GOVERNING COUNCIL

Thirtieth session

SUMMARY RECORD OF THE 19th MEETING

Held at Headquarters, New York,
on Monday, 13 June 1983, at 10.30 a.m.

President: Mr. SLIM (Tunisia)
later: Mr. SZEREMETA (Poland)

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PROGRAMME PLANNING: THE THIRD PROGRAMMING CYCLE, 1982-1986

(b) COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

(i) RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING (DP/1983/66)

(ii) TRENDS AND PROBLEMS IN THE COUNTRY PROGRAMMES (DP/1983/60 and Add.1)

(iii) IMPLEMENTATION OF SELECTED COUNTRY PROGRAMMES (DP/1983/62, 64)

(iv) CONSIDERATION AND APPROVAL OF COUNTRY PROGRAMMES (INCLUDING REQUESTS FOR EXTENSIONS) (DP/CP/SYR/3, DP/CP/BZE/2, DP/CP/COL/3 and DP/CP/COL/NODE/3, DP/CP/KOS/3, DP/CP/NIC/3, DP/CP/TRI/3, DP/CP/BOL/EXTENSION, DP/CP/ELS/EXTENSION)

(v) CONSIDERATION OF REGIONAL PROGRAMME (DP/RAB/1)

(vi) GLOBAL AND INTERREGIONAL PROJECTS (DP/PROJECTS/REC/II, DP/1983/39)

(vii) APPROVAL AUTHORITY (DP/1983/52)

1. Mr. WIESEBACH (Assistant Administrator) said that the Administrator's report on relevant trends and problems in the country programmes proposed for approval at the current session (DP/1983/60 and Add.1) was intended to assist the Governing Council in its review and approval of the 20 programmes concerned. Statistical information was given in that report on the preparatory work, financial aspects, sectoral distribution and global priorities of the individual programmes, together with an abstract of major national development objectives and information on the orientation of the country programmes and their relationship to bilateral and other multilateral programmes. The submission of those 20 programmes, together with the country programme for Chad, which had not been included in the analysis because of its late submission, brought the number of country programmes for the third programming cycle submitted to the Council to 135.

2. In the light of the country programmes already approved, the 20 programmes available for analysis presented a fairly representative picture of the country programming process. A few of the programming patterns and special characteristics of the programmes merited mention.

3. First, a point consistently stressed in the country programmes was that their main objective was to support the national plan or a similar national development effort. Eighteen of the country programmes under review had been formulated on the basis of a national development plan, a national economic programme or national development objectives. Detailed information on that aspect was given in annexes I and II to document DP/1983/60/Add.1.

4. Secondly, the majority of the new programmes had been designed to coincide with the remaining four years of the IPF cycle. Moreover, 13 programmes covered a major part of the national plan periods of the countries concerned.

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5. Thirdly, a good deal of the preparatory work had been done with the full participation of Governments and representatives of United Nations organizations, under the leadership of the Resident Representatives. The formulation of nine of the programmes had been preceded by sectoral studies or reviews carried out with a view to identifying key areas for UNDP assistance, and more than half the programmes had benefited from the results of specific programming missions undertaken by the agencies at the request of Governments. Assessments by Resident Representatives of prior country programme experience had been taken into account in the preparation of 12 programmes. Annex II to document DP/1983/60/Add.1 gave detailed information on that aspect of country programming.

6. The continuous programming approach, through sectoral earmarkings and unprogrammed reserves, continued to be applied by Governments, though to a lesser extent than had been apparent in programmes approved earlier for the third cycle. Column 10 of annex III to document DP/1983/60/Add.1 gave the percentage of resources earmarked for continuous programming. That percentage was based upon the 80 per cent programming level set in 1981, which had still been valid at the time of preparation of most of the country programmes. However, the decision to cut the authorized budget levels to 55 per cent of the illustrative IPFs had further reduced the resource base for individual country programmes, with the result that only a few had sufficient uncommitted resources to make continuous programming possible.

7. The Governing Council would be pleased to note that specific consideration had been given to globally expressed priorities of development policy in the formulation of two fifths of the country programmes under review. Emphasis on investment orientation, with particular attention to natural and mineral resources surveys, continued to be a notable feature of the majority of programmes.

8. In almost all cases, the country programmes demonstrated that much progress had been made in achieving a complementary and co-ordinated approach to programming at the country level with other funds and programmes, both multilateral and bilateral. Although no instances of joint programming with other United Nations assistance programmes were cited in the country programmes under review, the trend towards greater co-ordination might be viewed as a useful step towards more cohesive programming of United Nations resources. Section C of document DP/1983/60 provided details regarding UNDP's role in co-ordination and annex IV to document DP/1983/60/Add.1 contained detailed information, on a country-by-country basis, on that subject.

9. Half the programmes reviewed relied on cost-sharing contributions from recipient Governments, third-party donor Governments or other organizations. That was a positive trend and demonstrated the further recognition by Governments of the importance of UNDP-assisted activities.

10. At the Council's special meeting in February 1983, several delegations had called for more substantive details on projects in some country programmes. To the extent possible, such details had been provided in the programmes under
consideration, although most of them had already been prepared at the time of the 1983 special meeting. While the short format of country programme documents made it difficult to give exhaustive information on all ongoing and new projects, account would be taken of the Council's request in the preparation of country programmes for submission in 1984. Members wanting more detailed information on projects should refer to the project fact sheets, which supplied comprehensive information on project approvals and were available on request.

11. At its twenty-fifth session, the Governing Council had agreed to raise from $150,000 to $250,000 the level of expenditure marking the point at which project fact sheets would have to be issued. Since that time, however, the cost of project inputs had so increased that fact sheets were currently required for a large number of projects which previously would have called for a UNDP contribution of less than $250,000. An increase to $400,000 (which was approximately equivalent in net worth to $250,000 in 1978) in the level of expenditure marking the point at which the issue of a fact sheet would be required would eliminate fact sheets for the type of projects that had not formerly been covered. The Administrator therefore proposed that the ceiling should be raised to $400,000, which would be consistent with the Resident Representatives' delegated approval authority.

12. The Administrator also intended to issue fact sheets when there were additional cumulative increases of $250,000 or more over the $400,000 mark. The arrangement adopted in 1978 for the inclusion in the Administrator's annual report of all newly approved projects with a UNDP contribution of $50,000 or more would be unaffected. Within a few days, the secretariat would be distributing a document giving additional information on projects approved and terminated during the latest quarter.

13. The reports of the regional directors on the implementation of selected country programmes in the various regions, which were being submitted to the Council for the first time at the current session, would enable the Council to relate operational activities to the programme proposals which it had approved at previous sessions, thereby giving it a better picture of the progress and trends in country programmes.

14. Mr. DE VEY MESTDAGH (Netherlands) said that, while policy matters in the field of financing might receive more attention in the Council's deliberations, the country programmes formulated by recipient Governments together with the administration were what the Programme was all about. The country programmes currently before the Council were from a variety of countries, ranging from the poorest to the more affluent. The programme documents for Sri Lanka and Colombia were of particular interest to his delegation, since those two countries were on the list of target countries for Netherlands bilateral assistance. His delegation endorsed the programme outlines given in both documents.

15. His delegation agreed with the statement made by the Australian delegation at a previous meeting regarding cut-backs in very small country programmes for some of the least developed countries. If a viable level of UNDP activities was to be safeguarded, the IPFs of those countries should be kept as high as possible.
16. The Netherlands had recently assessed the impact of the reductions in the country programmes of some 15 countries which were considered target countries in its bilateral programme of development co-operation. It appeared that the credibility of UNDP as a partner in development had been impaired. Although it had so far been possible to complete ongoing projects, it was no longer possible to consider new projects in the majority of countries. One could only guess what impact that might have on UNDP activities in those countries within a few years; the outlook was not promising.

17. With a view to alleviating the problems resulting from cut-backs in UNDP programmes in a number of countries with which the Netherlands had specific relations in the field of development co-operation, his Government was considering ways of taking over UNDP projects in its bilateral assistance programme. While no final decision had yet been taken and while the limited resources for bilateral assistance left little room for manoeuvre, his Government hoped that other donor countries would consider similar action.

18. Given the need to maximize the co-ordinating role of UNDP, it was reassuring that, in almost half the country programmes submitted to the Governing Council, the notes by the Resident Representatives on the possible orientation of the new programmes had served as a key instrument in the dialogue between UNDP and the Governments concerned. Those notes were essential to co-ordination at the field level, since they reflected the collective wisdom of the United Nations system. The observations in paragraph 37 of document DP/1983/60 suggested, however, that there was still considerable scope for improvement in the formulation of country programmes. A number of programme documents failed to include particular types of information, which were clearly specified by the Administrator himself in that paragraph. It should not be an insurmountable problem to harmonize the formulation of the programme documents in that respect by giving clear instructions to the field offices.

19. His delegation welcomed the action taken by the Administrator with regard to the use of programme resources for equipment. While it recognized that it was difficult to establish at the outset firm figures for the level of anticipated expenditure for the equipment component of country programmes, his delegation hoped that, on the lines of the instructions issued by the Administrator, the question would be dealt with effectively in the preparation of individual projects.

20. Mr. WANG Jinsen (China) said that the report of the Administrator (DP/1983/60 and Add.1) gave a clear analysis of the country programmes proposed for approval in June 1983. In the project formulation process, the Governments of the recipient countries, the UNDP Resident Representatives and the representatives of the relevant United Nations organizations had all worked in close co-operation. That approach was consistent with the principles embodied in the Consensus of 1970, particularly the principle of respect for the sovereignty of the recipient countries. Moreover, the country programmes had been formulated in accordance with the national development plans and the goals, needs and priorities of the recipient countries.
21. The resource crisis had caused difficulties in the project formulation process. In a significant number of the country programmes, however, cost-sharing arrangements had been devised as a way of ensuring that projects were fully and smoothly executed. That was a reflection of the developing countries' commitment to the technical co-operation mechanisms of the United Nations system.

22. His delegation was gratified to note that the country programmes had been formulated primarily in the field. It believed that the Governing Council should focus on the issues of broad significance rather than on the minor details of the programmes.

23. Mr. Bonnet (Federal Republic of Germany) said that his delegation was pleased to note that most of the country programmes under review were based on national development priorities and objectives, that in 13 programmes there had been an overall identification of technical co-operation requirements and that the country programming process had been the subject of internal discussions among the various ministries and of consultations involving the Governments, the Resident Representatives and the representatives of the relevant United Nations organizations. The higher level of co-ordination and integration between UNDP-financed activities and those funded on a bilateral and multilateral basis was likewise gratifying. The country programme for Cyprus was an excellent example of what could be achieved in that respect.

24. His delegation welcomed the trend towards more cost-sharing arrangements. The country programmes for Colombia and Trinidad and Tobago showed that there was a correlation between the resources made available by Governments for cost sharing and the gross national product per capita.

25. His delegation questioned the advisability of placing so much emphasis on the investment orientation of country programmes, with particular reference to natural and mineral resources surveys. It would be better to put the emphasis on building up human resources.

26. His delegation welcomed the Administrator's proposal to standardize the types of information contained in country programme documents. In addition to the types of information referred to in paragraph 37 of document DP/1983/60, information on the cost of individual projects was particularly helpful.

27. Mr. Hare (Canada) said that the report of the Administrator (DP/1983/60 and Add.1) gave a thorough review of the relevant trends and problems in country programming. It highlighted the strengths and weaknesses of the country programmes under review and the consistencies and inconsistencies between them. That critical analysis commended the report as compulsory reading for Resident Representatives and others engaged in the drafting of country programmes. In his report the Administrator had shown himself particularly sensitive to the comments made by delegations at the Council's special meeting in February 1983.
28. Canada believed that Governments should be fully committed to a coherent system of country programming, which should include all the technical assistance activities of the United Nations specialized agencies. That would be in keeping with the enhanced role of UNDP Resident Representatives called for by the General Assembly in resolution 32/197.

29. His delegation was particularly pleased to note the emphasis in certain country programmes on co-ordinating activities with those financed from other sources. The country programmes for Ghana and Sri Lanka were specific examples of the efforts to consult bilateral donors at the field level.

30. The content and quality of the country programmes still varied considerably. It would be useful if country programme documents could be further standardized to include more detailed information on the nature and objectives of major projects. In one case two projects costing about $1.5 million each had each been described in four lines, whereas elsewhere a project costing $43,000 had been described in 13 lines. He agreed with the preceding speaker that the financial implications of major projects should be specified; each programme document should also include a brief summary emphasizing the complementarity of possibly competing areas. The documents for Ghana, Benin and Liberia contained some useful references of that kind.

31. Improved country programme documents would be beneficial in a number of ways; they would enable the Governing Council to see to what extent actual project activities complied with the policies and priorities approved for UNDP, they would be useful to donor and recipient Governments in planning their bilateral aid relationships and they would reveal interesting lessons for future UNDP assistance.

32. The Governing Council would be able to assess proposed country programmes more realistically as the evaluation process was strengthened. In paragraph 14 of document DP/1983/60 reference was made to the assessments used in the preparation of 12 of the 20 country programmes before the Council. Access by the Council to at least the conclusions of those assessments would be essential to it in making judgements on the relevance and appropriateness of future UNDP activities proposed in programme documents submitted for its approval.

33. Mr. OZA (India) said that, while the report on relevant trends and problems in the country programmes proposed for approval (DP/1983/60 and Add.1) was of very high quality, he had been struck by the absence of any mention of one important trend, the growth in government execution of projects. If it was therefore to be assumed that there was not a single project under government execution in the 20 countries concerned, he would like to know why that was so. In the preparation of such reports in future, a paragraph should be included on the status of project execution by governments.

34. Mr. DITZ (Austria) said that since his delegation had not received the relevant documentation in time for consultations with his Government, there were a number of points on which he would have to reserve comment.
35. While his delegation had taken note of the Assistant Administrator's comment that co-ordination had improved, a careful reading of document DP/1983/60 hardly bore that out. In paragraph 19 of that document, for instance, examples of co-ordinating functions were given but no mention was made of the actual results of the consultations. Much more detailed treatment of the co-ordination issue was required.

36. With regard to the section of the Administrator's report that dealt with the financial aspects of country programmes, his delegation had been unable even with the aid of the UNDP Policies and Procedures Manual, to understand all the implications of paragraph 25 of document DP/1983/60.

37. His delegation shared the view of the representative of the Netherlands that cost sharing by donor Governments might be one way of overcoming the existing shortfall in resources. A number of bilateral donors might well be interested in adopting parts of UNDP projects which could not be executed owing to the reduction of IPFs. He asked whether there was a list of projects suitable for that kind of third-party cost sharing.

38. Mr. HAMDI (Tunisia) said that his delegation shared the views of the Indian delegation on the question of government execution of projects. With regard to the new form of cost sharing referred to by the Netherlands representative, his delegation believed that that arrangement, while appropriate for some developing countries, should not be extended to all of them because it would then challenge the central role of UNDP and might be used as a pretext for reducing support and contributions to UNDP.

39. Mr. ALBORNIZ (Ecuador) said that the Council had embarked on the central phase of its work, that of reviewing and approving country programmes. It should be borne in mind that the Governing Council alone had had the authority to do that. As an earlier speaker had proposed, an interim solution to the problems that had arisen in the course of attempts to safeguard the powers of the Council might be to designate particular time periods for the review of country programmes. No fewer than 16 countries had voiced support for the position that the Council should be the sole body to handle programmes and their analysis, evaluation and approval. Any other arrangement would imply that members of the Council were unfamiliar with the country programme formulation process or unwilling to exercise the powers conferred on them.

40. The fact was that the Governments of member countries were fully acquainted with all phases of the preparation of country programmes and, at least in the Latin American region, had been involved in that process for some 30 years. The existing system was admirably designed to reflect national choices of multilateral and bilateral inputs of technological transfer in support of the national development process.

41. The Latin American countries, in spite of the paucity of their own resources and the inadequacy of the IPFs, were making significant contributions to their own
Mr. Albornoz, Ecuador)

development effort. In the case of the country programme for Colombia, for example, cost sharing was at the level of 44 per cent; for Costa Rica, the figure was 42 per cent and for Trinidad and Tobago 75 per cent. The proper course for those who criticized UNDP and spoke of the need for greater control and more in-depth analysis of programmes was to offer encouragement to that cost-sharing effort.

42. Mr. Szeremeta (Poland) took the chair.

43. Mr. Brown (Deputy Administrator), introducing document DP/1983/66, on resources taken into account for programming, said that under the Consensus and the applicable procedures of UNDP, the country programmes under review had been prepared within the financial framework of the individual IPFs. At the same time, account had been taken of paragraph 4 (a) of Governing Council decision 80/30, which stated that if mobilization of resources fell short of the target for the third programming cycle, there would be a flat across-the-board percentage reduction in the IPFs of all countries in supersession of any other criteria. During 1980 it had become clear that projected resources for the third cycle would not sustain delivery of the full IPFs, and the Administrator had therefore instructed that all country programmes should be prepared with resources for programming calculated at 80 per cent of the illustrative IPFs. The programmes submitted to the Governing Council in 1981 and 1982 had been prepared on that basis.

44. The situation had continued to deteriorate, and in November 1982, following the annual pledging conference, the Administrator had concluded that projected resources would allow delivery of only about 55 per cent of the illustrative IPFs. By that time, however, the preparation of country programmes for submission to the special meeting of the Council in February 1983 and June 1983 had in many cases reached an advanced stage; those programmes had been submitted on the basis of the 80 per cent of illustrative IPFs because to renegotiate them would probably have made their timely submission to the Council impossible. The approval of projects under those programmes would, however, be geared to the 55 per cent limit and would be subject to the overriding requirement that expenditures should at all times be within available resources.


46. The Administrator and many delegations, particularly those of developing countries, had spoken of the serious consequences of the curtailment of programmes to 55 per cent of illustrative IPFs. Every effort would continue to be made to obtain increased contributions to UNDP and to seek cost-sharing contributions wherever possible in order to soften the impact of UNDP's own programme reductions. It had been heartening to hear from at least two major donors that they would consider some kind of cost-sharing arrangements under their bilateral
programmes in respect of UNDP projects which would otherwise have had to be curtailed, and UNDP intended to contact those Governments with specific proposals.

47. Mr. NAVAJAS-MOGRO (Assistant Administrator and Regional Director, Regional Bureau for Latin America), introducing the country and intercountry programmes and projects for Latin America and the Caribbean region, said that any discussion of the region's problems had to be prefaced by the statement that the region was facing its worst economic and social situation since the 1930s. That situation was due to a combination of long-standing structural imbalances and current recessionary and inflationary factors; social indicators had also been deteriorating, as evidenced by rising unemployment and underemployment and a fall in real income.

48. The sustained economic expansion of the previous two decades had created the expectation that growth would continue, self-sustained, narrowing the gap between the developing and industrialized countries. Many countries had taken advantage of the accessibility of international capital markets to incur debt, in order to finance economic expansion, on terms which had become burdensome as interest rates climbed steeply and world economic activity declined. In addition, the mobilization of domestic resources had been inadequate. Eventually the external debt-servicing burden had in many cases come to equal or exceed 50 per cent of the value of national exports, so that the countries of the region had become net exporters of capital. In fact, the Latin American and Caribbean region had the highest level of international debt, $US 300 billion, of any region in the world.

49. The financial crisis had been compounded by a number of natural disasters. UNDP had approved emergency assistance in 1982 for El Salvador, Guatemala, Honduras and Nicaragua and in 1983 for Bolivia, Colombia, Ecuador and Peru. Special allocations had also been approved during the latter half of 1982 for reconstruction projects in Colombia, Honduras and Nicaragua. However, in view of the overall situation in those countries, that assistance could be little more than symbolic.

50. The region undoubtedly possessed the potential to bring about its own recovery, an effort that would none the less require years of concerted action. International co-operation was required to achieve an adequate flow of external resources and efficient methods for directing those resources towards the priority development needs of the recipient countries. To that end, many of the projects in the programmes under review deal with improving output and productivity in essential economic sectors and the utilization of advanced technology to revitalize the economy or alleviate the social consequences of economic recession. Those projects demonstrated the region's confidence in UNDP as an instrument for overcoming, or at least relieving, the current situation.

51. The Latin American and Caribbean countries refused to allow UNDP activities to be jeopardized by the shortfall in resources and were working to maintain and increase the number of programmes by means not involving the use of IPFs. Thus, cost sharing by recipient Governments or bilateral or multilateral sources, had
risen substantially in recent years and was expected to equal 48 per cent of all UNDP resources allocated to the region during 1983. However, the capacity of the countries concerned to invest their own resources in cost sharing would in some cases soon be exhausted. In an effort to maintain the minimum level of financing for the region, the Regional Bureau was working more closely with other regional and world co-operation agencies so that urgent needs might not go unmet.

52. The second country programme for Belize, which covered the period 1983-1986, was geared towards providing support for the agricultural, industrial and infrastructure sectors, with emphasis on pre-investment activities. The Government was contemplating the use of cost sharing to strengthen its programme.

53. The third country programme for Colombia was designed to support the three fundamental objectives of the country's National Development Plan: planning of social change, revival and stabilization of the economy, and consolidation of the development process. The Government had adopted a policy of co-financing in order to ensure better monitoring of, involvement in and use of project results by national agencies. Every national counterpart agency would be required to contribute a fixed percentage of the costs of inputs supplied by UNDP. The Government would also provide 43 per cent of the resources required for programming on a cost-sharing basis.

54. Costa Rica's third country programme included projects that focused on new priorities, such as the stabilization and reactivation of the economy, formulation of investment projects, export incentives and special attention to energy problems. The Government had initiated projects having a high cost-sharing component, a number of which were currently being executed.

55. A programme for Nicaragua had been developed in collaboration with the Government for the period 1983-1985. In view of the country's desire to promote far-reaching change, the programme focused on agricultural and agro-industrial development. Other projects dealt with the national meteorological service, export promotion, energy, educational and cultural development, and industrial and regional planning.

56. UNDP co-operation with Trinidad and Tobago was directed towards the diversification of the country's economy and improvement of the economic and social infrastructure. Human resource development was emphasized, as were communications, increasing local food production and integrated watershed management. The Government was considering a contribution of $US 10 million through cost-sharing arrangements.

57. Extensions had been requested for the country programmes of Bolivia, El Salvador and Suriname. The establishment of a constitutional Government in Bolivia in October 1982 had resulted in the adoption of new economic policies, which had justified an initial extension of the second country programme until December 1982, and currently justified a second extension until December 1983. The Government had requested assistance from the United Nations to revive the country's
economy. The Secretary-General had appointed Miss Margaret Anstee as his Special Representative to Bolivia to give direction and substance to United Nations assistance in that country. In addition, ECLA had recommended to the General Assembly at the forthcoming session a draft resolution calling for increased assistance to Bolivia from the United Nations and the international community and for Bolivia to be added to the list of the least developed countries. The proposed extension of Bolivia's country programme reaffirmed the development objectives of the original programme and the need for UNDP assistance in the following strategic sectors: development programming and administration; productive sectors; agricultural and agro-industrial development; and development of the productive infrastructure and the social sectors.

58. The Government of El Salvador had requested an extension of the second country programme until December 1983 so that it would run until the end of its 1981-1983 Development Plan. The one-year extension would make it possible to continue activities in water resources, economic and social planning, river basin management, adult education, and basic health services in rural areas, and to initiate activities in such new priority areas as agro-industry and low-cost housing.

59. The Government of Suriname had requested a second extension of its first country programme until December 1983, the reasons for which were explained in document DP/CP/SUR/EXTENSION. The programme for Suriname would continue throughout 1983, with projects dealing with the housing sector, social welfare, establishment of a national accounts system and support for the mining sector.

60. In anticipation of the accession to independence of St. Kitts-Nevis in September 1983, the Council was being requested to approve an "independence bonus" for that State, according to the usual formula. Approval for the allocation of a separate IPF for Anguilla was also being requested; it would be used to finance the urgent technical co-operation needs of that territory.

61. On the subject of the regional programme for Latin America and the Caribbean (1982-1986) approved at the Council's special meeting in February 1983, he said that financial constraints made it necessary for the value of the regional programme to be demonstrated in terms of impact. That was being done through careful management of available resources and the employment of special operational modalities, among them co-financing, government execution of projects and TCDC. The new situation had required negotiations with Governments, regional bodies and executing agencies of the United Nations system on ways of transferring the execution of activities financed by UNDP to other national or regional support institutions. New initiatives in key sectors for regional development - for example, biotechnology or remote sensing of natural resources - were being encouraged, in the expectation that they would provide support for the operational networks within individual countries. Much remained to be done to reconcile growing needs with shrinking resources within the context of an effective regional programme, an effort which required the participation of all Governments of the region.
62. Since the previous session, a number of steps had been taken to expand the use of TCDC within the region within the context of UNDP programmes. Nine national projects to promote TCDC were already under way, as were a number of missions aimed at formalizing agreements between countries of the region. Countries had also pre-programmed significant portions of their IPFs for projects in the field of science and technology; it was anticipated that some 7 per cent would be so earmarked during the current cycle. Furthermore, a significant number of projects falling into categories such as agriculture, education, industry and mining had an important technology component, and the Regional Bureau continued to support activities in that direction.

63. Mr. ALBAN-HOLGUÍN (Observer for Colombia) said that, as one of the founding countries of UNDP, Colombia had faith in the Programme. In the third country programme for Colombia, UNDP was involved with educational innovations, which were of great importance for the entire population of Colombia. The new programme had three main objectives: planning of social change; revival and stabilization of the economy; and consolidation of development.

64. Colombia had the third largest population in Latin America and the fourth highest gross national product. It enjoyed economic democracy, which had provided it with an increasingly self-sufficient industrial infrastructure, expanding agricultural horizons, improved marketing, an organized inventory of natural resources and a promising energy future. The focus of Colombian planning was the development of the individual citizen in all aspects.

65. Much development work remained to be done, and the country continued to need UNDP support. In view of UNDP's current difficulties, his Government had established a Special Investment Fund to implement the financial measures envisaged in the new country programme.

66. The grim economic prospects facing many Latin American countries had not only halted their development suddenly but jeopardized its future. Instead of receiving investment to revitalize their economies, those countries had become net exporters of capital. He pointed out that the cutting off of external investment posed a threat to the financial stability of the industrialized countries too, since developing countries absorbed some 30 per cent of the EEC's exports and 40 per cent of exports from the United States. Only through international co-operation could the current critical situation be overcome. UNDP represented a joint commitment to responsible action on the part of all countries, and not just an assistance scheme underwritten by the philanthropy of certain countries.

67. His delegation shared the fears expressed by the Administrator at the declining role of multilateralism in development assistance. Multilateral co-operation was the best means of ensuring respect for the political sovereignty and economic self-determination of recipient countries and allowing national Governments to be the primary decision-makers. Technical and economic co-operation should not become politicized. Recipient countries, in turn, should learn not only to define their needs but to set their own priorities in order to avoid a return to...
paternalism and colonialism. However, he shared the optimism of the Administrator that the Programme would facilitate a return to accelerated development once donor countries had understood that their own economic recovery was dependent upon their investment in international co-operation.

68. Mr. AROSTEGUI (Observer for Nicaragua) said that by submitting the first country programme for Nicaragua to the Governing Council, his Government was expressing its firm conviction that joint efforts by the international community were needed to solve the serious problems facing mankind. While those problems affected the developed countries, they had an even more devastating effect on a number of small, underdeveloped countries. It was the duty of all nations to use the current political and economic crisis in order to make the international order more equitable.

69. In that connection, specific measures must be taken at the national and international levels to narrow the enormous economic and social disparities prevailing in the world. To that end, international technical co-operation was of particular importance, since multilateral mechanisms enabled small countries, in particular, to acquire the knowledge and resources needed to implement their own economic and social development plans. The countries of the third world were therefore concerned at the drastic cuts in the IPFs, particularly at a time when Latin American GDP had shown a net decrease for the first time in over 40 years. While the developed countries had also been affected by the current economic crisis, there was no justification for the reduction in their contributions to UNDP, since such action merely aggravated the crisis. His delegation supported the emphasis placed by the Administrator on TCDC; increased resources were necessary in that area not only for projects but for a more substantial involvement in the collection and dissemination of information which TCDC required.

70. Since July 1979 Nicaragua had worked closely with UNDP and other agencies of the United Nations system in the planning of technical co-operation. Unfortunately the reduction of Nicaragua's IPP by more than 50 per cent was forcing it to take harsh decisions with regard to programme priorities. The programme which the country had submitted to the Governing Council was intended to serve as a model of autonomous development that would meet all basic needs of the population. His Government was prepared to turn increasingly to cost sharing so that the programme could be implemented in its entirety.

71. Mrs. VAZQUEZ-DIAZ (Mexico), said that her country identified fully with the development efforts made by countries in the region of which it formed a part. For the first time in 50 years, Latin America had, in 1982, recorded negative growth in output, largely as a result of the structural imbalances and inequity characterizing the international economic system.

72. The specific features of each of the five Latin American or Carribean programmes under review reflected the common concerns of the region, such as the emphasis on natural resources and on orderly social change. Efforts were being made to determine how best individual countries could contribute at the national level by cost sharing.
73. IFPs involved not just aid to developing countries, but technical co-operation. That meant a two-way transfer of know-how, benefiting both donor and recipient, which applied no less to multilateral activities than to bilateral activities. Country programmes represented a complement to national efforts and were of benefit to the international community.

74. At the current session, there had been an effort to take stock of the economic trade-offs in countries the world over. A country could not be classified merely on the basis of per capita income. Other indicators should also be considered, such as the level of external debt, balance-of-payments deficits and a decline in terms of trade, and social indicators were at least as important as such key economic indicators.

75. Her country, in its effort to restructure its programming, took account of efforts being undertaken regionally. That was why, as it became familiar with the concept of regional reprogramming, it also clearly identified with support being given to regional bodies in the definition of critical problem areas.

The meeting rose at 1 p.m.