Mr. Albornoz (Ecuador) took the Chair.

28. Mrs. VAZQUEZ DIAZ (Mexico) said that it was most important that projects should be selected for the Interim Fund in a rational manner; the Fund should not confine itself to assisting the low-income countries but should in general be guided by the objectives approved at the Vienna Conference. In order to move towards those objectives, an effort had to be made, particularly by the developed countries, to increase contributions and other support.

29. Mr. GAVIRA (Colombia) said that his country supported all programmes aimed at using science and technology to remedy the inequalities in the modern world; it was in that spirit that Colombia had taken part in various international conferences on science and technology, and particularly in the United Nations Conference on an International Code of Conduct on the Transfer of Technology and a recent WIPO conference on intellectual property. He shared the view that a rational procedure should be adopted for the selection of projects.
30. Mrs. URDANETA (Observer for Venezuela) said that her country was keenly aware of the overriding importance of science and technology for developing countries and had taken an active part in the preparations for the Vienna Conference and in the Conference itself. She thanked the Administrator for his statement and associated herself with the delegations which had just emphasized the need to select projects with care.
31. Mr. AL-SHAKAR (Observer for Bahrain) said that his country supported the Interim Fund and hoped to receive assistance from it; it had already approached the local UNDP office for the services of an expert.
32. Mr. GADEL HAK (Egypt) said that he would like to have some details on the procedure for submission of projects to the Interim Fund; he wished to know, in particular, whether projects were to be submitted by Governments or by organizations. Egypt, which was fully aware of the importance of science and technology for the developing countries, would support any steps designed to make the Interim Fund more efficient and more operational.
33. Mr. SALAH ELDIN ABBAS (Observer for Sudan) welcomed the fact that the Interim Fund was already in a position to begin its activities. He hoped that the Fund would come to the assistance of countries in the area to which Sudan belonged, where the needs were immense; he also hoped that donor countries would be generous in their contributions and furnish other assistance, such as the training facilities referred to by the Italian representative.
34. Mr. RUKIRA (Rwanda) thanked the Administrator for his statement on the operations of the Interim Fund. His Government attached great importance to any action designed to facilitate the transfer of scientific and technical knowledge for development. The contributions so far announced appeared inadequate; his delegation therefore associated itself with the appeal to donor countries and international organizations to provide the Interim Fund with greater resources.
35. Mr. ENOKI (Japan) said that his country had taken an active part in the United Nations Conference on Science and Technology for Development and in the work of the Intergovernmental Committee on Science and Technology for Development. Because of its budget time-table Japan had been unable to announce its contribution to the Interim Fund at the Pledging Conference in March 1980, but it had since had an opportunity to inform the Director of its intentions. His Government considered the initial results encouraging and wished to congratulate the Director of the Interim Fund.
36. Mr. MORSE (Administrator) thanked the delegations which had pledged contributions to the Interim Fund, whose activities met an urgent need, as had been amply confirmed by delegations of developing countries in their statements. He would leave it to the Director of the Interim Fund to reply to the observations and questions of delegations.

37. Mr. LEES (Director, Interim Fund for Science and Technology for Development), replying firstly to a question by the Egyptian representative, said that the procedure for project submission had already been laid down by the General Assembly and confirmed by the Intergovernmental Committee on Science and Technology for Development; projects could be submitted by organizations but were more frequently submitted by Governments. A number of delegations had emphasized the need for rationalizing the selection of projects. The Interim Fund did in fact pay considerable attention to that question; projects were thoroughly analysed in relation to specific objectives and with a view to ensuring proper involvement of the specialized agencies. The procedures of the Interim Fund were modelled on those of UNDP since it was desired to avoid setting up a parallel system; an effort was being made to speed up and streamline the process so that requests could be examined and resources allocated with the minimum delay.

38. Overhead costs represented less than 2 per cent of the resources committed; that very low percentage was explained by the fact that the Fund was able to rely on an existing administrative structure. In accordance with the objectives set at the Vienna Conference, the Fund was concentrating on strengthening the capacity of the developing countries in the fields of science and technology; to judge by the great number of interesting projects submitted to it, the interest it aroused in those countries was very substantial. The stage of activity now being entered upon by the Fund would be vital; it was to be hoped that it could justify the great hopes it had raised and would form a focal point for co-operation.

39. The PRESIDENT thanked the Director of the Interim Fund on behalf of the Governing Council. He drew particular attention to the remarkably low level of the Fund's administrative expenditure, which made it possible to allocate greater resources to operations as such.

MATTERS ARISING OUT OF ACTION TAKEN BY OTHER ORGANS OF THE UNITED NATIONS SYSTEM
(agenda item 9)

(a) ACTION TAKEN IN 1979 BY ORGANS OF THE UNITED NATIONS AND ORGANIZATIONS IN THE UNITED NATIONS SYSTEM (DP/489)

40. Mr. BOURGOIS (Secretary of the Council) drew the Governing Council's attention to the resolutions and decisions adopted in 1979 by the General Assembly, the Economic and Social Council and the organizations within the United Nations system which were of particular interest to UNDP. In order to reduce documentation, the secretariat had not reproduced the text of resolutions and decisions already to be found in documents submitted to the Council. Furthermore, the Council had already expressed its views on some of the resolutions and decisions listed, in connexion with other agenda items, or was currently considering draft decisions on them.

41. Mr. de MEDEDIEU (Assistant Director-General, Food and Agriculture Organization of the United Nations) said that the Director-General of FAO was deeply concerned about the world food situation. Serious food scarcities were growing and the shortage of cereals in the third world countries, which amounted to 80 million t per year, threatened to reach 95 million t by 1985 unless measures were taken very soon.

42. It was in that light that resolution 6/79 adopted by the FAO Conference at its twentieth session in November 1979 (DP/489, page 32) should be examined.

The second half of the operative part of that resolution dealt with agencies in the United Nations system, and UNDP in particular. In it the Conference expressed its conviction that the organizations within the United Nations system must assign higher priority to the development of agriculture and take fullest advantage of FAO's potential contribution. In doing so it did not overlook the sovereign right of the recipient countries to determine the exact content of projects executed under IPFs, nor did it lose sight of the fact that the UNDP programme owed its effectiveness to its consistency, in relationship both to national development plans and to the great questions of the day, such as the campaign against hunger and rural development. FAO was prepared to face its responsibilities in that area as part of its collaboration with UNDP.

43. Mr. VUNIBODO (Fiji) welcomed the co-operation which existed in the field between the representatives of UNDP and FAO. UNDP could in fact draw even more heavily on FAO. Of course it was for Governments themselves to determine how to use the resources allocated by UNDP, but he knew from personal experience that resident representatives worked in close collaboration with Governments, for which they played a purely advisory but extremely useful role, particularly in deciding which sectors of agriculture available resources could be invested in most profitably. He hoped that co-operation between UNDP and FAO, which covered an extremely wide area, would grow stronger during the next programming cycle.

44. Mr. MUWAMBA (Malawi) associated himself with the representative of Fiji's expression of appreciation for the close co-operation which had been established between the UNDP and FAO and thanked the Administrator and the Assistant Director-General of FAO for drawing the Council's attention to FAO resolution 6/79. It was true that the developing countries had for too long been forced to beg for food because their land was not worked properly. It was encouraging to note that FAO was very much aware of the food production and rural development problems of the developing countries and that it had joined UNDP in recognizing that exploitation of the developing countries' rich farmlands was a prerequisite for the establishment of the new international economic order. His delegation urged that FAO should be given the resources it needed in order to make all of its know-how available to the developing countries and called upon those countries to take full advantage of its services. Malawi was devoting three-quarters of its resources to food production and rural development and it would be well for other developing countries to do likewise.

45. Mr. BELLOUKI (Observer for Morocco) thought that the fruitful co-operation which had been established between FAO and UNDP should help the developing countries to speed up their agricultural development and become self-reliant in food. Everyone acknowledged that the limited funds must be used as effectively as possible, but that meant that the UNDP programme must be geared to the major problems of the moment. He thanked the Administrator for drawing the Council's attention to FAO resolution 6/79 and also thanked the Assistant Director-General of FAO for his statement on the world food situation.

46. It was of course essential that in the last analysis Governments themselves should determine what action was to be taken within the IPFs allocated to them, but UNDP activities should also form a consistent whole and reflect the highest current priorities, the foremost of which was the campaign against hunger. FAO was particularly well equipped to assist the least favoured countries in that regard, and he hoped that the Council's report would recognize the need to give agriculture the importance it deserved and to take full advantage of FAO's unique possibilities in that area.

47. Mr. BARROS (Observer for Sao Tome and Principe) noted that the General Assembly, in resolution 34/131 on assistance to Sao Tome and Principe, had requested the Administrator to consider, as a matter of priority, the assignment of a full-time resident representative to Sao Tome, in view of the particular difficulties and economic and social upheavals the country had experienced since becoming independent. Everyone knew how much a UNDP office could do to promote the expansion of low-income countries in all sectors, including fisheries, energy, transport, housing, communications, health, education, training, and so forth. For countries in that group UNDP was in fact the greatest source of multilateral technical assistance and pre-investment aid. There could be no doubt that if it acted in accordance with national development priorities, it would help to minimize poverty in the world while paving the way for the new international economic order.

48. At the Council's twenty-sixth session, he had stressed the importance of the contribution which the IPFs represented for the low-income countries. The IPF allocated to Sao Tome and Principe for the period 1977-1981 was \$1.5 million, whereas an IPF of \$1.6 million had been allocated to another country with a smaller population and with a per capita income nearly two and a half times as high; yet those two factors, per capita GNP and population, were supposed to be the basic criteria for determining IPFs, not to mention the additional criteria applicable to island developing countries.

49. The poor economic and social condition of his country was aggravated by an unserviceable infrastructure inherited from the 19th century and a past history of manipulated statistics. Future development programmes would have no solid foundation until a population census had been carried out. Hence no statistics could be provided to the World Bank, so that the Bank continued to estimate, and overestimate, the per capita GNP of Sao Tome and Principe on the basis of inflated figures submitted by the former administration. The country could therefore not receive aid in keeping with its real social and economic needs. However, the mission which had visited Sao Tome and Principe in 1978 had concluded that at least \$10 million had to be invested in the 1980s in order to replace the defective infrastructure. If reasonable investments were to be made in the coming decade, the country would require technical know-how in order to prepare and execute projects. The Government of Sao Tome and Principe intended to use its IPF solely for that purpose. If the figures for the next cycle (1982-1986) were not revised, the country would not be able to execute the programmes planned.

50. He concluded by thanking all the donor countries and agencies which had contributed aid to his country and paid tribute to the efforts made by the Administrator and his collaborators in pursuance of General Assembly resolution 34/131.

51. Mr. ALPOGAN (Observer for Turkey) said he also wished to stress the importance of FAO resolution 6/79. The campaign against hunger had absolute priority, and it was therefore quite appropriate for the FAO Conference to draw the attention of Governments and UNDP to the many areas in which particularly fruitful co-operation could be established between the two organizations. His delegation held the view that the Council's report should mention the problem of hunger and the need to make full use of FAO's capacity in order to remedy the current situation.

52. Mr. CZARKOWSKI (Poland) said he was extremely pleased with the growing co-operation between FAO and UNDP because the food problem was now foremost among the world's concerns. Poland had always supported the various anti-hunger programmes started by FAO and would continue to do so.

(c) IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTIONS 32/197 AND 34/213 ON THE
RESTRUCTURING OF THE ECONOMIC AND SOCIAL SECTORS OF THE UNITED NATIONS SYSTEM

53. Mr. MORSE (Administrator) pointed out that in several of the documents which he had submitted to the present session of the Governing Council, including the annual report for 1979 (DP/460), the report on examination of the experience with country programming (DP/454), the report on the review of present practices and proposals for enhancing the collective involvement of the developing countries in the determination of priorities for inter-country programmes and in the identification and initiation of regional projects and activities (DP/435), he had already provided information on how the provisions of General Assembly resolutions 32/197, 34/213 and 34/206 concerning UNDP activities had been executed to date and had put forward proposals for their further implementation. He would therefore limit himself to reviewing the various measures which had been taken in accordance with operative paragraphs 5 to 9 of General Assembly resolution 34/213, which dealt with the functions and designation of resident co-ordinators of the United Nations system's operational activities for development.

54. After drawing attention to paragraph 6 of Governing Council decision 79/30, a decision which he had brought to the attention of the Economic and Social Council, he pointed out that at its July 1979 session the Administrative Committee on Co-ordination (ACC) had considered the arrangements to be made in order to enable the resident co-ordinators of the United Nations system's operational activities for development to exercise their functions and had adopted the text of a standard letter of designation of the resident co-ordinator, which had been submitted to the Economic and Social Council at its second regular session in 1979. The Economic and Social Council, in its decision 1979/66, had recommended that the General Assembly, at its thirty-fourth session, should examine the question of the responsibilities of the resident co-ordinator of the United Nations system's operational activities for development. At its thirty-fourth session, the General Assembly in resolution 34/213 had requested the Secretary-General to ensure, in consultation with the Governments and the executive heads of the organizations concerned, that the resident co-ordinator was enabled to exercise his functions as defined in paragraph 6 of that resolution. The General Assembly had also requested the Secretary-General to proceed with the designation of resident co-ordinators, with the consent of the Governments concerned, and to report to the Economic and Social Council at its second regular session of 1980 on the implementation of paragraph 34 of the annex to resolution 32/197.

55. Under the procedure approved by ACC, the Administrator of UNDP was to propose to the Secretary-General candidates capable of exercising team leadership, providing at the country level a multi-disciplinary dimension in sectoral development assistance programmes and assuming over-all responsibility for the co-ordination of operational activities for development carried out at the country level. After considering those candidacies, the Secretary-General was to submit the names of proposed designees to the members of ACC, and then, if ACC had no objections, undertake consultations with the Governments concerned with a view to proceeding, with their consent, to the designation of resident co-ordinators. That consultation and consent procedure had already been started for a list of 81 resident representatives whom the Secretary-General proposed to designate as resident co-ordinators. The same procedure would be used for the other resident co-ordinator posts.

56. The country programming process and the fact that the UNDP resident representatives served several United Nations organizations and programmes in the field had already made it possible to establish closer co-operation between UNDP and the organizations concerned and to improve co-ordination of their development activities.

57. In exercising their functions, the resident co-ordinators should not lose sight of the fact that the co-ordination of the various assistance factors at the national level was the prerogative of the host Government and should respect the substantive knowledge and experience of the personnel of participating and executing agencies, and the constitutional prerogatives of all components of the United Nations development system. Their efforts should ultimately help to improve the co-ordination of all inputs of the United Nations system.

58. Mr. Popescu (Romania) resumed the Chair.

59. Mr. ALBORNOZ (Ecuador) said that strengthening the economic and social sectors of the United Nations system meant, among other things, that over-all responsibility for and co-ordination of operational activities for development at the country level should be entrusted by the United Nations system to a single official, who would have to ensure greater consistency and complete integration of inputs by the United Nations system in accordance with the objectives and priorities of the Governments concerned. It seemed logical that that official should be the UNDP Resident Representative, who had the necessary competence and experience and enjoyed the Governments' confidence. There was therefore no need to set up a special body of resident co-ordinators in addition to the resident representatives, which would inevitably lead to duplication and was likely to be counter-productive. The designation of resident co-ordinators would put an end to the current state of confusion, halt the continual increase in the number of administrative posts and thus economise the efforts and resources of the United Nations system for development.

60. Mr. KELLAND (Denmark), speaking on behalf of the Nordic countries, said that he had found the Administrator's explanations interesting but regretted that he had not given more detailed information on the way in which resolutions 32/197 and 34/206 had been implemented as far as UNDP itself was concerned.

61. In resolution 33/201, of which the Nordic countries had been among the original sponsors, the General Assembly had asked that the Director-General for Development and International Economic Co-operation should prepare a report on policy issues pertaining to operational activities for development of the United Nations system. That report, which would shortly be submitted to the Economic and Social Council, was not without interest, but it was a pity that it did not deal more comprehensively with a number of issues. For example, there were many gaps in the chapter dealing with the lack of efficiency and co-ordination in operational activities within the United Nations system. In particular there was no mention at all of a number of the recommendations in resolution 32/197. The Governments of the Nordic countries agreed with the Director-General's conclusion that there had been too great a tendency in the past to assess effectiveness in terms of assistance delivered, using such criteria as the physical delivery of inputs or the annual rate of expenditure. The Governments of the Nordic countries therefore welcomed the recognition that real effectiveness was

measured above all by the quality of results. That idea did not, however, seem to be applied in the current operational activities of the United Nations bodies. The Governments of the Nordic countries hoped to be able to submit specific proposals to the Economic and Social Council at its next session for increasing the effectiveness of operational activities in general. For example, the Secretary-General might be asked to prepare a report on that specific question so that Governments could give the matter thorough consideration.

62. The Director-General's report also mentioned increased government execution of projects and recommended the introduction of systematic arrangements whereby Governments would be informed of the resources likely to be made available from the United Nations system over a particular period. Country programming had in fact made it possible to a large extent to predict the resources that would be provided by UNDP. But it was not enough to predict UNDP assistance. In the coming years efforts must be made to go further along the lines indicated in the report.

63. Regarding programming and implementation of operational activities, he emphasized the recommendation in the report that the main function of resident co-ordinators should be to help recipient Governments to achieve the objectives and priorities which they themselves had set by assuring cohesion of action and effective integration of the various sectoral inputs from the United Nations system. Institutional difficulties should not be allowed to prevent resident co-ordinators from carrying out to the full their extremely important role under General Assembly resolution 34/213.

64. He also regretted that there was no mention in the Director General's report of the implementation of the resolutions on the UNDP Consensus and the New Dimensions, of progress made in implementing General Assembly resolution 32/197 or of the role of the regional commissions in operational activities. Also, the report did not give the critical and objective over-all evaluations that had been the aim of the sponsors of General Assembly resolution 33/201. The report should be a starting point for a series of general reforms based on the original objectives of the sponsors of the resolution, namely: strengthening the role of the Economic and Social Council; creating a system-wide follow-up mechanism; implementing the resolution on restructuring; and strengthening the role of the Director-General for Development and Economic Co-operation, including the field of operational activities.

65. The Governments of the Nordic countries would continue their deliberations on the matter in order to be able to influence the final outcome of the restructuring exercise. All countries had an interest in ensuring maximum efficiency in operational activities for development through the United Nations system and the avoidance of obstacles of an institutional nature. The overriding objective should be that the more than 160 countries and territories which today benefited from the United Nations system and UNDP in particular should be given the best possible assistance in quality as well as in quantity.

66. Mr. FARASHUDDIN (Bangladesh) said that the appointment of resident co-ordinators for the operational activities of the United Nations system for development would make it easier to ascertain and eliminate the obstacles to the economic growth of the developing countries and put an end to overlapping and waste.

67. Since in Bangladesh, as in many other developing countries, the UNDP Resident Representative was already concerned with co-ordinating the development activities of the various bodies in the United Nations system, it would in his opinion be entirely logical for the functions of resident co-ordinator to be officially entrusted to the UNDP Resident Representative. The recruitment procedure devised by the Administrative Committee for Co-ordination (ACC) seemed perfectly satisfactory.

OTHER MATTERS (agenda item 11) (continued)

(a) RELATIONS BETWEEN UNDP AND EXTERNAL INSTITUTIONS (DP/475) (continued)

68. Mr. MORSE (Administrator) introduced document DP/475 on agenda item 11 (a), which described the measures taken during the first few months of applying the guidelines concerning the relationship between the United Nations Development Programme and external institutions, approved by the Governing Council at its twenty-sixth session. It would be seen that a number of activities responding to the needs of developing countries were under way and that there was a growing number of external institutions interested in co-operative arrangements with UNDP on the lines established by the Council. The initiative in those arrangements came both from the organizations and from UNDP. Co-operative arrangements had already been concluded with a number of organizations and other arrangements were being negotiated. Only one organization, the World Confederation of Labour, had not responded to UNDP's offer.

69. Application of the guidelines had already produced results. In addition to the various inputs mentioned in document DP/475, the International Co-operative Alliance had agreed to contribute, within the guidelines, to the Capital Development Fund. A feasibility study on organizing and establishing a co-operative for low-cost housing was to be undertaken in Lesotho and another in Gambia. In Haiti the International Co-operative Alliance had agreed to provide inputs in an IPF project for managing a CDF grant for low-cost housing. Although it had not yet formally agreed to the guidelines, the International Federation of Consulting Engineers (FIDIC) had agreed to follow them for the organization of a seminar on the use of consultants and contractors for development in Africa.

70. In addition to the list of organizations included in the annex to document DP/475, the Aga Khan Foundation had agreed in April to co-operate with UNDP.

71. After just one year, results were still modest, but in answer to the representative of Sweden, who had raised the question during the general debate, he said it was clear that the guidelines had provided a means of attracting external institutions from many areas, including science, industry, the academic world and voluntary organizations. UNDP has concentrated on channelling those additional resources for development to the recipient countries, always at their request, and would continue to bring the potential contributions of such organizations to the attention of governments, through the UNDP field establishment.

72. In discussions between UNDP and external organizations which had expressed interest in establishing a working relationship with it, special emphasis had been placed on two points. In the first place, the guidelines were not meant to be used to give any special status to external institutions, but rather to create a modus operandi through which the technical resources and managerial expertise of other organizations could be channelled to the developing countries at their

request and with their agreement to supplement UNDP's contribution. Secondly, it was not UNDP's intention to provide funds for programmes of co-operating organizations, but rather to elicit additional resources from them, mainly in the form of outside expertise. He was confident that through those arrangements UNDP would be better able to serve the developing countries and that at the next session of the Council there would be even more signs of solid achievement.

73. Mr. AHLANDER (Observer for Sweden), speaking on behalf of the Nordic countries, said that while the report on the item under discussion showed that various organizations were interested in co-operating more closely with UNDP, it was disappointing that most of the specific examples of co-operation given referred only to one organization: the Industry Council for Development (ICD). It was true that the decision to establish co-operation between UNDP and external institutions was relatively recent, but in view of the political importance of such co-operation, it was essential that by the end of the three-year trial period other institutions should be able to co-operate with UNDP in accordance with the guidelines established.

74. It was also important for UNDP to give the same treatment to all external institutions interested in co-operating with it and to take care not to become too closely linked with any one institution. The Nordic countries could in no way accept a situation where any of those institutions became so closely involved in UNDP's day-to-day work as to be able to draw on its administrative services.

75. He asked the Administrator to take due account of those comments in applying the guidelines. However, if the guidelines were applied properly, co-operation between UNDP and the external institutions could be very fruitful, particularly in mobilizing plenty of expertise in the service of the developing countries.

76. Mr. ENOKI (Japan) said that in establishing relations and co-operating with the external institutions UNDP should keep strictly to the guidelines adopted by the Governing Council at its twenty-sixth session. It should also redouble its efforts to obtain the co-operation of institutions in the developing countries in order to promote technical co-operation among developing countries. At the present time, only one of the 11 institutions which had indicated their interest in co-operating with UNDP or had already officially confirmed that they wished to be associated with its activities belonged to a developing country.

77. Mr. HORSE (Administrator) assured the representatives of Sweden and Japan that their comments would be duly taken into account. Steps had already been taken to try to encourage more organizations in developing countries to co-operate with UNDP and he himself would make sure that the guidelines covering relations between UNDP and the external institutions were applied strictly.

The meeting rose at 1.10 p.m.