

UNITED NATIONS
DEVELOPMENT
PROGRAMME



Distr.
GENERAL

DP/SR.733
2 November 1981

ORIGINAL: ENGLISH

GOVERNING COUNCIL

Twenty-eighth session

SUMMARY RECORD OF THE 733rd MEETING

Held at Headquarters, New York

on Friday, 26 June 1981, at 3 p.m.

President: Mr. ABDULAH (Trinidad and Tobago)

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The meeting was called to order at 3.20 p.m.

COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECT (continued)

(d) GLOBAL AND INTERREGIONAL PROJECTS (continued) (DP/524; DP/PROJECTS/R.14 and Add.1, Add.2 and Add.2/Corr.1, Add.3, Add.4, Add.5 and Add.5/Corr.1, Add.6 and Add.6/Corr.1)

1. Mr. PREUSS (Federal Republic of Germany) said that his delegation supported the global and interregional programme as proposed to the Council and would like UNDP to continue its technical assistance under the Generalized System of Preferences (GSP) scheme for the third programming cycle, 1982-1986. He agreed with the views of the representative of Japan on paragraph 72 of document DP/524, concerning new debt management activities.
2. Mr. RAMOS (Observer for Cape Verde) said that his delegation supported the intent of paragraph 72 of the document, which envisaged measures to assist debtor countries in negotiating with international financial institutions. Developing countries, particularly in Africa, had long been handicapped in dealing with international financial institutions, and the idea presented would be a way of coping with the problem. He would appreciate further information on it from the representative of UNCTAD.
3. He would like to know the names of the 12 countries in which the project mentioned in document DP/PROJECTS/R.14/Add.5, paragraph 4, was being implemented. Lastly, he expressed appreciation to the representative of Austria for his statement on co-operation with Cape Verde.
4. Mr. PIMENTEL (Brazil) said that, in order to make its programmes and projects more effective, UNDP should co-ordinate its activities better. Lack of such co-ordination and lack of participation by developing countries in the preparation of projects delayed the approval of projects. His delegation would like to see projects and programmes presented in greater detail so as to avoid the delays involved in seeking clarifications. UNDP should extend to interregional and global projects its efforts at making regional projects more advantageous for countries. In the interest of developing countries, the Council should give favourable consideration to paragraph 72 of document DP/524.
5. Ms. MARCOULLIS (Observer for Cyprus) said that her delegation fully associated itself with the many others that had expressed support for the activities referred to in paragraph 72 of document DP/524.
6. Mr. WINDSOR (United Kingdom) said that his delegation supported the continued priority given in the global and interregional programme to engineering, health, agricultural and energy projects and felt that they should be strengthened. It sympathized with the views expressed by some delegations on the UNCTAD GSP situation. On the other hand, it shared the concerns of delegations which felt that the proposal set forth in paragraph 72 was not quite the appropriate way to provide debt management assistance, since IMF and the World Bank provided alternative means of rendering such assistance. In addition, recourse could always be made to IPFs if the country concerned so desired. He strongly supported the criteria for the

(Mr. Windsor, United Kingdom)

selection and formulation of global research projects and felt that a reasonable balance should be struck between the scale of research activities and the capacity of each individual country to use the results of such research efforts to make the best immediate impact. He requested further clarification on the maize programme, which, judging from the lack of indications suggesting progress, might not be worth continuing in its current form. More details should also have been provided on the development of fisheries. His delegation would support the inclusion of wave power in the list of renewable energy sources to be investigated. In future engineering programmes, it would like to see greater emphasis on the development of manpower.

7. Mr. PLAZA (Inter-Governmental Maritime Consultative Organization) said he was pleased to inform the Governing Council of the excellent results of IMCO's technical co-operation programme being carried out with the extremely valuable financial assistance of UNDP. The efficiency of the programme was evidenced by the extremely high demand for the services of the interregional advisers in the fields of maritime legislation and maritime safety. He thanked the Governments of the Netherlands, the Federal Republic of Germany and Norway for their financial support, which had made it possible for IMCO to supplement its interregional advisory services for the benefit of developing countries. In connexion with the statements made by several delegations requesting UNDP to consider expanding the present scope of maritime transport training (TRAINMAR), he assured the Council that IMCO would be most willing to co-operate with UNDP and UNCTAD in response to those requests. He thanked the delegations of Egypt, the Sudan, Mexico, Cuba and others which had publicly acknowledged the efficiency and usefulness of IMCO's advisory services. He assured the delegations of developing countries that IMCO would spare no effort in its quest to provide their countries with badly needed advice on the strengthening of their maritime transport infrastructures and services.

8. Mr. AL-EBRAHIM (Kuwait) said that UNDP assistance was vital to the UNCTAD's GSP scheme. Kuwait sympathized with developing countries that faced debt problems and did not agree with the suggestion by the representative of Japan that paragraph 72 of document DP/524 should be deleted. He appreciated the excellent work UNCTAD was doing and would welcome further information on the new debt management activities. He could see no overlap with similar work being done by the World Bank or IMF and felt that the arrangement should be given a chance to prove its worth.

9. Mr. HARE (Canada) associated his delegation with the views expressed by the representatives of Japan, the United Kingdom and the United States on the UNCTAD GSP programme and the UNDP/UNCTAD debt management activities referred to in paragraph 72 of document DP/524.

10. Mr. BIDAUT (France) said that his delegation supported the global and interregional programme, particularly the Special Programme for Research and Training in Tropical Diseases and the International Crop Research Institute for the Semi-Arid Tropics - West African Millet and Sorghum Improvement Programme. France had been providing significant assistance on a bilateral basis to the countries in which the projects were being conducted. He felt that the GSP scheme should be continued and supported the proposals made to revise it.

11. Mr. TAHINDRA (Observer for Madagascar) said that his delegation was opposed to the attempts of some other delegations to delete paragraph 72 of document DP/524, which had the support of the competent United Nations agencies and was of particular importance to developing countries.
12. Mr. GONZALEZ (Argentina) said that his delegation agreed with the views expressed by the representative of Egypt on paragraph 72. There was a need for UNCTAD to participate in the new debt management activities.
13. Mr. TUAN (Liberia) said that his country would like to be associated further with the rice research and training project referred to in document DP/524, paragraph 5. Debt management was a major problem for developing countries, including Liberia, and the Governing Council should maintain and approve paragraph 72.
14. Mr. LAZAREVIĆ (Observer for Yugoslavia) associated himself with the views expressed by the representatives of Egypt and Kuwait. The co-operation that had evolved over the years between UNCTAD and UNDP should be continued and expanded. Paragraph 72 of document DP/524 proposed one way in which such co-operation could be deepened, and it should therefore be maintained as an initial attempt by UNDP and UNCTAD jointly to assist developing countries in managing their debts.
15. Mr. GIBSON (New Zealand) said that the question whether paragraph 72 should be deleted was a sensitive one involving other institutions. While his delegation appreciated UNCTAD's role in debt renegotiations, it could not accept the proposal in paragraph 72 in its present form, since it would impose a heavy new demand on UNDP resources. If there was a clear wish for the proposal to go ahead, then UNCTAD should discuss with IMF an appropriate apportionment of the tasks envisaged in the proposal to ensure that there was no duplication of efforts. The UNCTAD secretariat should bear the cost of any small-scale project agreed between UNCTAD and IMF.
16. Mr. FARASHUDDIN (Bangladesh) said that his delegation appreciated the support for the establishment of the International Centre for Diarrhoeal Diseases Research in Dacca, which it hoped would be continued and increased under the programme for the third cycle. The debt management issue facing developing countries was of such significance that paragraph 72 of DP/524 should be retained.
17. Mr. TOBON (Colombia) said that his delegation was also in favour of maintaining paragraph 72. He expressed support for UNDP technical assistance in connexion with the Generalized System of Preferences.
18. Mr. KANAAN (United Nations Conference on Trade and Development) said that the UNDP interregional programme was one of the most important sources of financing for UNCTAD's operational activities in pursuance of policy positions taken by the Conference and other bodies of UNCTAD's permanent machinery. Through the interregional programme, UNCTAD had been able to provide effective technical assistance to developing countries in a wide range of areas pertaining to its global responsibilities in the field of trade and development, and it appreciated the continued support and co-operation of the Administrator of UNDP.

(Mr. Kanaan, UNCTAD)

19. UNCTAD's concern with the debt problem of developing countries dated back to the 1960s. The issues involved had been examined at various sessions of the Conference as well as in several UNCTAD intergovernmental expert groups and the Trade and Development Board. It was now universally agreed that debt problems could not be treated merely as financial issues but should be viewed in the wider context of development and in relation to trade and trade policies. Discussion of the problem in UNCTAD had helped the international community to reach a consensus at the ministerial special session of the Trade and Development Board in 1978, which had adopted resolution 165 (S-IX), subsequently affirmed by the General Assembly. More recently, in September 1980, the Board had reached a further consensus agreement in its resolution 222 (XXI), which set out detailed operational features to serve as a basis for future debt negotiations in multilateral forums dealing with debt reorganization. In particular, paragraph 14 of that resolution provided for UNCTAD's participation in the multilateral meetings on debt reorganization (Paris Club) on the same basis and terms as other participating international organizations, and it had been agreed in that connexion that the Secretary-General of UNCTAD would have a particular interest in the agreed detailed features for future operations relating to the debt problems of interested developing countries.

20. Since 1979, the UNCTAD secretariat had participated in the ad hoc multilateral meetings for debt reorganization of individual developing countries which had so requested. The UNCTAD secretariat had thus had the opportunity to examine in depth the external indebtedness problems of several developing countries and had prepared analytical reports with a view to assisting in the consideration of individual cases of debt reorganization at the ad hoc multilateral meetings. In the light of recent experience, it had become obvious that additional resources were needed to give countries facing indebtedness problems substantive assistance in preparing the presentation of their case before those ad hoc meetings. Requests for such assistance from a number of developing countries, especially in the African region, had been addressed to UNCTAD.

21. However, the countries concerned needed assistance not only in preparing for the meetings on debt reorganization but also in developing their institutional and technical capacity to monitor external debt obligations and debt servicing, so that they could anticipate problems and make the necessary provision for appropriate action. An interregional project in that area would enable UNCTAD to provide technical assistance to developing countries which requested it. Those countries could also make use of the services provided by the World Bank and IMF. The interregional projects referred to in paragraph 72 of document DP/524 had been prepared by UNDP in consultation with IMF and the World Bank. The aim had not been to duplicate an existing facility but to give developing countries the option of seeking assistance from non-creditor institutions which would take into account the broader context of external sector management and the long-term requirements of those countries for economic and social development. Indeed, UNCTAD had urged the establishment of effective procedures, in co-ordination with IMF and the World Bank, for responding to requests for such economic analyses. UNCTAD's mandate in that area complemented that of the World Bank and IMF.

22. Mr. MASHLER (Senior Director, Division for Global and Interregional Projects) said that UNDP had been associated with the Generalized System of Preferences for the past 10 years. However, it would have to consider how long it could continue its involvement and to what extent new funding could be found if it was obliged to respond to new initiatives from various international forums. It had hoped to end its involvement by 1982, but the interest displayed by the UNCTAD Special Committee on Preferences had convinced it that it should continue beyond that date. Over the past 10 years UNDP had contributed some \$2.5 million to support the Generalized System of Preferences programme, and it would co-operate closely with UNCTAD and other bodies to ensure its continued success.

23. UNDP would continue to support the provision of interregional advisory services in the field of maritime legislation and related questions. If the Council approved, it could consider specific projects in that area.

24. The favourable reception given by delegations to UNDP's aid to the International Centre of Insect Physiology and Ecology was gratifying. UNDP had founded that institution, which was currently being sustained by donor countries throughout the world, including an increasing number of developing countries. However, the Centre urgently required additional funding.

25. UNDP would consider ways in which the TRAINMAR programme, already operating in Africa and Asia, might be extended to the Latin American region.

26. With respect to the role of women in development, UNDP was funding programmes aimed at involving women in development, and especially in agricultural and medical research.

27. UNDP was concerned about the poor communications with some member States which were to benefit from certain projects, and hoped to take steps to rectify the situation.

28. UNDP's support of maize production under the global programme was achieving positive results, and satisfactory progress had been made. Not only scientific issues were involved in the question of maize production; social and economic constraints were also important. UNDP was also providing support for the West African Rice Development Association, which, in co-operation with other institutes, was conducting experiments in Liberia and other African countries. The results of those experiments would be made available to all countries.

29. Mr. MORSE (Administrator) said that he shared the concern of the developing countries over the question of debt management. Aid was available for such purposes from IMF, and the World Bank could provide consultative services either as part of its loan agreements or in the context of normal staff consultations. Funding was also available to all developing countries from their national IPFs. If UNDP were to establish funding at the interregional rather than the national level, the interregional IPF would be jeopardized without necessarily helping the countries concerned. The withdrawal of that activity from the interregional component of UNDP's activities did not reduce the services available to developing countries. The decision had been taken with the prior knowledge of UNCTAD. UNDP was very willing to provide developing countries with assistance in the field of debt management.

30. Mr. GADEL HAK (Egypt) said that the question of debt management was of great importance to the developing countries. The project referred to in paragraph 72 of document DP/524, should certainly be maintained.

31. Mr. AHMOND (Niger) said that his delegation supported the projects referred to in documents DP/PROJECTS/R.14/Add.1-6, particularly those relating to the West African subregion. With regard to interregional programming, the Niger welcomed UNDP's support for UNCTAD in implementation of the Generalized System of Preferences and trusted that it would continue. On the question of debt management, his delegation endorsed the contents of paragraph 72 of document DP/524. The question of public debt management was a difficult one for developing countries, in view of the large percentage of their resources involved.

32. Mr. ASRANI (India) said that further consultations between UNCTAD, IMF and the World Bank would be necessary on the question of debt management. UNCTAD could be requested, through the interregional programme of UNDP, to involve itself with debt management where that was convenient. Although the World Bank and IMF had facilities available, developing countries should be left with such an option.

33. Mrs. ANTONINI (Venezuela) said that the servicing of external debt was of vital concern to developing countries. Her delegation was concerned that programmes might be curtailed owing to lack of funds. The Administrator should continue to study the question in the interval before the next session of the Governing Council.

34. The PRESIDENT said that, if there was no objection, he would take it that the Council wished to adopt the recommendations contained in documents DP/PROJECTS/R.14/Add.1-6 and corrigenda.

35. It was so decided.

36. The PRESIDENT said that, if there was no objection, he would take it that the Council wished to take note of document DP/524 and the comments made by delegations and by the Senior Director of the Division for Global and Interregional Projects.

37. It was so decided.

38. Mr. MASHLER (Senior Director, Division for Global and Interregional Projects), replying to requests for further clarification regarding the decision just taken, said that, in accordance with the suggestion made by the Indian delegation that further discussion should be held on the subject of debt management with IMF, the World Bank and UNCTAD, and in view of the Administrator's position that there was no role for debt management activities in the interregional programme as distinct from country programmes, the Council had agreed that, for the time being, debt management activities should not be included in the interregional IPF. However, should it emerge from the proposed discussions that there was a role for UNDP to play in that area, the matter could be reconsidered and a report submitted to the Governing Council.

39. Mr. HAGGAG (Egypt), supported by Mr. PELAEZ (Observer for Peru), Mr. ASRANI (India) and Mr. AMOKO (Uganda), said it was his understanding that, in the absence of a consensus in favour of deleting paragraph 72, the Council had decided to retain it while leaving the door open for further negotiations and a subsequent report to the Council.

40. Mr. MASHLER (Senior Director, Division for Global and Interregional Projects) said he did not see that any major problem existed. After issuing his report, the Administrator had concluded that the question of debt management should be omitted from the interregional programme but stood prepared to consider UNDP's involvement in debt management activities in the light of future discussions with IMF, the World Bank and UNCTAD. It was clear, therefore, that the paragraph was sub judice, and UNDP did not envisage any involvement in debt management at the interregional level for the time being.

41. The PRESIDENT observed that there seemed to be strong feelings on the issue and suggested that the Council should wait until the Administrator was once again present to provide the clarifications which members sought.

42. He trusted that the Secretariat would consolidate all the relevant decisions on country and intercountry and global programmes and projects as well as other decisions on agenda item 6 in a single resolution, as had been the practice in past years.

TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES (continued) (DP/L.362, L.363, L.367; TCDC/2/19)

43. Mr. MORSE (Administrator), introducing the report of the High-level Committee on the Review of Technical Co-operation among Developing Countries on the work of its second session (TCDC/2/19), said that the report would be submitted to the General Assembly at its thirty-sixth session through the Governing Council and the Economic and Social Council.

44. Extensive debate on TCDC progress had taken place at the session, while the question of new policies and innovations to further the development of TCDC, the work programme for the 1983 session of the High-level Committee and matters relating to financial resources and arrangements for TCDC had been considered by working groups.

45. There was a need for the United Nations development system in general, and UNDP in particular, to intensify its efforts to fulfil the expectations of developing countries by supporting their activities in a sustained and catalytic manner, while bearing in mind that TCDC ultimately depended upon the self-reliance of developing countries themselves. Support for TCDC promotional activities by the organizations of the United Nations development system might be adversely affected by the lack of adequate resources.

46. The second session of the High-level Committee had had before it several sectoral studies demonstrating the role and potential of TCDC. Following consideration of those studies, the Committee had called upon UNDP to concentrate on action-oriented activities, including field missions for the purpose of

(Mr. Morse)

identifying and assisting in the formulation of specific TCDC projects. It was in that context of UNDP's central role in promoting TCDC within the United Nations system that the Special Unit for Technical Co-operation among Developing Countries would, in 1982-1983, focus on such basic issues as information, finance, training and administrative mechanisms. Sectoral studies bearing on TCDC would be taken up by specialized agencies and their governing bodies. All elements of UNDP would continue to co-operate closely with the Special Unit. UNDP would continue to adapt its operational policies and procedures with a view to the inclusion of TCDC dimensions in country and intercountry programmes.

47. At the request of the Governing Council at its twenty-seventh session, a study on TCDC policies, rules and procedures of UNDP (TCDC/2/17) had been transmitted to the Council for the consideration of the High-level Committee. The Committee had reviewed all aspects of reimbursement from country IPFs of local currency costs of TCDC projects and had adopted decision 2/9 recommending, *inter alia*, that UNDP should ensure that for the period of the third programming cycle, earmarking from country IPFs for TCDC activities for the benefit of other countries did not exceed 10 per cent of the country's IPF or \$7.5 million, whichever was smaller, and should lift the blanket restriction on the reimbursement of local currency costs. Appropriate proposals were made for the modification of policies, rules and procedures intended for the enhancement of TCDC. Decision 2/9 further recommended that the Governing Council should consider favourably the proposal of the Administrator to use \$1 million for the period 1982-1983 for TCDC promotional activities.

48. Although, as recognized in the Buenos Aires Plan of Action, the financing of TCDC was primarily the responsibility of developing countries themselves, he believed that the United Nations system in general and UNDP in particular should provide supportive resources in the form of seed money which could enable developing countries to initiate and manage TCDC activities among themselves. The resources requested from the Governing Council were intended to be used for UNDP's collaborative efforts with Governments of developing countries in the formulation of TCDC activities, and for providing catalytic support in activities of a promotional nature undertaken in close collaboration with United Nations agencies and other organizations committed to the promotion and strengthening of TCDC. They would also be used to finance TCDC training, manuals, and programmes designed for developing countries and to be implemented in 1982-1983. Finally, resources were needed to finance a limited number of studies or reports requested by the High-level Committee, in addition to the publication of TCDC News.

49. Mr. ASRANI (India), introducing draft decisions DP/L.362 and DP/L.363 on behalf of the sponsors, whose representatives had been among the officers of the High-level Committee at its second session, said that although, as the representative of the country which had presided over the Committee, he recommended that the Governing Council should adopt draft decision DP/L.363, that did not necessarily mean that his delegation was happy with the conclusions reached by the High-level Committee. Like other delegations, it had been in favour of greater flexibility in the provisions for a review of UNDP policy, rules and procedures. However, the draft decision did fully reflect the decisions taken in a spirit of

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(Mr. Asrani, India)

compromise by the High-level Committee and, since all members of the Council were also members of the Committee, his delegation recommended that the draft decision should be adopted in order to avoid repeating the debate which had taken place in the Committee.

50. With regard to draft decision DP/L.362, he drew attention to the square brackets around the words "from the Programme Reserve" in operative paragraph 2. The High-level Committee had taken no decision on whether the \$1 million should come from the Programme Reserve, since some delegations had felt that it was for the Governing Council to decide on the source. He proposed that the square brackets should be removed and the words "from the Programme Reserve" retained.

51. Mr. HAGGAG (Egypt), introducing draft decision DP/L.367 on behalf of the sponsors, said it was clear that the maritime sector was not receiving the attention it deserved in view of its importance to trade. The draft decision, pursuant to the High-level Committee's request in its decision 2/5 that the Governing Council should take steps to identify and strengthen maritime activities and training facilities which had multinational scope, was intended to enhance the capabilities of maritime transport training facilities in the developing countries.

52. Mr. GONZALEZ (Argentina) said that his delegation supported the draft decisions, as it attached great importance to technical co-operation among developing countries and to UNDP co-operation in that area. He was pleased to see the statements in paragraph 2 (c) (ii) of draft decision DP/L.363 that TCDC should be organized by developing countries themselves; that approach was extremely important for the self-confidence of developing countries. The provision in paragraph 2 (e) for payments to be made in the currencies of expenditure on the inputs concerned would be extremely helpful to countries using their IPF resources for TCDC activities.

53. Mr. LEIKVANG (Norway) said he did not believe that funding for TCDC should come automatically from the UNDP Programme Reserve. However, as the end of the session was near and it might be difficult to spend further time on the issue, his delegation would not oppose the funding of TCDC from the Reserve for the time being and would agree to the removal of the brackets in paragraph 2 of draft decision DP/L.362, as long as it was understood that the question of financing TCDC had to be further considered. In order to make that clear, Norway and the other Nordic countries proposed that the draft decision should be amended. A new paragraph should be inserted after paragraph 2, reading as follows:

"3. Requests the Administrator to submit to the Governing Council at its twenty-ninth session a report on the use and proposed use of these funds as well as a study on the possibility of financing TCDC from other sources than the Programme Reserve, i.e., the regional and interregional IPFs".

That would be followed by another paragraph, reading:

"4. Further requests the Administrator to report to the twenty-ninth session of the Governing Council on the TCDC activities under the regional and interregional programmes for the third cycle".

(Mr. Leikvang, Norway)

Since the Council's thirtieth session would not convene until after the third session of the High-level Committee, the Nordic countries felt that the reports should be submitted to the twenty-ninth session of the Council so that they could be discussed before the Committee met again. That concern was reflected in an amendment to the existing paragraph 3, which would read:

"5. Requests the Administrator to submit to the High-level Committee at its third session in 1983 the above reports together with any comments of the Governing Council as well as an assessment on the use of the funds allocated".

54. Mr. ASRANI (India) said that, since the representative of Norway had agreed to the retention of the words "from the Programme Reserve" and the amendments did not alter the substance of the draft decision, he could fully support them.

55. Mr. GONZALEZ (Mexico) said that draft decision DP/L.367, to which his delegation attached particular importance, deserved the support of the Governing Council.

56. Mr. BLAIN (Gambia) said that his delegation believed in the potential of TCDC to strengthen co-operation and promote self-reliance. He recalled that the relationship between ECDC and TCDC had been stressed on numerous occasions in the past. Without detracting from the efforts of UNDP, he said that there was still much to be done in expanding TCDC activities. He considered important that the Special Unit for TCDC should play a more active role and receive the necessary resources to do so.

57. His delegation fully supported the draft decisions, which were designed to establish guidelines and a framework for a more active role of the Special Unit and UNDP with regard to programme delivery and programme execution in the vital field of TCDC. It considered that the brackets in paragraph 2 of draft decision DP/L.362 should be removed, since the Programme Reserve was the most convenient source of the \$1 million. With regard to the amendments to that text, it would be more appropriate if the proposed new paragraph 3 was worded as follows:

"Requests the Administrator to submit to the Governing Council at its twenty-ninth session a report on the use and proposed use of those funds as well as a study on the possibility of financing TCDC from other sources, including the regional and interregional IPF and other international financial institutions".

58. Mrs. BALLESTER (Cuba) said that her delegation favoured the removal of the brackets in paragraph 2 of draft decision DP/L.362 and supported the amendments proposed by the Nordic countries, as further amended by Gambia. As for draft decision DP/L.363, she shared the concern expressed by the representative of India about the lack of flexibility. With regard to draft decision DP/L.367, she said that her delegation had often stressed the importance of maritime transport to economic development and of the work done by UNCTAD and IMCO in that field.

59. Mr. ERAPOHJA (Observer for Finland), speaking on behalf of Denmark, Norway, Sweden and Finland, said that in the High-level Committee the Nordic countries had reiterated their support for the concept of TCDC and for appropriate actions to enhance TCDC activities. In a wider context, they recognized TCDC as a vital element in the realization of the third International Development Strategy and of the new international economic order.

60. The Nordic countries felt that TCDC was neither an end in itself nor a substitute for co-operation with developed countries; rather, it was an integral part of multilateral technical co-operation. It should therefore be promoted as a regular part of the existing multilateral machinery, in which UNDP had a central and catalytic role to play. It should not be forgotten, however, that the primary responsibility for TCDC rested with the developing countries themselves. He therefore welcomed the decision to invite Governments to collect, on a systematic basis, information on their TCDC activities and to share that information with the United Nations development system. That would ensure a more complete and more analytical coverage of activities of Governments in TCDC and the potential of developing countries to promote TCDC activities. As had been pointed out, the attitudinal barriers coupled with insufficient information on the availability of technical and human resources needed for co-operation between developing countries were major obstacles to the advancement of TCDC.

61. Although the developing countries had acknowledged their primary responsibility for financing TCDC, many of them found it difficult to generate all the necessary finances for TCDC activities from within. The Nordic countries believed that international financial organizations had an important role to play in providing financing, particularly in the form of seed money for TCDC activities. With regard to additional sources of financing, the international development financing institutions, such as the World Bank Group and the regional development banks and funds should be encouraged to provide financing for, and to intensify their efforts in identifying, TCDC projects and programmes. Encouragement should also be given to trilateral arrangements, which could make a significant contribution to the financing of TCDC.

62. He recalled that the High-level Committee, in its resolution 1/7, had asked the Governing Council to consider an increase in funding from global, interregional and regional programmes to TCDC activities. In preparing the regional programmes for the third cycle, UNDP as well as the Governments of the countries in the regions had a special responsibility to ensure that those programmes contained a substantial amount of TCDC activities. The Nordic countries saw the regional and interregional IPFs, which represented several hundred million dollars over the current five-year cycle, as an important source of finance for TCDC activities. In their view, the regional, interregional and country IPFs must be the primary source of UNDP financing for TCDC activities. The Programme Reserve was not an appropriate source of financing for that purpose, since the amounts available from the Reserve would necessarily be extremely modest.

63. Although UNDP should play a central and co-ordinating role in promoting TCDC, the concept of TCDC should permeate the entire United Nations development system, including the specialized agencies which could greatly increase the volume of project inputs in their respective areas of expertise.

(Mr. Erapohja, Observer, Finland)

64. Despite overwhelming problems of political, attitudinal and financial nature, significant progress had been achieved in terms of the introduction and application of TCDC modalities in co-operation with developing countries at all levels. The High-level Committee had provided the Governing Council with solid guidance for strengthening and expanding TCDC as an effective instrument for international co-operation and ultimately collective self-reliance of the developing countries.

65. Mr. WINDSOR (United Kingdom) said that his delegation could support draft decision DP/L.362 with the amendments introduced by the representative of Norway. It would, however, prefer the brackets in paragraph 2 to be removed. His delegation could also support draft decision DP/L.363, although it might have been useful in paragraph 3 to request the Administrator to report to the Governing Council at its twenty-ninth session. Lastly, his delegation supported the adoption of draft decision DP/L.367.

66. Mr. MOUMOUNI (Niger) said that while the United Nations system and the international community in general had a major role to play in promoting the development of developing countries, there was also a need for genuine co-operation among developing countries themselves in the technical and other fields. TCDC should be viewed as an integral part of over-all international co-operation and should be supported by the United Nations system as a means of enabling the developing countries to enhance their individual and collective negotiating capacity and to take full advantage of the potential for co-ordinated development of their economies. His delegation was firmly committed to the various programmes and plans of action on TCDC adopted in recent years by the United Nations, the Group of 77, the group of non-aligned countries and OAU.

67. The central aim of technical and economic co-operation among developing countries should be to enable them to make progress through their own efforts, while developing the habit of self-reliance. TCDC was a reflection of the will of the developing countries to strengthen their economic and social institutions in accordance with their own priorities and aspirations with a view to redressing their unequal position in international economic relations, and was the best means of reducing such structural inequalities. The Buenos Aires Plan of Action set forth the principle that the developed countries and international organizations, especially UNDP, should provide financing for TCDC activities. In that connexion, it was regrettable that many developed countries seemed of late to be taking a harder line on a number of issues that had a crucial bearing on TCDC and on the situation of the developing countries in general. TCDC should be viewed from the standpoint of over-all world development and against the background of a bipolar world comprising technically advanced countries, on the one hand, and countries rich in raw materials, on the other. It was a mechanism for facilitating transfers and trade between those two categories of countries on fair, equitable and mutually advantageous terms. It should not, therefore, be regarded as an end in itself but rather as a tool for promoting the economic and social progress of the international community as a whole. Greater efforts were needed to give effect to the Buenos Aires Plan of Action, since so far very little tangible progress had been made towards that end.

68. His delegation hoped that the three draft decisions before the Council would be adopted by consensus.

69. Mr. LEIKVANG (Norway) said that his delegation had no strong objection to the Gambian subamendment, although it broadened the scope of the paragraph beyond the United Nations system, which was the focus of the draft decision. Moreover, it would seem that the concerns of the Gambian delegation were met by decision 2/8 adopted by the High-level Committee.

70. Mr. ELFAKI (Observer for Sudan) welcomed the statement by the Administrator, which reflected the importance UNDP attached to technical co-operation among developing countries. The interaction between the developing countries with their commitment to TCDC, on the one hand, and UNDP with its wealth of experience and expertise, on the other, would be most beneficial for the promotion of collective self-reliance. His delegation therefore fully supported the three draft decisions.

71. Mr. BLAIN (Gambia) said that the main concern of his delegation in proposing its subamendment was to avoid ruling out the Programme Reserve as one of the sources of funding for TCDC activities. However, his delegation was prepared not to press for a reference to other international financial institutions.

72. Mr. LEIKVANG (Norway) said that, in view of the Gambian delegation's willingness not to press for such a reference, the sponsors of the amendments would accept the subamendment and agree to the removal of the square brackets in paragraph 2 of draft decision DP/L.362.

73 Draft decision DP/L.362, as orally amended, draft decision DP/L.363 and draft decision 367 were adopted.

PROGRAMME PLANNING AND PREPARATION FOR THE THIRD PROGRAMMING CYCLE, 1982-1986
(continued)

(c) ASSISTANCE TO SPECIFIC COUNTRIES (continued)

Assistance to Lebanon (continued) (DP/L.368)

74. The PRESIDENT announced that Bangladesh had become a sponsor of draft decision DP/L.368.

75. Mr. CLARK (United States of America) and Mr. WINDSOR (United Kingdom) said that their Governments supported the efforts of Lebanon to obtain increased assistance to meet its enormous needs and strongly favoured the adoption of draft decision DP/L.368.

76. Draft decision DP/L.368 was adopted.

77. Mr. EL-EBRAHIM (Kuwait) said his delegation hoped that the Administrator would submit to the Council a comprehensive report on assistance provided by UNDP to Lebanon in pursuance of the decision which had just been adopted.

The meeting rose at 6.20 p.m.