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Special meeting

SUMMARY RECORD OF THE 9th MEETING

Held at Headquarters, New York
on Friday, 18 February 1983, at 3 p.m.

President: Mr. SLIM (Tunisia)

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The meeting was called to order at 3.25 p.m.

Country and intercountry programmes and projects (continued)

- (a) Resources taken into account for programming (continued)
- (b) Trends and problems in the country programmes (continued)
- (c) Implementation of selected country programmes (continued)
- (d) Consideration and approval of country programmes (including requests for extensions) (continued)
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Asia and the Pacific

1. The PRESIDENT drew attention to the remarks on the country programmes for Tonga and Vanuatu which had been made by the representative of the Philippines at the 6th meeting. Since the IPFs for those countries were very small, he proposed that the Council should request the Administrator to find ways of increasing the resources available to those countries either by drawing on an existing fund or by seeking third-party financing.
2. Mr. MORSE (Administrator) noted that the effect of limited resources on countries having small IPFs was a matter for concern; the proposals made to increase the resources available to those countries had considerable merit. The Administration would seek a solution to the problem and would explore thoroughly the possibility of third-party cost-sharing, which the Council had recommended and approved in the past.
3. The PRESIDENT said that if he heard no objections, he would take it that the Council agreed to the solution proposed by the Administrator.
4. It was so decided.

Africa

5. Mr. CHIKELU (Observer for Nigeria) said that he wished to provide clarification on two points that had been raised by the representative of Canada during the 3rd meeting. The representative of Canada had asked how the Nigerian Government had determined that some projects to be eliminated were "weak and redundant". Faced with dwindling resources, a Government could live within its means only by reordering its priorities. Since the development of the previous country programme for Nigeria, a new Government had taken office; consequently, subsequent plans had to be made consistent with the policies of the new administration. Some projects had thus been dropped to ensure that more important projects would be implemented.

(Mr. Chikelu, Observer, Nigeria)

6. In response to the observation that new projects were scheduled for the country's northern states, he said that his Government's policy was to see that technical assistance facilities were evenly distributed throughout the country. While the country programmes were composed of projects that were administered by the federal Government, the country also had many projects administered by state Governments. Nigeria received funding from such multilateral sources as EEC, and as a result of bilateral agreements with approximately 50 countries. If a particular state did not receive assistance from UNDP, the Ministry of National Planning, which was responsible for the allocation of all available technical assistance, would take steps to see that financing was secured from other sources.
7. Mr. BROWN (Deputy Administrator) said that he wished now to respond to some questions raised by delegations at earlier meetings. The representative of Fiji had asked whether the 55 per cent ceiling on programming would permit the financing of all ongoing projects in Fiji's country programme. Actually, in the case of three countries, as much as 64 per cent of the indicative planning figures available for 1982-1986 had already been committed to ongoing projects, as indicated in document DP/1983/2/Add.1; all commitments to ongoing projects could therefore be met, but the margin for new projects could become very small in some countries.
8. The representative of Pakistan had asked whether the 55 per cent programming levels could be reconsidered in view of the recently announced increases in contributions by the United States, Norway and Canada. The Administrator had reviewed the question and decided that the 55 per cent ceiling should stand. The President had already answered the points raised by the representative of the Philippines with regard to the programming levels for the smaller least developed countries.
9. Several delegations had suggested that the cost-sharing approach should not be unduly stressed, since poorer countries could not hope to participate in such schemes. That seemed to be a misunderstanding of the fact that there were two types of cost-sharing: in one scheme, the Governments themselves contributed to cost-sharing; and in another scheme approved by the Governing Council, third countries could contribute to cost-sharing, up to a limit of 150 per cent of the indicative planning figure or \$15 million, whichever was higher. Under the second type of cost-sharing, in which any country could participate, funds were untied, unearmarked and regarded as an expansion of the country programme, over and above the indicative planning figure. As for the propriety of using the Fund for Special Programme Resources for natural disasters, he had already replied at an earlier meeting that that was for the Council to decide.
10. Canada had asked what was done when, in the actual implementation of a country programme, there was a major shift in the sectoral allocations that had been submitted and approved. The procedure was for the regional director to report any such major shift in his annual report to the Council and for the Council then either to approve or disapprove. Such a shift must, of course, be dictated by compelling circumstances.

(Mr. Brown)

11. The representative of Austria, as well as the representatives of Canada, Switzerland and the Federal Republic of Germany, had raised the question of modalities for examining country programmes. The Intersessional Committee was preparing a report on the question for presentation in June, and it would not be appropriate for him to comment now. The representative of Canada had also asked whether there could not be more specificity in identifying projects in the country programmes and whether large programmes in particular, those over \$4 million, could not be more detailed in the country programmes. That raised the real issue of the extent to which under continuous programming it was possible to attach meaningful estimates of costs from the outset for an entire five-year period. The attempt, however, should always be made.

12. Finally, the President, at a meeting of the Bureau, had requested an analysis of the major points that had been raised during the current special meeting. The Administration intended to classify those points and report on what seemed to be common concerns in its next report on trends and problems in the country programmes.

Draft decision DP/1983/L.5

13. The PRESIDENT drew the attention of the Council to the draft decision contained in document DP/1983/L.5. In the past two days, all Council members who had commented on the draft decision had spoken in favour of it; furthermore, in his own consultations with delegations, he had observed much support for its adoption. The information provided by the Deputy Administrator had led him to conclude that the Council should adopt the draft decision in view of the consultations being held between the Resident Representative at Sanaa and various Arab and other funds, and because of the precedent which existed for similar requests. Moreover, the amount requested would exceed only slightly the ceiling set by the UNDP Administration and would not significantly affect the availability of Programme funds should another disaster occur before the end of 1983.

14. Mr. TAKASU (Japan) said that his country had learned with regret of the earthquake in Yemen and had contributed \$500,000 for relief immediately after the disaster had occurred. His delegation supported the draft decision, and he urged the Council to adopt it unanimously.

15. The PRESIDENT said that if he heard no objections, he took it that the Council wished to adopt the draft decision contained in document DP/1983/L.5 unanimously.

16. It was so decided.

17. Mr. AZAZY (Yemen) said that his Government was most grateful for the contributions that had been made to assist rehabilitation efforts in the wake of the recent natural disaster in his country.

Draft omnibus decision on country and intercountry programmes

18. The PRESIDENT drew the Council's attention to document DP/1983/CRP.1 containing the draft omnibus decision on matters considered by the Council under agenda item 3. He informed the Council that paragraph 2 of section I should be

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(The President)

revised by the addition at the end of the words "as well as the comments made thereon by representatives of Governments". If he heard no objection, he would take it that the Council wished to adopt the decision, as revised.

19. It was so decided.

OTHER MATTERS (continued)

Progress report on the proposed World Maritime University (DP/1983/3)

20. Mr. BROWN (Deputy Administrator) said that the report of the Administrator (DP/1983/3) provided information on the status of the preparatory assistance project at the end of 1982. He wished to provide Council members with an update of that report. On 9 February 1983 an agreement had been signed in London between the Government of Sweden and the International Maritime Organization establishing the legal status of the World Maritime University. The draft of that agreement was contained in annex III to the Administrator's report. Work on the University was proceeding well and was in fact ahead of schedule. The agreement between the Municipality of Malmö and the Secretary-General of IMO had been signed and the University facilities were being refurbished; they would be ready for occupancy by May 1983, two months prior to the beginning of classes on 4 July 1983.

Mr. Olof Palme, the Prime Minister of Sweden, had personally reaffirmed his country's full support for the project and pledged an annual contribution of \$1 million. The University courses had all been developed and a new brochure had been prepared which would be forwarded to all developing countries through local UNDP offices. The University Rector had been appointed, and all staff posts but one had been filled. More than 60 visiting lecturers would teach on a no-fee basis, receiving only travel expenses.

21. The developed maritime countries had been asked for financial contributions and, following several discussions, positive responses had already been received. In general, the outlook for the project was encouraging.

22. The University would be financed by an annual contribution of \$1 million from Sweden and \$1 million from developing countries in the form of fees (\$10,000 per year for each student that they sent to the University). Resident representatives could authorize expenditures from the IPFs of the countries concerned to cover the fees of students from those countries. Additional funds would come from the UNDP regional IPFs, although the contribution of the African region had not yet been determined. An amount of \$800,000 would come from sources outside the United Nations; the Secretary-General of IMO would be responsible for mobilizing those funds. UNDP was satisfied with the relationships that had been developed with the Swedish Government and IMO and looked forward to the success of the project.

23. Mrs. TAFTO (Observer for Norway) said that the joint efforts of IMO and UNDP required the co-operation of individual Governments and the international community as a whole for their success. Her Government had contributed \$100,000 to the World Maritime University for its first year of operation, a gesture which she hoped would encourage other countries to make similar contributions.

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24. Mr. HOWU-CHRISTENSEN (Sweden) said that his Government had followed the development of the project closely and hoped that the University would become not only a well-financed institution, but also part of a larger effort to upgrade maritime skills in the third world.
25. Mr. GLAZER (United States of America) noted that, although his delegation had already expressed support for the principle of establishing a World Maritime University, it had consistently maintained that UNDP support should be subject to the availability of resources. Therefore, the priority accorded to the World Maritime University should be assessed in terms of the other claims on the Programme's limited resources. He wished to call attention to the relationship between the World Maritime University and the programmes undertaken in response to Council decision 81/33, on enhancing the capabilities of maritime transport training institutions in developing countries. Funding for the University should be contingent upon the acquisition of support from other sources, such as the contributions to be made by the Governments of Sweden and Norway. His delegation did not want the World Maritime University to divert resources from similar projects having higher priority or to duplicate other UNDP activities in the same sphere.
26. Mr. PIRSON (Belgium) said that he had a number of questions with regard to the report contained in document DP/1983/3. First of all, he asked what the status of the World Maritime University would be, since it was not clearly spelled out in the Administrator's report. He wished to know whether IMO would have specific responsibility for the University's viability in the medium and long terms. In recent years, many institutions had been established by the United Nations (e.g., UNITAR, the United Nations University and the University for Peace at Costa Rica) which had subsequently required funding by the Organization as voluntary contributions waned. His delegation felt that the training and research activities of those institutions might be integrated, as there was some overlap in that area. The Department of Technical Co-operation for Development also had a branch which dealt with training. He asked whether the new University would deal only with training and if so, at what level. It seemed that the work to be done by the University could be carried out by an existing organization.
27. He asked who would be responsible, either directly or indirectly, for the financing of the University. He specifically wanted to know whether IMO planned to assist the University if problems should arise with resources from its own budget. It was common knowledge that financial resources for development assistance were finite. He also wished to know what the specific role of the University would be in view of such existing United Nations bodies as the Department of Technical Co-operation for Development and the branches of UNCTAD dealing with maritime transport. With regard to the staffing of the University, he had been given to understand that there would be approximately 20 members at most, of whom roughly 10 would hold the title of university professor.
28. Mr. BAHADIAN (Brazil) said that he supported the comments made by the representative of Belgium. It was high time that the Governing Council weighed the usefulness of the proposed University against its cost. He noted that a lavish

(Mr. Bahadian, Brazil)

document describing the University had been distributed to Council members. However, he wished to know the cost of the publication, why it had been published and why, at a time when the entire United Nations system was preoccupied with financial matters, copies of such an expensive document had been distributed to the members of the Governing Council.

29. Mr. SRIVASTAVA (Secretary-General, International Maritime Organization) said that maritime shipping was a high-technology industry, and the developing countries, which were building up their national merchant fleets, needed to conform to the global standards established by IMO in a wide range of instruments covering every aspect of shipping. Many countries had announced that they would insist that ships were manned by trained personnel, of whom there was a shortage in the developing countries. Although IMO and UNDP had helped to establish academies in developing countries for training shipboard personnel, many of those countries did not have enough qualified teachers, and it was therefore necessary to recruit expatriate teachers who cost from \$75,000 upwards per annum. UNDP had thus been spending a considerable amount of resources on expatriate teachers, and it would be infinitely preferable to train the nationals of the developing countries themselves as maritime teachers. Governments that permitted their national flag to be flown on a ship had responsibilities in the field of maritime safety, and they needed advisers, but the developing countries could not train senior specialized personnel on the job, as the developed countries did. Moreover, there was no institution anywhere in the world that provided organized training facilities of the kind proposed. It should be borne in mind, in that connection, that the institution in question required the same type of equipment as that found on board ships.

30. The proposed University would have roughly the status of a technical assistance project sponsored by IMO and would not form part of any other university. It would chiefly provide technical courses for persons who were already highly qualified.

31. With regard to financing arrangements, the established contribution to be made by UNDP would not be exceeded. Furthermore, the proposed University would be employing no more than 20 persons and would rely heavily on visiting professors who would not charge any fees. There would be no more than 9 or 10 professors, including the Rector. The University's budget of \$3.6 million would cover all expenditure. In addition to support from the Government of Sweden, from UNDP, and from the developing countries in the form of fees, it was expected that \$800,000 would be provided by developed countries for financing fellowships, in replacement of financing for expatriate teachers. Moreover, there had been an extremely favourable response from the private sector. IMO would not draw on assessed funds set aside for its technical assistance programmes to finance the University.

32. With regard to the document entitled "The World Maritime University" published by IMO and the World Maritime University, to which the representative of Brazil had referred, the publishing costs would be financed from anticipated contributions.

33. Mr. VERCELES (Philippines) said that, although his country already had maritime institutions and schools, his delegation felt that there was a need for a university of the kind under consideration. The Government of the Philippines fully supported the proposed University and hoped to demonstrate its support in the future in a substantial manner.

34. Mr. BROWN (Deputy Administrator) said that the progress report before the Council on the proposed World Maritime University (DP/1983/3) had been submitted in accordance with Council decision 82/4, section C. It was customary for applications for funding such institutions as the proposed University to be dealt with by the Administrator. UNDP had financed a preparatory assistance project and satisfied itself that its criteria for funding would be met and that UNDP assistance was warranted. As a result, UNDP had agreed to provide funding, subject to other parties being willing to contribute. It should be borne in mind, in that connection, that UNDP did not exercise control over the institution under consideration. In the past, in the case of such institutions, UNDP had made a contribution from interregional funds. However, in the particular case under consideration, the interregional funds had been over-committed, and it had therefore been necessary to consider whether contributions could be made from the regional IPFs. A number of difficulties had arisen in connection with the African regional IPF but it was fairly certain that a solution could be found.

35. UNDP would not enter into commitments beyond the current cycle or support an institution that could not function without its assistance. UNDP assistance was needed most at the beginning, and no great risk was involved, since the UNDP contribution would be less than 25 per cent of the University's budget. The general view was that the proposed University would be able to continue to find sources of financing once UNDP financing, which was being provided to launch the project, had ceased.

36. Mr. PIRSON (Belgium) said that it was important to establish whether the proposed University would really meet a need, and the information just provided was encouraging, even though the University's status was still not entirely clear. He also wondered whether it might not be preferable for the University's courses to be shorter.

37. Mr. MORSE (Administrator) said that he favoured UNDP participation in the project for a number of reasons: the University was needed and did not duplicate other facilities; the courses it would provide were an exceedingly practical way of promoting skills in a sector critical to developing countries; the UNDP contribution would have a catalytic effect; UNDP obligations were restricted to a specific period of time. The generosity of the Government of Sweden, as of Norway and others, provided a unique opportunity which would be lost without UNDP assistance.

38. The PRESIDENT said that he would take it, if he heard no objections, that the Governing Council wished to take note of document DP/1983/3.

39. It was so decided.

Assistance to the development of Liberia

40. Mr. KOFA (Observer for Liberia) recalled that the Secretary-General, in keeping with General Assembly resolution 36/207 which had appealed to the international community to provide assistance for the reconstruction, rehabilitation and development of Liberia and called for the organization of a special programme of internal assistance, had in March 1982 dispatched an interagency mission to Liberia, which had submitted its findings in a report on assistance for the development of Liberia (A/37/123). The report had confirmed that Liberia was in the throes of a serious economic crisis resulting in large part from external events, but also from low productivity, heavy dependence on imports and serious deficiencies in manpower and the technical and social infrastructure. The difficulties had been compounded by the recession in the industrialized countries and the decline in world prices for its few commodities. As a result, Liberia's gross domestic product had declined by 4.4 per cent in 1980 and 5 per cent in 1981, with a further decline expected in 1983. His Government was further saddled with substantial budget deficits and balance of payments problems, and a very high public debt incurred largely by the previous administrations.

41. As provided by General Assembly resolution 36/207, the Committee for Development Planning was to consider the possibility of having Liberia included in the list of the least developed countries, on the basis of a report supplying the relevant statistical data on Liberia's economic situation. His Government would be submitting such a report at the Committee's next session in 1983.

42. The Liberian Government, convinced that it must be the first to take steps to resolve its own economic problems, had taken stringent measures to reverse the current economic situation. None the less, it appealed to UNDP to consider Liberia as if it were a least developed country, in order to bring some immediate relief to the Liberian economy and assist the country's development.

43. Mr. BROWN (Deputy Administrator) said that it was not possible to do anything about the status of Liberia until the Governing Council reviewed the basic data in 1984 and ascertained a drastic deterioration of the economic situation in relation to 1978. In the past, the Council had considered similar requests and agreed to accord "as if" status to some countries. It should be borne in mind, however, that unless new contributions were made there was no possibility of assistance from the Special Measures Fund until 1984, and that some donors to that Fund had further attached conditions restricting the use of their contributions for formally designated least developed countries. He believed that the Governing Council should defer action on Liberia's request until the Secretariat had completed a study on current conditions in Liberia which could be considered at the June meeting of the Governing Council.

CLOSURE OF THE SPECIAL MEETING

44. Mr. MORSE (Administrator) said that he wished to express his personal gratitude to those countries which had announced increased contributions.

(Mr. Morse)

45. The Council had examined 25 country programmes, and it was to be commended for its objective, professional and constructive approach.

46. It was his sad duty to bid farewell to the Directors of the Regional Bureau for Latin America and the Regional Bureau for Africa, both of whom had served the international community so well and so devotedly for many years.

47. The Council had selected a wise, strong and experienced Bureau, and that boded well for the future of UNDP.

48. The PRESIDENT said that the special meeting of the Governing Council which was about to conclude had witnessed a fruitful debate between the representatives of donor and recipient countries marked by flexibility and a sincere desire for co-operation and dialogue. The same constructive spirit would surely prevail in future meetings of the Council. The UNDP Administration would take into account the suggestions, proposals and recommendations made by all delegations when elaborating and evaluating the country programmes.

49. After an exchange of courtesies, the PRESIDENT declared the special meeting closed.

The meeting rose at 5.35 p.m.