



GOVERNING COUNCIL

Twenty-eighth session

SUMMARY RECORD OF THE 731st MEETING

Held at Headquarters, New York,
on Thursday, 25 June 1981, at 3 p.m.

President: Mr. ABDULAH (Trinidad and Tobago)

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The meeting was called to order at 3.15 p.m.

COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS (continued)

- (a) RELEVANT TRENDS AND PROBLEMS IN THE COUNTRY PROGRAMMES (continued) (DP/522)
- (b) COUNTRY PROGRAMMES (continued) (DP/GC/BGD/R.3 and RECOMMENDATION, DP/GC/BHU/R.3 and RECOMMENDATION, DP/GC/MDV/R.3 and RECOMMENDATION, DP/GC/NEP/R.3 and RECOMMENDATION, DP/GC/PHI/R.3 and RECOMMENDATION, DP/GC/VIE/R.2 and RECOMMENDATION; DP/L.366)
- (c) INTERCOUNTRY PROGRAMMES (DP/523)

1. Mr. JOSEPH (Assistant Administrator and Regional Director for Asia and the Pacific), introducing the country programme for Bangladesh (DP/GC/BGD/R.3), said that the country programming exercise in Bangladesh provided a good illustration of continuous programming. The third country programme flowed from the second with respect to the procedures and methods applied, as well as the priorities which had determined the types of assistance to be financed by UNDP. The External Resources Division of the Government of Bangladesh had rigorously selected projects, in accordance with the objectives of the Government's five-year plan. Continuity between the second and third programmes was maintained by the emphasis on training, planning, investment-related activities and strengthening of national institutions to further the process of self-reliant development. Rural development, agriculture, water resources, industry, energy and literacy continued to be priority sectors for the allocation of UNDP resources. In financial terms only some 27 per cent of the third country programme continued from the second programme, so that the bulk of UNDP resources was freed for new programming. The External Resources Division had compiled a detailed compendium of project proposals, some of which would be selected each year for implementation in accordance with the flow of resources and the readiness of the projects and of the technical ministries concerned.

2. The third country programme for Bhutan (DP/GC/BHU/R.3) was the first to involve a complete programming exercise. The country programme was closely aligned with the Government's fifth plan. India had provided substantial support for Bhutan's development efforts, and there was increasing evidence of interest on the part of new bilateral sources of assistance. As for the content of the third country programme, the Government had concentrated on mobilizing and training human resources for development, and one third of the IPF had been allocated to that objective. Agriculture, animal husbandry, forestry, infrastructure and education continued to be important sectors in the country programme, and increasing emphasis was also placed on revenue-earning projects, designed to promote self-sustaining growth. Thus, the industry, trade, tourism and energy sectors were given priority and, in those sectors, emphasis was placed on planning investment-related infrastructure and institution-building activities. The Government was committed to continuous programming through annual reviews and to greater involvement in the management and monitoring of projects. It wished to

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use the country programme as a framework for the mobilization and programming of all the resources available to it from the United Nations system, and where possible from other new sources also. The country programming exercise had been used to identify areas for support from all of the United Nations system.

3. The 1982-1986 country programme for Maldives (DP/GC/MDV/R.3) had been formulated in conjunction with the preparation of the country's first five-year development plan. Maldives, with a small population scattered over hundreds of islands, had a very limited resource base upon which to develop. There were serious deficiencies in the economic and social infrastructure, while an acute shortage of trained manpower was the major handicap to development. UNDP assistance under the third country programme would therefore be directed principally at education and manpower training, at improving the transportation and communications infrastructure and at advancing the agricultural and fisheries sector. UNDP was the leading source of technical co-operation in Maldives, and it had maintained close collaboration with other multilateral and bilateral assistance agencies. That had led to a number of joint co-operation programmes with UNICEF, WHO, the World Bank and various bilateral donors. With the IPF increasing from \$2.5 million in the second cycle to \$7.5 million in the third cycle, it was expected that UNDP assistance would be increasingly effective in serving the development priorities of the Government.

4. The third country programme for Nepal (DP/GC/NEP/R.3) represented the first full experiment by UNDP and other organizations of the United Nations development system in what was formally known as "joint programming of resources" (JPR) but might more appropriately be called "co-ordinated programming". Within that framework, the Government had tried to combine continuous programming with the establishment of a "reserve pool" of 44 identified and costed project proposals. Selections would be made from that pool, plus any additional new proposals, at the annual reviews of the country programme. There would be continued co-ordination of programming with other United Nations agencies. The new approach had helped to develop a forward-looking and flexible country programme, responsive to evolving national objectives and needs as well as movements in resource availability. The third country programme gave strong emphasis to feasibility studies, investment support projects and institute-building and training, in line with the priorities of the sixth five-year plan. There was a good record of projects being completed. During 1980-1981 some 61 new projects with an allocation of nearly \$50 million would be taken up, followed by others from the pool of 44 projects.

5. The third country programme for the Philippines (DP/GC/PHI/R.3) fully reflected the Government's desire to co-ordinate the proposed UNDP inputs with the development priorities defined in the 10-year development plan, which declared as its basic thrust the securing of economic and social justice and a purposeful attack on poverty. In order to promote self-reliance, a substantial part of the IPF would be used to support training and institution-building in key areas of development where indigenous resources were still considered inadequate. With the same objective, substantial pre-investment inputs would be made in such critical fields as the development of domestic energy sources, generation of employment and export promotion. The Government had sought to allocate limited IPF funds to types

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of activity in which experience had shown that UNDP was particularly well suited to assist, namely, agriculture and natural resources; industry, energy, science and technology; regional development; infrastructure expansion; and human resources development. Ongoing and new projects had been identified and resources allocated in such a way that continuous programming would be necessary.

6. The programme for Viet Nam had moved forward strongly since the initial identification and formulation of projects in 1977 and the opening of the UNDP office in Hanoi in January 1978. The second country programme (DP/GC/VIE/R.2) devoted almost 90 per cent of programmable resources to agriculture, natural resources development, industry and transport and communications. The programme comprised some 59 projects, most of which were new. Co-operation with the Government had been close. Initially there had been logistical and organizational difficulties, for instance in the clearance of supplies through congested ports. However, the situation had considerably improved. Three additional Professional posts had been authorized for the UNDP office for 1982. The equipment component of the first country programme had amounted, at the time of its initiation, to some 80 per cent of project costs. Since then, there had been a distinct trend towards a better mix of project components. In order to advance that trend, the Government had undertaken that the United Nations specialized agencies should assign project formulation missions to design execution methods and to compose the inputs necessary for optimum project performance. A realistic analysis of the component composition of the programme would be possible only in the spring of 1982, following the formulation of some 20 new projects.

7. With respect to specific projects, two of the projects implemented in Viet Nam had been reported to the Council in 1978, in accordance with paragraph 20 of the 1970 Consensus. Policy issues had again been raised with the secretariat in respect of some of the projects in the second country programme, and the Administrator had taken due note of all that had been said. The Administrator would ensure that the most careful appraisal would be applied, taking full account of the concerns expressed, so that he might then determine whether, and what, projects, as formulated, raised issues that needed individual reference to the Governing Council.

8. The PRESIDENT said that, as members of the Council knew, there had been very extensive informal consultations among Governments regarding the second country programme for Viet Nam. He was informed that as a result of those consultations it had been possible for all interested parties to reach agreement concerning that programme. He was pleased that the Council, in accordance with its long-standing tradition, had again been able to achieve a consensus. The consensus was reflected in draft decision DP/L.366, which he suggested the Council should adopt before proceeding to a discussion of that and the other country programmes which had been presented.

9. The draft decision (DP/L.366) was adopted.

10. Mrs. BALLESTER (Cuba) said that her delegation supported all the country programmes which had been introduced.
11. Mr. GIBSON (New Zealand) said that document DP/522 demonstrated the value of continuous country programming. Governments were showing increased interest in the co-ordination of UNDP-supported activities with those of other United Nations organizations. It would be useful for UNDP to attempt to harmonize the activities of bilateral donors with those of United Nations agencies participating in country programmes, and New Zealand would be happy to co-operate.
12. The report noted that Governments generally did not use country programmes as a vehicle for promoting global priorities, and that global objectives were addressed primarily because they were national objectives.
13. The fact that, as stated in the report, fewer than half the country programmes mentioned the role of women in development did not seem to his delegation to be a reason for despair. At least as important as projects specifically designed to benefit women were projects that did not have the unintended effect of lowering the economic and social status of women. Project decisions which took inadequate account of the essential role of women in the informal economy could have that effect, which was why the World Conference of the United Nations Decade for Women had urged aid agencies to ensure that development projects took account of the interest of women from the planning stage onward. What that seemed to mean was that, where appropriate, a pre-project survey should be made of employment patterns in both the formal and the informal economic sectors, with a breakdown of occupations by sex. In some cases, planners would need to be aware of customary methods of landholding and inheritance so as not to cut across those and thus deprive a particular social group of economic security or social status. In other cases, there might be a need for guidelines to ensure that no single group was disadvantaged by the implementation of a new project. It was perhaps in that way that UNDP could best help to ensure that the objectives of development were met - that all groups of a society were benefited.
14. With regard to document DP/522, paragraph 21, his delegation fully accepted that in some circumstances a high proportion of equipment in a country programme best met the needs of some countries. Nevertheless, UNDP's prime function was to provide technical co-operation. New Zealand therefore appreciated the Administrator's sensitivity to the concern of members of the Council about the proportion of equipment in country programmes. Even where a high ratio of equipment was considered appropriate, there had to be an adequate mix of technical assistance. Equipment could rarely be handed over without some training to ensure that it could be operated efficiently.
15. Commenting on some of the South Pacific intercountry projects mentioned in document DP/523, he said that, under the auspices of CCOP/SOPAC, UNDP had done very useful work in offshore prospecting; the increasing emphasis on near-shore and inshore mineral resources was in line with the direction that Committee's future work might be expected to take. New Zealand strongly urged an early commitment by UNDP to maintain its financial involvement in the Suva project after 1984.

(Mr. Gibson, New Zealand)

Proposals had been made by UNDP and ICAO for expansion of the operations of the Civil Aviation Training Centre in Western Samoa to make it a regional facility. Funds from various sources would cover running costs for several years but New Zealand was concerned that, in the long term, the regional aspects of the operation might not be carried through and the Samoan Government could be left with a national centre that would be expensive to run. His Government assumed that that aspect would be followed up in good time, and the necessary assurances obtained, before a final decision was taken on expansion. UNDP contributions to the Forum Fisheries Agency were similarly projected to continue until 1984, when it was assumed that the Agency would have become self-financing. New Zealand considered it unlikely that the Agency would be self-financing in the foreseeable future, and contributions from international organizations would continue to be necessary after 1984. A continuation of UNDP's valuable support would no doubt be welcome.

16. Developing countries in Asia and the Pacific were attempting to secure improved trade terms and access to markets in developed countries. New Zealand fully agreed that access was a vital factor in stimulating trade and the growth of developing countries' economies. New Zealand, along with Australia, had entered an agreement with the South Pacific island countries to improve access to the New Zealand market for their products. The agreement would provide an assured framework within which the island countries could develop their export industries.

17. With respect to modalities for programme implementation (DP/523, paras. 163-185), his delegation agreed with UNDP's long-term aim of bringing the ratio of administrative costs to programme expenditure into closer balance, and also with the proposals on networking arrangements. New Zealand welcomed the diversification of project site locations. The positive spin-off from regional development projects should be shared out as evenly as possible. The suggestion for unified project management in order to cut down administrative costs had obvious appeal. However, his delegation would not wish management to be so far reduced in the interests of co-ordination and economy that projects received less supervision than was necessary. It shared the concern at the proliferation of regional advisory posts and could see some merit in encouraging a network approach, although in practice it could be difficult for regional advisers to cover their full area, a point which would need to be considered if advisers were to be given a mandate covering several countries. His delegation had some sympathy with the intention to tighten up the criteria for regional training meetings and workshops, but thought that the formula proposed in document DP/523, paragraph 180 (a), was too broad to achieve that end.

18. Mr. MI Guojun (China) said that, in preparing the intercountry programme for Asia and the Pacific, UNDP had held wide consultations with the countries of the region and had investigated their priority needs. The Intergovernmental Meeting of Development Assistance Co-ordinators, held at New Delhi in February 1981, had provided an opportunity for those countries to exchange views and further improve the programme. His delegation welcomed the use of such means of formulating the programme.

(Mr. MI Guojun, China)

19. In principle, his delegation agreed with the programme for 1982-1986, which concentrated on such sectors as energy, natural resources, the environment, transportation, the development of human resources, agriculture, forestry and fisheries. However, it was seriously concerned over the projects for the subregion of Indo-China. In the current political situation in Indo-China, it would be premature and inappropriate to engage in Indo-Chinese subregional co-operation. China was ready to join the other countries of the region to ensure the successful implementation of the programme.

20. His delegation supported the six country programmes which had been introduced. They reflected the respective economic development priorities of the countries concerned and the supplementary co-ordinating role of UNDP. However, where the country programme for Viet Nam was concerned, China considered that UNDP's limited resources should go to assist countries and peoples engaged in peaceful development. Viet Nam had disregarded General Assembly resolutions 34/22 and 35/6 and had refused to withdraw its troops from Kampuchea. The Government of Viet Nam continued to trample on the spirit of the United Nations Charter, and posed a grave threat to international peace and security. It was quite possible that UNDP aid to Viet Nam would be used, directly or indirectly, for military purposes in furtherance of its war of aggression against Kampuchea. Certain projects in the country programme, especially those relating to diesel locomotives, seaports, cartography and telecommunications, appeared to border on the military. The Vietnamese authorities had little regard for their own people and had diverted vast resources to wage war against Kampuchea. It was therefore quite possible that the projects in the country programme would be used for military ends or to replace indigenous resources, which could then be diverted to the war. China had felt that it would be inappropriate for the Governing Council to approve the country programme for Viet Nam, which, in defiance of General Assembly decisions, was continuing its war against Kampuchea, and it was only out of respect for the President that it had not opposed the adoption of draft decision DP/L.366. He stressed the need to maintain the strictest possible supervision over the implementation of projects with military or political implications and said that Viet Nam must give an assurance that they would not be used, either directly or indirectly, for military purposes.

21. Mr. JOSEPH (Assistant Administrator and Regional Director for Asia and the Pacific), introducing the intercountry programme for Asia and the Pacific (DP/523), said that the steps planned for programming the illustrative IPF of nearly \$300 million earmarked for the Asian and Pacific intercountry programme, of which the Council had been informed in June 1980, had all been faithfully and successfully accomplished. The presentation of the report came at the end of a very thorough programming exercise comprising several layers of consultations, in all of which ESCAP had been actively associated. There had been consultations with some 34 developing countries and entities in the region and with most of the executing agencies of the United Nations system; subregional meetings with ASEAN, the South Pacific group and the seven least developed countries of the region; and, finally, the region-wide Intergovernmental Meeting of Development Assistance Co-ordinators, held at New Delhi in February 1981. That Meeting, rendered unique among UNDP regional meetings by the participation of national development assistance co-ordinators, had been attended by senior officials of 27 countries,

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28 United Nations development system agencies and 20 UNDP resident representatives from throughout the region. The principle of "collective consideration" of the regional programme had thus been amply fulfilled.

22. As a result of those consultations, food and energy had been designated as the outstanding priorities for regional action. Within that broad framework, agriculture, forestry, fisheries, technology transfer, transport, communications, industry and human resources development had been considered to have high priority. Trade and economic co-operation among developing countries of the region, within the context of the new international economic order, had also been assigned major significance. The Executive Secretary of ESCAP had confirmed that those needs and priorities were fully in line with the development strategies adopted by the Commission.

23. It should be noted that many of the regional priorities identified also reflected global priorities, such as energy, women in development, primary health care, water supply and sanitation, and policy research studies on the "needs of tomorrow". Similarly, there was substantive harmony with the important elements of UNDP's global and interregional programme.

24. In subregional co-operation, besides the already well-established ASEAN segment, provision had been made for anticipating developments after the recent initiatives of the South Asian group of countries. Preferential attention to the needs of the least developed countries, and of the Pacific and other island developing countries, had been emphasized in order to maximize their participation in the regional programme. Such neighbourhood co-operation was fully in keeping with the spirit and substance of the new international economic order and the new International Development Strategy.

25. On the subject of project approval, he said that the executing agencies had been asked, pending submission of the programme to the Council, to undertake the formulation of new projects and the recasting, as necessary, of ongoing projects selected for continuation. Some policy issues had been raised with the secretariat in respect of some projects in the programme. The Administrator wished to assure the Council that, after the process of formulation of new projects and consultation with the Governments concerned had been advanced, the project requests would be subject to careful appraisal. Individual projects which, in accordance with paragraph 20 of the Consensus and paragraphs 102 and 106 of the Council's report on its thirteenth session (E/5092), the Administrator might deem to require the Council's consideration and approval would be submitted to the Council at a subsequent session.

26. There were two main conclusions emerging from the intergovernmental consultations in respect of which the Council's approval was sought. The first related to improved techniques for project implementation, and the second to the allocation of resources within the Programme.

(Mr. Joseph)

27. With regard to the first point, Governments of the region represented at the New Delhi Meeting had warmly welcomed the use of intercountry funds to strengthen existing and kindred national institutions as part of a network of regional co-operation on a TCDC basis. Both Governments and the United Nations system were opposed to the proliferation of United Nations regional institutions, preferring a unified approach to such institutions, as exemplified by the Asian and Pacific Development Centre. The need to assure optimum Government involvement in, and support to, intergovernmental institutions had been underlined. The UNDP approach to programme support had been appreciated, while Governments had called for a prudent phasing out of institutional support. Stress had been laid on the importance of spreading the location of intercountry projects across the region, thus giving more countries the opportunity of participating more directly in the programme. Serious reservations had been expressed about regional advisers with generalized terms of reference, both in view of unsatisfactory experiences in the past and out of concern about their high costs for the future. Instead, it had been recommended that short-term and more specific consultancy services, and the sharing of experts among neighbouring countries, should be developed. A highly selective approach to regional seminar and workshops had been urged. It had been stressed that those activities should preferably be part of substantial regional co-operation projects and that training should be their main purpose. The Governments had underlined the need for the regional programme to complement and support activities under the country IPFs and had encouraged the use of ECDC and TCDC approaches calling on local, regional and subregional expertise, with special attention to the use of United Nations volunteers.

28. In connexion with the second point, he drew attention to the financial summary of the regional programme (DP/523, annex I) and said that, of the illustrative IPF of \$296 million, it was necessary to treat only \$226 million as available for programming. Against that amount, 159 projects - both ongoing and new - had been selected for implementation at a total cost of \$141 million. Besides that earmarking of \$141 million, it was necessary to take account of three other elements which would require funding, in the future, out of that intercountry allocation. First, a number of good project proposals which had been introduced at the New Delhi Meeting had had to be deferred for later consideration. Secondly, as the cycle progressed, new proposals would evolve; indeed, many were already being brought to his attention. Thirdly, of the 159 projects adopted, several would inevitably require supplementary funding.

29. Taking account of those three important categories, the regional Meeting had recommended the holding of a mid-term review and reprogramming meeting in 1983 to determine the purposes for which the reserve of \$85 million was to be allocated. The Administrator considered that that phasing of expenditure was not only prudent, but was a matter of necessity to protect the financial integrity of the intercountry programme as a whole. The careful observance of that financial discipline required the Council's endorsement.

30. Finally, the Meeting had warmly endorsed the several levels of consultations by means of which the intercountry programme had now acquired an authenticity based on the needs expressed by the countries of the region.

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31. Mrs. VERVALCKE (Belgium) said the, according to paragraph 6 of the Administrator's recommendation concerning the country programme for Viet Nam (DP/GC/VIE/R.2/RECOMMENDATION), approximately 80 per cent of the total approved IPF budgets for projects in the 1977-1981 programme for that country related to the supply of equipment. She recalled that in 1980, when the programme had been finally approved, many comments had been made on that point and the Administrator had been reminded that UNDP was primarily concerned with providing technical assistance to developing countries and that the supply of equipment should be a secondary activity. While her delegation respected the prerogative of Governments to establish priorities, it doubted whether a programme focused on the supply of equipment could meet the essential needs of a largely agricultural country whose per capita gross national product was less than \$100.
32. It was therefore essential that, before the Council approved the country programme for 1982-1986, it should receive assurances from the Administrator that the new programme did not include equipment supply elements which created an imbalance in the UNDP programme to the detriment of the technical co-operation component. Her delegation appreciated that neither the Governing Council nor the Administrator possessed precise criteria for assessing the equipment component in projects generally, and it therefore welcomed the adoption by the Working Group of a proposal that the matter should be further considered at the next session of the Council. It also believed that the decision adopted at the current meeting (DP/L.366) could satisfy its concerns and would ultimately help to ensure that the essential needs of the people of Viet Nam were met.
33. Mr. PREUSS (Federal Republic of Germany) said that his delegation generally supported the country programmes before the Council. However, it was somewhat concerned that in the country programme for Viet Nam, under which UNDP, an agency for technical assistance, was giving financial aid to such sectors as industry, the development of hydropower and transport and communications. The latter area in particular gave rise to doubts as to the final beneficiaries and the development priorities involved. The whole Programme was vague and the concrete contents scarcely discernible; there was a need for greater clarification. Lastly, the present share of equipment in the projects - 80 per cent in the second cycle - was too high and should be adjusted in the third cycle.
34. His delegation also had some reservations about the subregional civil aviation training centre to be set up in Viet Nam as part of the intercountry programme (DP/523). There again, there were doubts as to the final beneficiaries and the development priorities.
35. In spite of those doubts, his delegation approved the country programme on the understanding, reflected in document DP/L.366, that the sensitive areas would not go ahead without prior approval from the Governing Council.
36. The PRESIDENT invited the Chief of the Regional Commissions Liaison Unit to address the Council on behalf of the Executive Secretary of the Economic and Social Commission for Asia and the Pacific.

37. Mr. PAW U (Chief, Regional Commissions Liaison Unit) said that the intercountry programme for Asia and the Pacific for the 1982-1986 cycle reflected the first concrete results in programme terms of the Council's decisions to ensure greater government participation in the determination of priorities for the utilization of the regional IPFs. ESCAP viewed the programme as a promise for the provision of significant inputs to the development efforts of the region, and also as a means to strengthen regional co-operation in a broad sense. It was therefore most laudable that the Governments of the region themselves had determined the priorities and programme content of an entire intercountry programme for a full five-year cycle. ESCAP, having been a close partner in the planning exercise, was well aware of the exacting and complex nature of the whole undertaking. The entire consultation process had been an impressive and much appreciated effort.

38. During the planning exercise, ESCAP had provided an overview of the development priorities of the region, had participated in the subregional consultations for the Pacific, the LDC group and the Asian countries as well as in the respective intergovernmental meetings for those three subgroupings, had taken part in the country consultations with China and India, and had participated in a natural resources and energy sector review and in project-specific reviews. It had been consulted in the actual drawing up of the draft intercountry programme considered at the Intergovernmental Meeting of Development Assistance Co-ordinators, of which it was also considered to have been the co-convenor. All those steps were not only indicative of the close co-operation between ESCAP and UNDP but could be seen as a recognition of the role of the regional commissions as the primary centres for economic and social development in their respective regions, a consequence of the restructuring of the economic and social sectors of the United Nations system.

39. In the light of ESCAP's collaboration with UNDP throughout the planning exercise, it was hardly surprising that the Commission was in full agreement with the proposed intercountry programme. At New Delhi, the Executive Secretary of ESCAP had already expressed his appreciation that the regional needs and priorities contained in the draft intercountry programme were largely in accord with the priorities of the regional strategies for development as determined by the Governments of the members of the Commission in various ESCAP forums. The energy-food nexus highlighted in the proposed intercountry programme was also of the highest priority to ESCAP. The March 1981 session of the Commission had featured energy as its main theme, and the 1982 session would focus on food security. ESCAP was also pleased with the importance given in the intercountry programme to such fields as technology and industry, transnational corporations, the law of the sea, the search for hydrocarbons and mineral resources, offshore and near-shore as well as on land, trade and economic co-operation, including commodity communities, planning and administration. Again, those were largely in accord with the Commission's own priority concerns. Lastly, ESCAP welcomed the concern for the least developed countries and land-locked and island developing countries.

40. The provision of projects for subregional groupings, on the basis of common needs, once constituted a practical way of ensuring maximum government participation in the projects and achieving maximum results with the limited resources at hand.

(Mr. Paw U)

41. ESCAP also endorsed the modalities for implementation of the intercountry programme as given in document DP/523, paragraphs 163-185. ESCAP was already using such methods as networking arrangements, unified project management and matching funding for its own activities.

42. He reiterated ESCAP's deep appreciation to UNDP for involving Governments in determining the intercountry programme and for associating ESCAP in the year-long consultative process. He assured Governments, UNDP and other United Nations agencies that ESCAP was ready to continue its co-operation to the fullest extent possible in implementing the intercountry programme for Asia and the Pacific for the period 1982-1986.

43. Mr. FARASHUDDIN (Bangladesh) expressed appreciation to the members of the Council for their approval of the third UNDP country programme for Bangladesh, which coincided with the second five-year plan both in time-frame and in substance. Efforts had been made to utilize the country programme framework to maximize the multiplier effect of technical assistance as an essential catalyst in mainstream development activities. The programme had been adequately related to the substance and direction of the second five-year plan, the new UNDP guidelines for country programming had been followed and the programme had taken account of the experience of the second country programme. In view of the extensive consultations involved in the preparation of the programme, his delegation believed that it could be implemented smoothly.

44. As a proponent of the concept of continuous programming, his country had tried to provide continuous programming in practice. An annual review of the UNDP programme in Bangladesh had been introduced in 1980 and would provide yet another forum to promote continuous programming.

45. His delegation hoped that the vigorous efforts of the Governing Council and the Administrator would succeed in raising the full amount of resources for the third cycle so that the third country programme would have the full funding of \$175 million and not work under the constrained level of \$146 million. He pointed out that the list of projects contained in document DP/GC/BGD/R.3 was not exhaustive, but related only to the projects under implementation during the first year; the project listing for the remaining four years was contained in a separate document.

46. He expressed appreciation of the responsiveness of the Regional Bureau for Asia and the Pacific to the various requests for help and guidance in the country programming exercise. There had been excellent co-operation between the Government and the UNDP Resident Representative in Dacca, which in itself augured well for the smooth implementation of the country programme.

47. Mr. ASRANI (India) said that he appreciated the information contained in document DP/522, which was especially useful to the recipient countries as it gave them an opportunity to learn from the experience of other recipient countries in country programming. The document noted a clear preference on the part of Governments for synchronizing the country programme with the IPF cycle. While his

(Mr. Asrani, India)

own Government preferred to synchronize the country programme with its own national development plan, he could appreciate that some other countries might prefer synchronization with the UNDP cycle as a simpler course. He was pleased to note, however, that country programme documents submitted to the present session of the Council stated in all cases that the country programme was formulated within the framework of a medium-term or interim national development plan.

48. In paragraph 21 of his report (DP/522), the Administrator devoted special attention to the equipment component of country programmes. Some delegations had referred to the desirability of keeping down the size of that component. While appreciating their concern, his delegation would urge a pragmatic approach. In keeping with the "new dimensions" approach, the Council should be concerned not so much with the inputs as with the output of a given project. For example, if a project involved a supply of equipment to an institute for research and training, the output - namely, research and training - should qualify the project as an eligible technical co-operation project, regardless of the proportion of equipment involved. Above all, it was important to avoid the simplistic equating of the development needs of all developing countries. It was essential that UNDP should respond to the specific requirements of different countries.

49. Some delegations had also referred to the desirability of concentrating UNDP resources in a small number of priority sectors. While such a concentration would be desirable from the viewpoint of administration and co-ordination, it was advisable to retain a measure of flexibility and allow the choice to be made by the recipient Government. In some cases, because of the prestige attached to a project with which UNDP was associated, Governments might want to spread resources over a number of projects, allowing such resources to act as a catalyst in as many sectors as reasonably possible.

50. When considering the reflection of specific global objectives or priorities in the country programme, it should be remembered that, however valuable UNDP inputs might be qualitatively, in most countries they would form only a small part of the total resources, both national and foreign, required for a country's development plan. In such a situation, it was conceivable that, even where a country's national plan reflected such global priorities, its country programme might not do so, simply because the country might choose to fund such activities from other resources. Consequently, while welcoming the information in document DP/522, his delegation believed that a country programme should be judged on two basic criteria: whether it reflected the wishes of the recipient country, and whether it answered the description of technical co-operation defined not by inputs but by outputs.

51. His delegation supported the approval of all the country programmes for Asia and the Pacific and considered the country programme for Viet Nam to be as well prepared and geared to the greater welfare of the country and to people as any other before the Council. It therefore welcomed the adoption of draft decision DP/L.366, which was a tribute to the spirit of reasonable compromise that had become the hallmark of the Governing Council.

(Mr. Asrani, India)

52. The intercountry programme for Asia and the Pacific was the first such programme to be prepared and submitted in accordance with the principle of enlarged government participation. His delegation was especially pleased that ESCAP had been involved closely in the preparation of the programme, which he hoped would meet with the Council's approval.

53. Mr. KITTIKHOUN (Observer for the Lao People's Democratic Republic) said that, at a time when the gap between industrialized and developing countries was further widening and the world economic crisis had brought many countries to the brink of disaster, the technical assistance activities of UNDP and its efforts to promote the establishment of the new international economic order were a welcome contribution to the pursuit of justice and equity. As a land-locked and least developed country, the Lao People's Democratic Republic attached great importance to co-operation with UNDP and urged approval of the intercountry programme for Asia and the Pacific.

54. Mr. RAZAK (Malaysia) said that most of the programmes for Asia and the Pacific before the Council related to co-operation with least developed countries. He noted with satisfaction that the increase in the IPFs for those countries in the third cycle would be channelled primarily to technical assistance projects aimed at alleviating poverty, with emphasis on the development of fisheries, agriculture and forestry and, more important, on the enhancement of national development capacities.

55. UNDP assistance should be regarded as catalytic, and never as a means of financing the transfer of capital goods. In that connexion, his delegation shared the concern expressed by several others at the lack of comprehensive information on the level of the equipment component in a number of country programmes. The Administrator must exercise due care to ensure that projects were used solely for development purposes and not, for example, to meet a country's strategic needs. His delegation therefore supported the proposal that the Council should at its next session review the question of the equipment component with a view to laying down guidelines for future programming. The decision adopted by the Council (DP/L.366) met his delegation's concerns on that score with respect to the country programme for Viet Nam.

56. His delegation supported the intercountry programme for Asia and the Pacific (DP/523). In the preparation of that programme, due emphasis had been given by UNDP to consultations at the country, subregional and regional levels and with the various executing agencies and ESCAP. He commended the Programme's efforts to consult with subregional organizations in Asia and the Pacific, including ASEAN, of which Malaysia was a member. The intercountry programming exercise had enabled UNDP to appreciate the needs of a vast area with differing levels of development and development problems. The task of prioritizing those needs had not been enviable, but the approach adopted by UNDP to projects at the subregional level had resulted in an intercountry programme whose priorities were very much in line with those of the countries of the various subregions. He noted with satisfaction that the planned projects took into account the existing network of co-operation in the subregions. His delegation hoped that, in carrying out its

(Mr. Razak, Malaysia)

intention to reduce institutional support, UNDP would proceed gradually so as not adversely to affect the work of the institutions concerned. With regard to diversification of location of project sites, it was to be hoped that due account would be taken of local capacities so as to ensure the success of the projects. His delegation supported the package of projects for the ASEAN region, which were in accordance with the priorities set at a meeting of Ministers of Economic Affairs of the countries concerned. He noted with regret that the resources available for the intercountry programme would fall short of the level anticipated during the programming exercise.

57. Mr. WINDSOR (United Kingdom) said that among UNDP's greatest assets were the constructive and positive atmosphere of the Governing Council's debates and the consensus approach it had traditionally adopted. The current debate, however, tested the limits of the Council's flexibility. Against the background of General Assembly resolutions 34/22 and 35/6, with which the Government of Viet Nam was still not in compliance, it could be argued that each and every element of the proposed country programme for Viet Nam had political implications. The Council's task was to focus on the technical aspects, but not in a vacuum. One difficulty it faced in the case of the Viet Nam programme was the limited information provided in the programme document, while such information as had been provided was far from reassuring.

58. His delegation had been most concerned about the extremely high level of equipment in the second cycle programme for Viet Nam, and that concern had been doubled by indications that the Government had been unable to absorb the equipment supplied. One likely explanation was that the undoubted technical expertise existing in Viet Nam had been deployed elsewhere and for other purposes, reflecting non-developmental priorities of the Government.

59. The United Kingdom Government was concerned at any possibility that UNDP resources might have been or might in future be diverted to uses for which they were not intended. The 1970 Consensus placed on the Administrator the heavy responsibility to ensure that funds were properly utilized. His delegation had every confidence in the Administrator and strongly urged him to ensure that future UNDP activities in Viet Nam were so managed that the confidence remained that UNDP resources were being put to proper use.

60. In its general statement, his delegation had said that the Governing Council should not simply become a rubber stamp when considering country programmes. To reach considered decisions, the Council must have sufficient information on the issues before it. However, in the case of the programme for Viet Nam, which was of undeniable sensitivity to many members, the programme document was no more than a vague outline of the proposed activities.

61. His delegation was concerned that the effective use of UNDP resources should be maximized. The criticism which had been voiced regarding the implementation of the 1977-1981 programme for Viet Nam and the reservations expressed with regard to the balance and content of the programme for 1982-1986 indicated that the best course for the Council would be to postpone a decision at the current session. In

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(Mr. Windsor, United Kingdom)

any event, his delegation trusted that the Administrator would with great care review both the failures of the existing programme and the projects proposed in the programme before the Council. Diplomatic representatives in Hanoi of States members of the Governing Council should be associated in that review so that the Council could be fully satisfied, when it reverted to the matter at the next session, regarding Viet Nam's ability to absorb particular programmes and projects and regarding the balance of the programme as a whole.

62. In the interests of consensus, his delegation had not resisted the provisional approval of the programme for Viet Nam on the condition that the sensitive elements would be suspended and that the Administrator, in conformity with his responsibility to refer to the Council projects with policy implications, would at future sessions provide the information needed to take decisions on individual elements of the programme. Those conditions were, of course, implicit in the decision which the Council had adopted earlier.

63. Mr. BHANDARI (Observer for Bhutan) said that the third country programme for Bhutan was the product of thorough preparations carried out by an interministerial committee in close co-operation with the UNDP country office. It was aligned on the country's fifth five-year development plan and reflected the Government's broad sectoral priorities, with primary emphasis on the development of human resources. Systematic annual reviews of the country programme would be undertaken in conjunction with UNDP and other United Nations funding agencies with a view to ensuring the effective implementation of the Programme and enhancing the cohesion and co-ordination of all development assistance provided to the country by the organizations of the United Nations system. His Government viewed assistance from the United Nations system as an indispensable supplement to its own efforts towards social and economic development.

64. Mr. SORZANO (United States of America) said that the proposed programme assistance to Viet Nam and to the so-called subregion of Indo-China were of concern to his Government in view of the current military situation in that part of South-East Asia and for important practical and technical reasons. The facts strongly argued against the provision of assistance to Viet Nam because, simply put, the United Nations should not use the scarce development resources at its disposal in a country that expended its own human, material and financial resources to subjugate another nation in violation of the United Nations Charter and in defiance of two General Assembly resolutions. Furthermore, there must be some restrictions on access to scarce development resources in such situations, if only because the effort which one country made in war with another took away resources that otherwise could be used to reinforce efforts to accelerate its economic and social development.

65. The Council was being asked to approve a country programme for Viet Nam that would contain a significant proportion of equipment and other assistance that would inescapably lend itself to facilitating Viet Nam's war effort and occupation of Kampuchea. That was a matter of concern, quite apart from the more general concern of many members that the limited resources of UNDP should not be used for large-scale equipment purchases but rather for technical assistance. Most donors

(Mr. Sorzano, United States)

believed that they were contributing to a technical assistance agency and not a financial assistance programme.

66. A country deeply immersed in military activities could not utilize development resources in an efficient manner, and that fact was amply confirmed by the extensive wastage of UNDP-financed equipment in Viet Nam. It was also clear that a country at war must restrict the free movement of individuals within its borders, and that had hampered the ability of United Nations officials to supervise, monitor and evaluate the implementation of United Nations activities in Viet Nam.

67. Approval of the proposed subregional projects would also contribute to Viet Nam's efforts to legitimize its attempt to impose military and political supremacy over an "Indo-China" bloc. Moreover, there were no explicit assurances in the documentation that Kampuchea and Kampucheans would not be participating in and benefiting from UNDP-assisted regional facilities. His Government expected that the Council would take such considerations duly into account. It was his country's firm belief that in the circumstances UNDP resources should not be made available to Viet Nam, and he noted that the decision adopted earlier by the Council reflected similar concerns.

68. Mr. RALLIS (Greece) said that his delegation accepted in principle the country programme for Viet Nam. Its position in that regard was generally in line with that of the French delegation. While it was concerned at the fact that some of the projects seemed to have a strategic character, it hoped that they would be used for purely developmental purposes. His delegation looked forward to the report to be submitted by the Administrator in accordance with the decision adopted by the Council (DP/L.366), which it had supported.

69. Mr. MIYAGAWA (Japan) ^{Miyakawa} observed that the allocation of resources and the selection of projects under the country programme for Bangladesh had been fully co-ordinated with the country's second five-year development plan. He noted, however, that there were serious difficulties with regard to the provision of local costs, and he hoped that the Government of Bangladesh would make every effort to find a satisfactory solution.

70. The country programme for Bhutan had also been closely co-ordinated with the country's development plan, and his delegation supported its approval. The shortage of human resources remained the chief bottle-neck, and it might therefore be well to give greater attention in future programmes to the education sector.

71. The country programme for the Philippines reflected the Government's long-term strategy aimed at achieving social justice and the eradication of poverty by the year 2000, and took duly into account assistance available from bilateral and other sources. He noted with satisfaction that the objectives of the country programme were fully in accordance with the aims of UNDP.

72. With regard to the Maldives country programme, his delegation noted that the Government had laid emphasis on the building of educational, health, transport and communication infrastructures and the development of such industries as fisheries,

Miyagawa
(Mr. Miyagawa, Japan)

shipping and tourism. Since that approach would eliminate the shortage of skilled manpower and provide adequate transportation among other things, his delegation found the allocation of UNDP resources very appropriate. In its plans for the mechanization of fishing vessels, Maldives would have to give proper consideration to the development of energy-efficient types of vessels. Since shipping would be vital to the development of Maldives but had not been covered in the country programme, his delegation hoped that the Government would in due course give proper consideration to that sector.

73. The country programme for Nepal had been well formulated, since it gave high priority to the development and harnessing of water and to agriculture, forestry and human resources. However, he felt that, in future, the country programme should give more attention to integrated development projects for the remote mountain areas.

74. Turning to the country programme for Viet Nam, he noted that the equipment component ratio was very high. His delegation believed that the programme should be considered carefully so as to maintain the spirit of UNDP assistance and the objective of using it to promote genuine economic and social development. He was confident that the Administrator would follow the decision adopted by the Council on that matter and duly report to it at its next session.

75. His delegation supported the joint UNDP/WMO project on typhoon forecasting and the request for additional resources to be made available to that project.

76. Mr. HARE (Canada) said his delegation regretted that far fewer country programmes had been submitted to the current session than had been hoped for at the twenty-seventh session. He was pleased to note that in some cases, such as that of Nepal, additional funds from the United Nations Capital Development Fund and the Interim and Revolving Funds had been included in the country programming. That trend should be encouraged in order to permit joint programming of all United Nations development resources.

77. While his delegation appreciated the Administrator's efforts to contain the equipment component of country programmes within 50 per cent, it would favour consideration of establishing a lower figure as a guide for an upward limit on equipment of say 25 to 30 per cent. His delegation supported the Administrator's proposal that the whole issue should be discussed at the next session of the Council.

78. His Government was generally in support of the priorities outlined in the global and interregional programmes for the third programming cycle and approved of the six global projects submitted. It found the country programmes in general to be an appropriate blend of UNDP priorities and capacities with those expressed by the countries themselves.

79. As a bilateral donor to Bangladesh, Canada endorsed the emphasis on rural development and on the use of indigenous skills in the development of local

(Mr. Hare, Canada)

institutions. However, no mention was made in the programme of the recently published medium-term food production plan. He hoped that bilateral and multilateral efforts would be directed to further raising food production in Bangladesh.

80. With regard to the proposed 58 per cent reduction in the allocation to the agriculture and food security sector in Egypt, he said that, since food security was of critical concern to Egypt, it should perhaps remain the prime focus of the country programme.

81. The country programme for Viet Nam raised several critically important political and technical questions for his delegation. Viet Nam continued to be in violation of the Charter of the United Nations and several recent General Assembly resolutions, particularly resolutions 34/22 and 35/6, of which Canada was a strong supporter. The Administrator should be particularly careful in his monitoring of UNDP's capability to carry out a programme of the magnitude proposed with the effective support needed from the host country and also, particularly, in ensuring that IPF resources were strictly put to proper developmental use. The Canadian position with regard to approval of the country programme was guided by the following considerations. To date, the participation of recipient countries in the UNDP country programme process had not been conditional on adherence to the principles of the United Nations Charter, and his delegation would not, therefore, deal with the question of eligibility. It would, however, remark on one technical aspect of the country programme. An equipment component of 80 per cent was inconsistent with the objectives of UNDP, which was primarily a technical assistance programme. Although his delegation would have preferred a delay in approval of the Viet Nam programme pending the establishment of guidelines on the proportion of equipment in country programmes, it could accept the President's compromise proposal (DP/L.366).

82. In approving the country programmes before the Council, his delegation hoped that in those yet to be submitted the emphasis would be on food production and energy, since those sectors were crucial in the Third United Nations Development Decade.

83. Mr. BAKALOV (Bulgaria) said that his delegation supported the second country programme for Viet Nam, which was based on the Government's plan for the future development of the country and the reconstruction of its shattered economy. His delegation also supported the five other country programmes and the intercountry programme for Asia and the Pacific.

84. Mr. KHAN (Pakistan) said that his delegation supported the approval of the country programmes before the Council, but feared the possibility that scarce UNDP resources might have been or might be used within the framework of any country programme for purposes other than the economic and social development of the country concerned. His delegation had been pleased to join the consensus on the draft decision contained in document DP/L.366. It appreciated the effort made by the Administrator to arrive at a compromise solution and hoped that UNDP would

(Mr. Khan, Pakistan)

ensure that the context, content and spirit of that compromise were respected in the preparation and formulation of the report to be submitted to the Council at its next session and of projects subsequently submitted.

85. Mrs. HOUNGAVOU (Observer for Benin) said that her delegation saw in the Viet Nam country programme a reflection of the desire to improve the living standards of the Vietnamese people and to rebuild the country. It welcomed the Council's approval of the programmes for Viet Nam and other countries of Asia and the Pacific, just as it welcomed the programmes of assistance to national liberation movements recognized by OAU and to the Palestinian people and the country programmes for Africa, Latin America and the Arab countries.

86. Mr. BRUNI (Italy) said that his delegation had some difficulties with the country programme for Viet Nam. In approving country programmes, due account should be taken of UNDP technical assistance objectives. The volume of equipment requested in the country programme exceeded the level of technical assistance that UNDP should be providing to countries. While his delegation had doubts as to the destination of some of the resources under the country programme, it appreciated the compromise solution arrived at in document DP/L.366 and looked forward to seeing the report of the Administrator at the next session in order to better evaluate the situation and the status of the programme.

87. Mr. GOKCE (Turkey) said that his delegation had no difficulty in endorsing the country programmes because, in its view, every State Member of the United Nations was entitled to development assistance if it proved its eligibility to the agency responsible for such assistance. It therefore welcomed the compromise solution arrived at in the draft decision contained in document DP/L.366. He hoped that the decision would meet the concerns of those countries that had legitimately expressed difficulties in accepting the country programme for Viet Nam and that, at its next session, the Governing Council would have before it a revised programme prepared in light of that decision.

88. Mr. FESENKO (Union of Soviet Socialist Republics) said that the Soviet Union had co-sponsored the resolution recommending that Viet Nam should be included in the list of most seriously affected countries and calling on the peoples and Governments of all Member States and all international economic, financial and social agencies to increase and expand their efforts on a bilateral and/or multilateral basis to provide the Vietnamese people with assistance in the reconstruction of their country.

89. His delegation strongly opposed any attempt to use for political purposes the question of approving the programme of assistance to the Socialist Republic of Viet Nam and to present in a false light the domestic and foreign policies of a country whose people had courageously defended their freedom and independence against foreign aggression and were trying to restore an economy that had been destroyed. It fully supported the programme of assistance to Viet Nam and hoped it would be implemented successfully.

90. Mrs. MINH (Observer for Viet Nam) said that her delegation appreciated the efforts of all those countries and individuals that had worked actively for the approval of the country programme for Viet Nam submitted to the Council at its current session. It had found the reaction of the United States and China to that programme strange, and it categorically rejected the false allegations made against Viet Nam. One of those countries had waged a long and frustrating war of aggression against Viet Nam and the other, having failed to maintain a genocidal and monstrous régime, had also embarked on aggression against Viet Nam and was still occupying part of its territory and maintaining military pressure on two neighbouring countries. It was no secret that the United States and China were bent on sabotaging Viet Nam's work of reconstruction, particularly since the Secretary of State of the United States had declared his Government's intention to exert political pressure on Viet Nam by curtailing all international assistance to it.

91. Mr. KOR (Observer for Democratic Kampuchea) said that, while the authorities of Viet Nam came begging for international assistance, they were laying waste their own country and continuing a war of aggression and genocide in Kampuchea. The international community should not provide assistance to a country that made life intolerable for Kampucheans and for its own people. His delegation appreciated the perception of those Council members that could understand that assistance to Viet Nam would have a direct impact on the war of aggression against the people of Kampuchea and on Viet Nam's policy of expansionism in South-East Asia, which ran counter to the purposes and aspirations of UNDP. He hoped that, when specific items of the country programme for Viet Nam were being considered, members of the Council would show compassion to the people of Kampuchea and do nothing that could aggravate their sufferings. He was convinced that, when the time came, UNDP would make an active contribution to the reconstruction of Kampuchea.

92. Mr. CHEN Xingnong (China) said that the observer for Viet Nam had made a shameless and slanderous attack on China. Viet Nam was pursuing a policy of regional hegemonism and was occupying Kampuchea in disregard of General Assembly resolutions 34/22 and 35/6. The objections raised by some countries to the programme of assistance to Viet Nam showed how unpopular Vietnamese aggression and occupation of Kampuchea had become. His delegation reserved the right to make further reply when necessary.

The meeting rose at 6.25 p.m.