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SUMMARY RECORD OF THE 24th MEETING

Held at the Palais des Nations, Geneva  
on Friday, 17 June 1988 at 3 p.m.

President: Mr. MANGWAZU (Malawi)

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The meeting was called to order at 3.05 p.m.

PROGRAMME PLANNING (agenda item 5) (continued)

(a) FOURTH PROGRAMMING CYCLE (continued)

(ii) NET CONTRIBUTOR STATUS (DP/1988/70 and Corr.1) (continued)

1. Ms. AL-AWADHI (Kuwait), having thanked the Administrator for his efforts to arrive at honourable results for the developing countries concerning net contributor status, said that she, nevertheless, supported the request by the delegation of Bahrain to postpone the decision on that country's accession to net contributor status in order to reach a consensus that would achieve justice for the peoples of the developing countries, especially since prudence was needed in examining their difficult economic situation.
2. With regard to UNDP's policy for strengthening the field offices of the net contributor countries and the general guideline that such offices should not be maintained in countries that had a net contributor status unless one of the two criteria mentioned in document DP/1988/70 was fulfilled, i.e., unless the total of programmable resources administered by the field office would exceed a certain threshold in the foreseeable future or the maintenance of the field office was unlikely to result in any net cost to UNDP, her delegation was prepared to study the threshold principle, and favoured a separate threshold for each country, on condition that changes in economic circumstances which would imply an increase or reduction of the threshold of the national programme costs should be taken into account.
3. Her delegation also supported measures to encourage countries to accept net contributor status in return for the following undertakings:
  - (a) that UNDP would pay the entire costs of field offices, including those of the resident representative and deputy resident representative;
  - (b) that UNDP would contribute to the costs of certain experimental activities requested by the countries for a limited period;
  - (c) that adequate steps would be taken to improve the quality of interregional advisors and to provide them on request; and
  - (d) that modern methods would be developed in the modern project designs included in national programmes on a clear basis that defined the rights and obligations of both parties; the Government and UNDP.
4. Mr. PHARAON (Syrian Arab Republic) said he supported the position of the representative of Bahrain that decision 85/16 should be reviewed in the light of the situation of the Arab countries and his request that consideration of the possible net contributor status of Bahrain should be postponed because of that country's current difficult situation.
5. Mr. AQUARONE (Netherlands), having recalled his delegation's statement that UNDP's efforts and limited funds should be concentrated where most needed and in those sectors where UNDP had a comparative advantage, said that, although his delegation understood the problems facing some developing

countries whose per capita income had decreased over the past few years, it did not, in principle, favour relinquishing 1983 GNP figures as the basis for calculating fourth-cycle IPFs, including the determination of net contributor status, unless the margin below the threshold of current GNP was a considerable one. The shortfall in voluntary contributions would eventually imply reduced UNDP funds, and the consequences of such a reduction would have to be faced as circumstances arose.

6. As for the maintenance of field offices in net contributor countries, document DP/1988/70 suggested that field offices should be maintained if the programme was larger than \$US 250,000 per year or if the maintenance of a UNDP field office did not entail a net cost to UNDP. He would be able to support that proposal if the two conditions were cumulative rather than alternative. It was important to set priorities for UNDP, and his delegation did not consider large UNDP programmes in net contributor countries to be a top priority.

7. Mr. ELFORGANI (Libyan Arab Jamahiriya) said his Government maintained its position as stated in the Administrator's report (DP/1988/70, para. 31) for the reasons it had previously put forward, and supported the request by the representative of Bahrain.

8. Mr. DE LIMA (Brazil) said that nobody could deny the impact on the developing countries of the serious deterioration in the world's economy. Their economic situation had worsened, and they were making abnormal sacrifices to meet their financial obligations to the international community. It was particularly difficult for them to accept 1983 indicators to establish net contributor status when the current realities were completely different from those that had existed when the indicators were being set. That was especially true in the Latin American region, where countries were included in the net contributor category despite their economic difficulties. UNDP had been established not to penalize the developing countries but to support them; countries whose per capita GNP had fallen below the threshold of \$US 3,000 should thus have their net contributor status revised.

9. He would be interested to learn why columns 8 and 9 of the table in page 3 of the Administrator's report (DP/1988/70) mentioned, respectively, adjustment for accounting linkage and the inclusion of 13 per cent agency support costs.

10. Mr. GARCIA-RAMOS (Cuba) said that his delegation understood the Venezuelan situation and fully supported the request by the Government of Venezuela and those of the Governments of other countries in the same situation.

11. Mr. PETTITT (United Kingdom) said that his delegation agreed with paragraph 9 of the Administrator's report (DP/1988/70) on the general issue of the arrangements for countries that had not formally accepted their net contributor obligations and were not prepared to surrender their IPFs. It was also in favour of the maintenance of field offices for net contributor countries which had surrendered their IPFs or had UNDP programmes not covered by IPFs.

12. It also agreed with the representative of the Netherlands that the two conditions mentioned in paragraph 14 of the report should as a general rule both apply. A reasonable threshold should be agreed upon; while it should not necessarily be \$250,000, it should be decided by the Budgetary and Finance Committee.

13. The proposal in paragraph 17 to count a person at the P-3 level or above as a de facto deputy resident representative seemed a sensible one. The proposals in paragraphs 18 and 19 would be more appropriately discussed in the Budgetary and Finance Committee.

14. As for the issues related to specific net contributor countries mentioned in section B of the document, a sensible arrangement would be for Nauru to surrender its IPF and, if it ever wished to take advantage of UNDP assistance, to do so on a simple repayment basis. Nauru would normally be able to receive assistance from the donor community on technical co-operation matters, even though it was able to pay for them.

15. The suggestion in paragraph 33 that Bermuda's IPF should be used within the region needed to be placed in the context of joint projects and the habit of regional co-operation and sharing IPFs. For the current cycle, an arrangement should be sought whereby funds allocated to Bermuda could be used for other islands in support of regional co-operation although, generally speaking, if IPFs were surrendered, they should be used for the benefit of the Programme as a whole. He did not fully understand the suggestion in paragraph 33 that a net contributor country had accepted its net contributor obligations if its IPF was used for "domestic development efforts". Bermuda's IPF should be used, as IPFs had been used in the past, for other islands in the region without necessarily tying it to the other points mentioned in that paragraph. He would also agree to the Nauru money being likewise used, if released, in the same way for regional activities in the Pacific.

16. He had some sympathy with the proposal to reclassify countries for net contributor status where they were in much worse circumstances than they had been in 1983 and GNP per capita had been substantially reduced. However, since he did not feel that the issues of mid-term resources and net contributor status could be totally separated, he preferred to refer the issue to the Ad Hoc Working Group on Financial Resources.

17. If the resources available for redistribution were considered to be nothing more than a book-keeping phenomenon produced by the behaviour of the dollar which did not, in fact, represent real money, then the Council should tick to decision 85/16 and ask countries to accept net contributor status. If, however, the Council was looking at \$US 600 million of new money and had the ability to respond to new initiatives, then it would be only fair to accept the proposal.

18. Mrs. BARRIOS BARON (Argentina) said that she did not share the philosophy of paragraphs 12 to 16 of the Administrator's report regarding compensation for field offices costs. Decision 85/16 was quite clear on the relations between the services falling under UNDP's responsibility and the contribution of those countries with net contributor status. She did not believe that the decision to maintain a field office should be linked to the costs to UNDP, but rather to the fulfilment of the objectives of the programme, in accordance with the agreements on the field office established between the recipient

country and UNDP. There was, moreover, a contradiction between paragraph 13 and paragraph 40, the latter of which recognized that any change in existing arrangements should be mutually agreed upon.

19. With regard to the premises mentioned in paragraph 7 and the table in page 3 of the document, she noted that the Administrator had introduced accounting linkages into the calculations in columns 8, 10 and 11 of the table. Such a linkage was not the way to calculate the responses of the countries to the objectives of decision 85/16, and her delegation therefore asked that the figures in those columns be revised. The response of those countries should, in fact, be calculated by adding their voluntary contributions to the total obligation contracted with regard to the cost of the local office. In fact the payments for the cost of the office under contractual obligation would sooner or later be covered by the addition of the voluntary contributions.

20. She was also unable to agree with the inclusion of agency support costs in the calculation of net contributions (para. 3 of DP/1988/70) and, in that regard, her delegation endorsed the position of the representative of Brazil.

21. While not wishing to review the criteria for determining net contributor status contained in decision 85/16, she proposed that the alternatives set out by the Administrator be analysed in the interest of finding a specific solution whereby the criteria would be applied in a flexible manner, with due regard for the peculiarities of individual countries, such as the special situation prevailing in Trinidad and Tobago.

22. Mr. KATES (United States of America) said his delegation strongly supported the positions set out in paragraphs 11-13 of Governing Council decision 85/16 relating to the obligation of recipient countries with a certain level of per capita GNP to accept net contributor status in the fourth programming cycle. It also endorsed the principle that UNDP should be ready to provide technical assistance to all developing countries irrespective of their per capita GNP. However, the United States did not believe that UNDP should provide free technical assistance to countries that could afford to pay their own way. It endorsed the administrator's proposal to reduce programme activity to a level commensurate with anticipated contributions in the case of countries that had not fully accepted their net contributor obligations or relinquished their IPFs.

23. His delegation also agreed with the Administrator's general guideline that UNDP should maintain the field offices in net contributor countries only if the maintenance of the field office was unlikely to result in any net cost to UNDP. It had not been convinced that a threshold was necessary. The decision on keeping a field office should depend not so much on the size of the programme but on its content and the need for staff resources to carry it out effectively.

24. In the case of Gabon and Venezuela, whose per capita GNP in 1986 had fallen below the agreed threshold of \$3,000, he did not accept that declining profits from oil sales or falling commodity prices should exempt certain countries from their obligations under decision 85/16. Any exemptions to the decision should be considered on a case-by-case basis, rather than generically.

25. With regard to Bermuda, the Governing Council should, of course, have the final say with regard to the use of any funds relinquished by a recipient country. However, it seemed not unreasonable to consider that, by making its IPF available to another country, a country had accepted its net contributor obligations in their entirety. Lastly UNDP should not maintain field offices in countries which had rejected their obligations to accept net contributor status, particularly if such maintenance resulted in a net cost to UNDP.

26. Mr. PETRONE (Italy) said that UNDP was faced with an issue of modest financial relevance but which was important in terms of principle and of the consequences that the decision would have for UNDP field offices in the countries concerned. The issue was also an intricate one, which should be looked at in the context of the Ad Hoc Working Group on Financial Resources.

27. Since 1983, the economies of some countries had undergone a major upheaval: The delegations of Venezuela and of Trinidad and Tobago had made a very good case. In his view, the solution had to be sought on the basis of a compromise formula of which the Administrator had given a hint in paragraph 36 of his report (DP/1988/70). The parameters in question might have to be integrated with others, but there was no doubt that UNDP flexibility would be required.

28. Mr. KRSTAJIC (Yugoslavia) said he shared the sympathetic feeling of the Administrator for the countries whose latest per capita GNP had fallen below the threshold established in decision 85/16 and thought that they should no longer be regarded as net contributor countries. He thus strongly supported the request by the delegation of Venezuela.

29. Mrs. BEN AJMIA (Observer for Tunisia) said that the financial package allocated to her country under the IPF system had been gradually reduced from cycle to cycle. That had affected the normal working of UNDP technical assistance programmes in her country. Some projects that had initially been taken up had been cancelled or postponed. She reiterated her delegation's position that UNDP should not limit itself to the criterion of per capita income: most of the population of Tunisia lived in rural areas and had a far from satisfactory income; priority was therefore, being given to those underprivileged regions with the aim of bettering their living standards.

30. Mr. SAHLMANN (Federal Republic of Germany), having praised those countries which had accepted the status of non-contributor countries, said that Saudi Arabia and the Libyan Arab Jamahiriya had already fulfilled their financial obligations under decision 85/16. He wondered whether there had been a downward adjustment in earlier cycles when per capita income had substantially increased.

31. His delegation was strongly committed to supporting the poorest countries in particular; its position therefore came very close to the arguments of the representative of the United States. He also agreed with the United Kingdom proposal that the question of net contributor status should be dealt with in the Ad Hoc Working Group because it was linked with the whole question of how to use the additional funds that were available.

32. Mr. ALGAN (Turkey) said that his delegation quite understood the difficulties being faced by some countries, such as Venezuela, and supported the proposals those countries had made regarding their net contributor status.

33. Mr. BROWN (Associate Administrator, United Nations Development Programme), replying to the request by several Governments for a postponement of the decision on net contributor status, pointed out that such postponement would trigger the action called for in decision 85/16. If no decision were taken by the Governing Council to interpret decision 85/16 otherwise, the Administrator would be obliged to restrict IPF expenditure at the end of the current month to the amount of the contributions that were being made.

34. There had been some confusion within the secretariat as to the exact position of Trinidad and Tobago, but it would be noted that Trinidad and Tobago either did not or could not accept its obligations.

35. In reply to the representative of the United States regarding the question of using 1986 figures to determine liability, he explained that the point at issue was not whether the economy of a country had deteriorated because of the fall in oil prices but whether its income had fallen below \$US 3,000. That was currently so in the case of two countries and possibly of a third.

36. With regard to the question whether the Administrator had the authority to include support costs as part of the amount to be recovered, he drew attention to document DP/1987/22, paragraph 5, where it was stated that IPF resources carried forward from the third cycle to the fourth cycle would not be included in the target for voluntary contributions. The Administrator had taken that into account in column 7 of table 3, where he had deducted the unspent IPFs from the third cycle from the obligations to reimburse the 1987 and 1988 expenditure. The same passage stated that agency support costs could be included in calculating the cost of the IPF delivered, as described in paragraph 13 (a) of decision 85/16. Thus, although decision 85/16 did not explicitly say that agency support costs should be included, it did say the delivered IPF. That the IPF must be delivered by an executing agency had been clarified in document DP/87/22. The Governing Council, in taking note of that document, had raised no objection, and the Administrator had therefore assumed that the Council had accepted it. If that was not the Council's position, it should say so.

37. The Council's stance over many years had been that, once an IPF had been set, whilst conditions could result in its being increased because per capita GNP had fallen, the IPF was a floor which should not be reduced, the reason being that the country concerned had already made plans to use the IPF allocated. Thus there had been no case in which an IPF, once granted, had been reduced.

38. Clearly, that was a matter that must be discussed in the Ad Hoc Working Group. Moreover, every paragraph in part B of document DP/1988/70, in addition to those already indicated in part A, would require a specific decision by the Council, including the issue raised as to a definition of a deputy resident representative for the purpose of calculating the cost of the office.

39. Mr. PETTITT (United Kingdom) said he had asked what was meant by the phrase in paragraph 33 of the report (DP/1988/70) "by utilizing its IPF ... for domestic development efforts, ... a net contributor country has ... accepted its net contributor obligations".

40. Mr. BROWN (Associate Administrator, United Nations Development Programme) said that, when a country used the IPF for its own purposes, then of course it had to reimburse it if its per capita income was more than \$US 3,000. Whether or not an IPF allocated to one country could be given by that country to another was a matter for the Council to decide. The current question was whether, if Bermuda used all its IPF for TCDC, Bermuda ought to reimburse it.

41. Mrs. BARRIOS BARON (Argentina) said with reference to the Associate Administrator's remarks concerning document DP/87/22, that her delegation had reservations about decisions taken on the basis of informal consultations. It also requested clarification regarding the inclusion of the accounting linkage in table 3 of document DP/1988/70.

42. Mr. BROWN (Associate Administrator, United Nations Development Programme) said that the decision had not been taken on the basis of informal consultations. Rather, in the informal consultations with Governments, the Administrator had explained what was meant by the delivery of the IPF. It had told Governments that, in making calculations, it would use the IPF plus agency support costs as an interpretation of delivery of the IPF. That had been duly reported to the Governing Council in the document. By not objecting, the Council had taken a decision. If the Council had felt that the Administrator was wrong in that interpretation, it should have said so. The Council could re-examine the matter if it was afraid that something had been overlooked.

43. The issue of accounting linkage had been explicitly dealt with in a Council decision which stated that, where the local office costs had been computed and the proportion which was the responsibility of the host Government was not paid by that Government then UNDP's Division of Finance was entitled to transfer from the country's voluntary contributions an amount equivalent to the difference between what the country should have paid and what had been paid. That meant a reclassification of voluntary contributions which did not appear as such, because they had been reduced to pay for the local office costs.

44. In table 3 of document DP/1988/70, there was a minus sign in some cases, meaning that the voluntary contributions by that country had not been sufficient to meet the shortfall in the payment of office contributions, i.e. that it still owed the difference. In those cases, the Council had said that it would consider whether those shortfalls should be deducted from the IPFs.

45. Mr. AL-FAIHANI (Observer for Bahrain) having thanked those Governments that had supported his Government's position on net contributor status, inquired what had been the fate of the proposal made by his delegation earlier in the day.

46. Mr. BROWN (Associate Administrator, United Nations Development Programme) said that that matter was one that had to be negotiated, after which the Council could take a decision, as to its views. Such a decision was still a long way off.



47. Ms. AL-AWADHI (Kuwait) said that her delegation had reservations with regard to the statements in the report (DP/1988/70) concerning the costs of local offices. The matter required further consideration by the Administrator and the Governments concerned.

48. Mrs. BARRIOS BARON (Argentina) said that irrespective of the question of the resources of the fourth programming cycle, the report (DP/1988/70) contained political views that did not necessarily have to be included in the decision adopted in the fourth cycle. Another type of decision could be taken, and her delegation assumed that there was enough flexibility to make use of the subsidiary organs of the Council to that end.

49. The PRESIDENT said that the Ad Hoc Working Group on Financial Resources would begin its work on the subject on Monday, 20 June 1988.

50. If he heard no objection, he would take it that the Council agreed that the Drafting Group should, if necessary, prepare a decision on net contributor status.

51. It was so decided.

#### OTHER MATTERS (agenda item 10)

(c) ISSUES OF CONCERN TO THE GOVERNING COUNCIL OF THE UNITED NATIONS DEVELOPMENT PROGRAMME ARISING FROM ACTION BY THE GENERAL ASSEMBLY AT ITS FORTY-SECOND SESSION (DP/1988/61, 64, 68 and 69; A/42/326/Add.1)

52. Mr. BROWN (Associate Administrator, United Nations Development Programme), introducing agenda item 10 (c), said that the Administrator's report on modalities for enhancing the implementation of intercountry programmes (DP/1988/69) had been prepared in response to General Assembly resolution 42/196, paragraph 33, which invited the Governing Council to "examine modalities for enhancing the implementation of its intercountry programmes, taking fully into account the technical skills and capabilities existing within the United Nations system" and in other bodies. The report provided information to the Council on the legislative framework governing intercountry programming, the consultative procedures adopted by UNDP for the preparation of intercountry programmes; and some modalities of implementation planned for fourth-cycle programmes which were expected to enhance the quality and performance of intercountry programmes and projects.

53. In reviewing that topic, the Council might wish to note that, in the programming and formulation of fourth-cycle intercountry programmes, extensive consultations had been carried out by UNDP with Governments, the regional commissions and agencies of the United Nations system, along with other subregional and regional groupings. Through that intensive consultative process, the direct and active involvement of Governments and regional commissions in the intercountry programming exercises in the respective regions had made it possible to develop intercountry programmes for the fourth cycle that responded closely to subregional, regional and global needs and priorities. The result should be improvements in the implementation phase of intercountry programmes.

54. It should also be noted that most intercountry programmes for the fourth cycle would be subject to a mid-term review, with the participation of Governments and resident representatives concerned. Those reviews would also help ensure continued improvement in the quality and quantity of intercountry programmes. Finally, there were no recommendations being presented to the Council in the report.

55. There was a paper before the Council (DP/1988/64) which contained comments on the conclusions and recommendations of the report prepared by the Director-General for Development and International Economic Co-operation, Mr. Jansson, on case studies on the functioning of the operational activities for development of the United Nations system (A/42/326/Add.1), which had been annexed to the Director-General's latest report on the operational activities of the United Nations system.

56. The UNDP secretariat greatly welcomed that report. It had focused on such issues of vital importance for the United Nations system as the central funding role of UNDP, the continued relevance of country programmes, further decentralization of UNDP and the role of resident co-ordinators. In some cases, however, the Administrator did not agree with Mr. Jansson's conclusions and recommendations. However, the issues themselves deserved to be thoroughly reviewed before the Governing Council and elsewhere.

57. The major significance of the Jansson Report lay not so much in the fact that it provided solutions to many of the issues, but in that it raised vital issues in a forthright and thought-provoking manner.

58. It was none the less hoped that the paper would provide a useful basis for the Council's deliberations on the many key issues raised by the Director-General. Some of the issues had been considered by the Council in the past, some were under constant review, and others had already received detailed review by the Second Committee at the forty-second session of the General Assembly.

59. General Assembly resolution 42/196 on operational activities, which had resulted from that review, had asked for a number of further studies on specific issues. UNDP was co-operating closely with the Director-General in the preparation of some of those studies on subjects such as country programming, simplification and harmonization of procedures and the role of resident co-ordinators. In each of those cases, the General Assembly had explicitly asked the Director-General to make studies in consultation with the Administrator.

60. The report on current and prospective co-operation between UNDP and the World Bank (DP/1988/61) provided data showing the role of the World Bank in executing a small but important share of UNDP projects. It discussed the criteria applied in selecting the World Bank to execute projects, which were the same as those applied to other executing agencies. The report then catalogued an array of other means through which UNDP and the World Bank were co-operating, especially in efforts to improve the quality and management of technical assistance. It also provided summary data on the investment commitments of the World Bank related to UNDP pre-investment projects. Finally, the report presented an overview of likely areas of future concentration in the co-operation between the two organizations. No issues requiring a decision by the Governing Council were involved.

61. Mr. McDOWELL (New Zealand), speaking as a contributor to the Jansson Report (A/42/326/Add.1), said that, although the Report was the product of field studies conducted in nine different countries by a group of people from many different backgrounds, its conclusions and recommendations had, generally speaking, been supported by all. In accordance with General Assembly resolution 42/196, the Governing Council was required to discuss those conclusions and recommendations and submit its collective views on them to the Economic and Social Council. It had also urgently to review and rationalize the field office structure of UNDP in order "to enhance co-operation, coherence and efficiency through, inter alia, increased sharing of facilities".
62. In short, it was the Council's task to work out a consensus on those aspects of the Jansson recommendations which directly affected UNDP and its operations. As the most important of the governing bodies to which the resolution was addressed, the Council's conclusions would carry great weight. It was worth noting that resolution 42/196 already contained some of the letter and the spirit of the Jansson Report, in particular with regard to the need for harmonized, flexible and simplified procedures throughout the whole United Nations system, and an integrated and multidisciplinary approach to the problems of development, the importance of strengthening the capacities of recipient countries to plan and implement their own development programmes, and the support that resident co-ordinators required from the United Nations system and from donor and host countries in order to maximize the efficiency of the United Nations system.
63. Lack of coherence among the components of the United Nations system in the field was probably the single greatest concern uncovered by the case studies in the Jansson Report. The situation at one subregional capital might be regarded as typical. There, the Resident Co-ordinator - who was also the UNDP Resident Representative - was responsible for a number of country programmes, but did not feel that he had the necessary authority to co-ordinate the United Nations system, although he held periodic information exchange meetings to that end. The UNIDO and UNFPA offices were co-located, and working relations with those two organizations were good, but the links with the major specialized agencies were more tenuous.
64. Two of those agencies were located in an island group hundreds of miles to the east. Another major agency had field representatives in several subregional capitals, but did not join in endeavours to achieve United Nations system co-ordination. The overall situation was not helped by the fact that the subregional office of the regional economic and social commission was located on a third island group further to the west. Moreover, while the field study had been under way, a World Bank team had been visiting capitals in the subregion to undertake an economic survey, but had not informed the Resident Co-ordinator of its presence, or its objectives.
65. As that example showed, there were all sorts of reasons why co-ordination within the United Nations system was so hard to achieve. Only a fundamental change in attitudes on the part of all involved, from executive heads of agencies to staff members in the field, could achieve a coherent and responsible system. Further legislative action by the United Nations membership was also needed. His delegation would welcome a very specific statement in a General Assembly resolution, backed up by the governing bodies of all United Nations organs and agencies, conferring clear authority on the

resident co-ordinators. That would also have to mean more resources for the resident co-ordinators and detailed instructions to headquarters staff and field representatives from the executive heads.

66. For that situation to happen, the individual Governments would have to speak with the same voice in all governing bodies. At a time when UNDP had additional resources available and many of the agencies and regional organizations of the United Nations system were operating on very tight budgets, the case for working together under the leadership of UNDP in the field was a good one.

67. The reaction of the components of the United Nations system to the Jansson Report had often been favourable. For example, the Department of International Economic and Social Affairs was studying ways to make the country programming system more effective. In the interest of decentralization, UNDP had lifted its ceiling for approval of projects by resident representatives to \$US 700,000. It had promoted discussion within the Joint Consultative Group on Policy (JCGP) on the rationalization of field offices, with agreement having already been reached on a draft memorandum on sharing common premises and services in the United Nations system. As set out in document DP/1988/68, a detailed follow-up programme had been adopted. His Government applauded that quick reaction to the Report, although it felt that much more than a sharing of offices and services was involved in rationalizing the structure of field offices.

68. There was an encouraging recognition of the Report and an acceptance of its recommendations. The Director-General of the Department of International Economic and Social Affairs had referred to the Report's findings as a real list of the responsibilities of his office, which he had pledged himself to try to meet. UNFPA had said that it would reassess its procedure and structure along the lines of the Jansson Report and resolution 42/196 and welcomed the emphasis on co-ordination. WHO welcomed the co-ordination of its work with UNDP and described the role of UNDP's resident representatives as resident co-ordinators in the United Nations system as crucial. The World Health Assembly had agreed on the need to strengthen the role of the resident co-ordinators and was ready to implement the recommendations of the Jansson Report. FAO considered the Jansson case studies to have been useful. It looked to close co-operation with resident co-ordinators in the field and had decided to undertake its own in-depth study on improving the effectiveness of its field activities, and to discuss the results with UNDP. Finally, it assured UNDP and Governments that they would find FAO a constructive and willing partner. UNESCO embraced the pivotal position of the co-ordinators and sought their advice on the broad outlines of UNESCO's next Medium-Term Plan and suggestions on how to integrate UNESCO's development efforts into those of other United Nations bodies at country level. Such statements were all encouraging. Self-reform was much better than reform imposed by others.

69. The representative of India had felt that more studies and discussions were needed before definitive conclusions should be drawn from the Jansson Report. The Jansson studies had covered nine different countries from all over the world and the earlier Nordic case studies, which had come to similar conclusions, had covered a further 11 countries. That was a fairly comprehensive coverage. Furthermore, the result of calling for further studies might be to delay action indefinitely.

70. India had, indeed, a substantial objection to the Jansson recommendation about reconsidering the criteria for allocating resources, with which his own delegation concurred, and the issue in question would be discussed by the Governing Council at its 1989 session. Meanwhile, the Council should not delay the adoption of recommendations to the Economic and Social Council on the rest of the Report.

71. In conclusion, he pointed out that the purpose of co-ordination was not to improve relations between institutions but to help the Governments of developing countries implement sustainable actions against poverty, the common enemy. His ideal was a state of affairs in which the head of the local planning agency could quickly obtain impartial advice and information from an integrated United Nations field office, followed by an efficient and integrated operation, reflecting the recipient Government's own priorities and sensitivities.

72. Mr. ZHONG SHUKONG (Department of Technical Co-Operation for Development), speaking in response to the Italian delegation, said that, in view of the fact that the forthcoming Secretary-General's Report on Technical Co-Operation would provide information about the Department's activities on the issues covered in operative paragraphs 8 and 12 of General Assembly resolution 42/196, he would refer only to sectoral, multisectoral and integrated advice, mentioned in operative paragraph 12 (c) of the resolution.

73. Many delegations had noted the potential for greater involvement of the specialized agencies. Other delegations had noted that his Department was also in the position to provide such advice because of the close relationship between its programmes in development planning, public administration and finance and population. For the most part, his Department executed only projects financed by other sources of funding, but it did have an allocation from the modest resources available to the Regular Programme of Technical Co-Operation, which could be used to finance interregional advisory services in the Department's areas of competence.

74. Since 1979, at the request of the Council, the Department's interregional advisors had been available, at no cost, to participate in diagnostic missions to assess, in conjunction with the Governments, their technical co-operation requirements in many sectors. The Department hoped that developing countries would take even more advantage of that source of expertise to support the co-ordinating efforts of UNDP, including round tables and NaTCAPs, and other similar initiatives. He wished to remind the Council that the UNDP resident representatives were also the representatives of his Department.

75. Mr. WIESEBACH (Deputy Director-General, United Nations Industrial Development Organization) speaking on the Jansson Report, said that he was conveying only the views of the UNIDO secretariat, since the UNIDO Board, the views of which had been invited in operative paragraph 2 of General Assembly resolution 42/196, was not to meet until October 1988. He would therefore confine his comments to two issues, namely the use of country programmes as a frame of reference and the role of the resident co-ordinator.

76. With regard to the practice of country programming, he largely agreed with the arguments set out in chapter II of document DP/1988/64, although they were not completely in line with the statements in the analysis of country

programme trends during the third and fourth cycles (DP/1988/31). The "frame of reference" concept had not been fully implemented but it would seem that the guidelines for country programme preparation, revised in 1985, had gone as far as possible in that direction. The current question was one of will and resources.

77. As stated in paragraphs 22 and 25 of the analysis document (DP/1988/31), the overall assessment of technical co-operation needs had not been pushed very far at the beginning of the fourth country programming process, although the reason put forward in paragraph 10 of the same document - that Governments were less anxious to obtain assistance in the matter - was certainly not valid for the industrial sector. UNDP had not evolved the necessary machinery to associate the specialized agencies in early stages of country programming or in NatCAPs except on an ad hoc basis.

78. The guidelines for country programming needed to be supplemented by an agreement between UNDP and the agencies on how to organize programming. What was required was not only good will on both sides and organizing ability, in addition to the concurrence of Governments, but also resources which had hitherto been lacking. The UNIDO secretariat therefore found great merit in the idea of strengthening the Special Programme Resources (SPR) under the new allocation proposals. UNIDO itself had arranged to make resources available at headquarters in order to participate in the programming for the fifth cycle.

79. As for the role of the resident co-ordinator (DP/1988/64, chapter III), the argument that a co-ordinator without operational functions would function in a vacuum was quite an understandable one. The Secretary-General of UNIDO had, on several occasions, stated that he would be quite content for the UNDP resident representative to represent UNIDO in the field and to have the Senior Industrial Development Field Advisers (SIDFAs) integrated into the UNDP field offices. However, the entry of UNDP into the role of executing agency through the Office for Project Services (OPS), which currently had a turnover twice that of UNIDO's, must give the latter reason to think. A basic re-examination of how the parts of the tripartite system were to interact in the 1990s was required. The last basic study of the capacity of the United Nations system was nearly twenty years old. UNIDO would therefore request the Consultative Committee on Substantive Questions (CCSQ) to take up the subject in the near future.

80. Mr. MUKHERJEE (India) said that, in many ways, the Jansson Report was a commendable piece of work: in some cases its recommendations could be readily accepted but others needed further reflection. There was, in fact, no simplistic solution to the problem of co-ordination and his delegation's objective had not been to delay the implementation of the recommendations of the report, but to study complex issues in their proper perspective.

81. As for the specific recommendations of the Report, the recommendation in paragraph 82 (e) that United Nations system funds in most countries be concentrated on a few priority sectors was not a practical one at the current stage of development of country programmes. Thematic programming could not be uniformly applied either. There was no agreement among eminent social scientists within a single country on sectoral priorities, let alone agreement between national and outside experts. With regard to paragraph 82 (i), on the use of UNDP country programmes as "a frame of reference for all sources of

United Nations system technical assistance", he wished to point out that different countries implemented their programmes in accordance with their own development plans. Consequently, uniform programming cycles were neither practicable nor in keeping with the real needs of countries.

82. UNDP had a cycle reflecting its predictable flow of resources. That was not the case with bilateral assistance or assistance from the specialized agencies. It had been his Government's experience that such assistance was often given on an ad hoc project-by-project basis. It would be ambitious to think that country programmes could be used as a frame of reference for assistance from other sources.

83. With regard to paragraph 82 (c) of the report, he agreed that co-ordination in the field was required and with the UNDP view (DP/1988/64, para. 18) that one single person should be responsible therefor. However, his delegation did not agree that the resident co-ordinator should also have operational functions. His job was to co-ordinate, and it was doubtful whether he would have the specialized qualifications required for substantive operations.

84. With regard to decentralization, as recommended in paragraph 82 (h) of the Jansson Report, his delegation appreciated the measure of delegation of authority already proposed by the Administrator (DP/1988/64, paragraph 27). However, for some countries, the ceiling for project approval could with advantage be raised still further. A limit of \$700,000 was of little benefit to countries with large indicative planning figures. In the case of India, more than 52 per cent of projects would still need to be referred to headquarters for approval, with the consequent delay. Furthermore, the limit for approval in the equipment sector remained at \$200,000 and he would request the Administrator to increase it proportionately, within the ceiling of \$700,000.

85. The material on UNDP's extension of NaTCAPs (DP/1988/64, para. 39) failed to mention the important qualification that such exercises could be undertaken only at the request of the developing country concerned.

86. In conclusion, he referred to the Administrator's report on modalities for enhancing the implementation of intercountry programmes (DP/1988/69), chapter II of which highlighted the intensive consultative process, on which UNDP was to be congratulated, followed in the preparation of such programmes. However, unlike the case of country programmes, there was no systematic monitoring or co-ordination of intercountry programmes at the implementation stage. Only the executing agency knew what was going on. There should be regular reporting to all the resident representatives involved and, through them, to the focal ministries of all the Governments concerned. It sometimes happened that the executing agency contacted a functional ministry instead of the proper focal ministry for the project. All the proper authorities must be kept adequately informed.

87. Mr. KALIBWANI (Observer for Uganda), commenting on the recommendations of the Jansson Report, said that the concentration of country programme resources on a few priority sectors was not always the best way of maximizing their effectiveness, particularly in a country like Uganda, where they played a catalytic role. The decision should be left to Governments which had the best perception of the national priorities.

88. His delegation supported the Administrator (DP/1988/64, para. 18) in questioning the practical merit of separating the offices of resident representative and resident co-ordinator. His delegation also supported the increase of the project approval limit for resident representatives and wondered whether it could not usefully be extended even beyond the figure of \$700,000.

89. As for the document on the implementation of intercountry programmes (DP/1988/69), the consultative process followed in the preparation of intercountry programmes, described in chapter II, did not really give subregional groupings sufficient voice in the selection of intercountry programmes. The questionnaire method mentioned in paragraph 6 (a) did not make it possible for neighbouring countries to contact one another, while the intergovernmental meeting, referred to in paragraph 6 (e), gave them too little time for consultation. The process should work from the bottom up, with member States in subregional groupings assuming primary responsibility for identifying suitable topics for intercountry programmes, in accordance with their own priorities. The regional economic commission should then examine their proposals in the light of the financial situation and the accepted regional priorities (such as the Lagos plan of action), in order to develop a truly regional programme.

90. Mr. KABIR (Bangladesh) said that his Government was deeply committed to the preservation, both in the letter and in the spirit, of the mandate for the Programme contained in the 1970 Consensus. It had always placed a high premium on the multilateral, non-political character of the Programme, on assistance on a grant basis and on the role of the United Nations agencies as impartial development partners. His delegation fully shared the concern expressed by the Chairman of the Group of 77 regarding certain initiatives that might result in the erosion of the 1970 Consensus, in such areas as resource allocation, distribution and management methods.

91. While his delegation recognized that the Administrator should have some flexibility with regard to contingencies; the allocation of sizeable resources for certain selective uses outside the programming process would weaken the Consensus and involve a diversion from meeting the requirements of the recipient countries, which alone should determine their own priorities and needs. The promotion of selective activities and their imposition as priorities would defeat the whole purpose of UNDP'S operations.

92. In that connection, General Assembly resolution 42/196 had reaffirmed that the developing countries had the primary responsibility for co-ordinating at the national level the operational activities for development of the United Nations system and that the main role of the United Nations system should be to reinforce the capability of developing countries to co-ordinate international co-operation and assistance in accordance with their priorities and needs.

93. It was also important that United Nations agencies should act as a coherent system at the country level; that could not be achieved unless there was greater harmonization of procedures, including programming cycles, project documentation, financial rules and regulations, and the delegation of decision-making authority to field-level offices. Unless such harmonization



was undertaken, greater integration of the system of operational activities through collaborative programmes that took advantage of the complementarities existing in the system, would only produce marginal benefits.

94. The heart of United Nations development assistance was the country programme, which was developed on the basis of the objectives, priorities, needs and socio-economic priorities of the recipient countries. The imposition of external priorities had not produced any positive results in the past and would not do so in the future. Nor did all the issues and goals supported by different United Nations agencies lend themselves to a common approach or collaborative programming, and great care must therefore be taken in consultation with the recipient countries to identify the common priority goals and objectives.

95. On the issue of the decentralization of programme operations and decision-making to the country level, his delegation had welcomed the positive steps in that direction taken by a number of organizations, including UNDP, and hoped the trend would accelerate, particularly in programming, appraisal, implementation and in terms of financial approval authority.

96. His delegation had consistently maintained that co-ordination was the responsibility of the host Governments and their ability to co-ordinate should therefore be enhanced. In that connection, the needs of the least developed countries deserved special attention.

97. The Jansson Report had referred to the "leadership" role of the resident co-ordinator. However, it would be difficult for the resident co-ordinator to assume such a role in view of the diverse nature of the various agencies and their different procedures, rules and regulations and programming cycles. His delegation would therefore like to know whether the current guidelines had produced any results; in that connection, he would suggest that the role of the resident co-ordinators, instead of being re-examined, should be strengthened in the establishment of operational goals and in the effective implementation of programmes. Efforts should be made to reach an inter-agency agreement on the future role of the resident co-ordinators and the host Governments should be consulted.

98. His Government supported the recommendation in the Jansson Report that there should be closer co-operation with the World Bank and regional banks as the technical assistance base would thereby be augmented. UNDP should not, however, become involved in activities which would lead to conditionality, and compromise the multilateral and non-political approach which had made the United Nations system uniquely effective. His delegation also welcomed the participation of NGOs in the development process, but only within the modalities developed by the host country.

99. His delegation wished to emphasize the need to increase procurement from the developing countries and the use of national experts and national project co-ordinators. There should be more open competition and more participation of host Governments in the selection of experts.

100. Mr. KUMARAKULASINGHE (International Labour Organisation) having welcomed the case studies in the Jansson Report as a timely contribution to the efforts to enhance the relevance and impact of the operational activities of the United Nations system, said that the findings of the report related to only 7 of the more than 130 countries benefiting from the operational activities of the system. Such a snapshot view of operations, while particularly useful for the field perspective it provided, could not be considered wholly representative and some caution was therefore advisable in acting on or generalizing the Report's broad conclusions.

101. The conclusion of the Jansson Report that the importance attached by Governments to United Nations system assistance went far beyond its actual value should be borne in mind when addressing the issues before the Governing Council. In that connection, the Administrator had stressed that the expertise of the specialized agencies had been a vital and irreplaceable element.

102. He proposed to address three issues raised in the Jansson Report, namely: the role of the resident co-ordinator; trust funds; and the country programme as a frame of reference.

103. The leadership role of the resident co-ordinator had been reaffirmed by ILO in document E/1987/89. Experience had shown that the effective functioning of resident co-ordinators had less to do with spelling out their mandates or authority than with ensuring that they were of an appropriate calibre, were truly representative of the system as a whole and able to make optimum use of its accumulated knowledge and experience. ILO therefore reiterated its support for the proposal by the Director-General for Development and International Economic Co-operation for a "broader-based selection process". The case studies had highlighted the fact that the role of the resident co-ordinator varied from one country situation to another and, by its decision 87/11, the Governing Council had expressed the view that the main responsibility for designing the activities of the resident co-ordinator at the country level lay with the host Government. ILO had specifically invited the Office of the Director-General for Development and International Economic Co-operation to present proposals for further measures to enhance the role of resident co-ordinators and had assured it of a constructive response.

104. The findings of the case studies had also prompted queries on the recommendations relating to trust funds. The channelling of such funds directly to ILO had provided additionality to multilateral aid flows, had responded to the mutual concerns and interests of donors and recipients alike, and had often addressed the human and social aspects of development which did not always attract other sources of financing. Trust funds had been utilized within the framework of national plans and priorities and, whenever possible, within more specific frames of reference. Donors had recently reaffirmed their continuing support for existing arrangements of that kind.

105. The third issue concerned the country programme as a frame of reference. ILO was committed in principle to the use of the country programme as such a frame, but the extent to which it was able to do so would obviously depend on the quality of the country programme and that, in turn, would be determined by

the extent of the Government's own involvement in its formulation and the extent to which it fitted into the ultimate frame of reference, namely, national plans and priorities.

106. There was no doubt that ILO involvement in the process would make it easier for the Organisation to make use of the country programme as a frame of reference. The process itself should involve a step-by-step approach, beginning with sectoral studies and should represent a programme rather than a project approach. The agencies should therefore be associated in the process from the beginning. Unfortunately, that was not always the case.

107. An example of good collaboration between UNDP and ILO in the country programme process had, however, been the case of Kenya, where employment had been a major theme and the ILO had been invited by the resident representative to co-operate at an early stage of the programme. Similar collaboration was to be undertaken in the case of the Sudan and should be duplicated across the board. If the country programme itself did not provide an adequate framework, ILO would in any case ensure that its programmes and projects fitted into the frame of reference of national plans and priorities.

108. Field representatives had received instructions, complementing those issued by the Director-General for International Economic Co-operation to resident co-ordinators, to consult closely with the latter on all programmes and projects. It should however be stressed that there was much more scope for tapping the expertise of the agencies in the country programmes and related processes. For example, out of 153 missions under the project development facility, only 22 had involved the specialized agencies.

109. In conclusion, he did not propose to address the issues of decentralization and procurement as those were fully covered in ILO's official response to the Jansson Report which had already been circulated.

110. Mr. WILKE (Federal Republic of Germany) said that his delegation had actively participated in the Consensus on General Assembly resolution 42/196 and logically, therefore, could not but endorse that Consensus.

111. His Government had constantly urged coherent approaches, procedures and similar formats for country programmes; compactness in the United Nations development system was clearly in the interests of donors and recipient countries alike. He endorsed the views expressed by the representative of New Zealand. The Governing Council should report its endorsement of resolution 42/196 to the Economic and Social Council in no uncertain terms.

112. Ms. LEE (Observer for Australia) said that her delegation, which supported efforts to ensure that General Assembly resolution 42/196 was implemented, was firmly committed to co-ordinated operations of the United Nations system for development and would support practical suggestions which had the potential to foster greater collaboration among the organizations of the system.

113. The Jansson Report addressed key co-ordination issues in a sensible way and her Government agreed with most of its recommendations. In particular, it supported the idea of an inter-agency agreement on the role and authority of the resident co-ordinators, with separation of the resident co-ordinator's

assignment from that of the resident representative in countries with large United Nations and bilateral development assistance programmes. Authority was a key problem, particularly when the rank of the UNDP resident representative who was currently the resident co-ordinator, was inferior to that of the representatives of other organizations. The position of resident co-ordinator could be rotated among agency heads, provided competence and merit were taken fully into account.

114. The Jansson Report had noted that the UNDP country programmes were seen as relevant only to its own IPFs. Her Government believed that broader United Nations programming would result in more effective project selection, design and implementation as well as simpler and improved recipient country co-ordination. The extensive technical, operational and analytical skills of the specialized agencies should, of course, be used in that process. One practical step would be joint programming on a trial basis in selected countries that were willing to participate. A key mechanism in the process would be the involvement of relevant donors, including agencies with a major input, in co-ordinating meetings, particularly the UNDP round tables and the World Bank's consultative groups.

115. Recipient countries frequently complained about the complexity of co-ordination because of the diverse procedures, approval criteria and programming cycles of the multiplicity of donors with which they had to deal. It was important, therefore, that UNDP should continue and increase its efforts towards achieving simplification and harmonization of operational procedures. In that context, it would be useful if the United Nations development system could build up joint mechanisms for feed-back on evaluations and other implementation issues.

116. Like the representative of New Zealand, her delegation believed that the idea of an integrated field office was worth exploring and suggested the establishment of several integrated United Nations field offices on an experimental basis, possibly one in each region. It went without saying that the key role should be played by the recipient countries.

117. Her delegation supported close co-operation between UNDP and the World Bank and regional banks when UNDP had a specific role to play. In that connection, it welcomed the World Bank's support for the proposed management facility (DP/1988/76) and its willingness to work with UNDP, particularly at the country level.

118. Mrs. BEN AJMIA (Observer for Tunisia) said, with reference to chapter III of document DP/1988/64, that her delegation had some doubts regarding the role of the resident co-ordinator. On the issue of greater decentralization of UNDP activities, the object must always be to achieve greater operational efficiency in the delivery of UNDP programmes.

119. Ms. BRUGGEMANN (World Health Organization) said that she wished to reiterate WHO's appreciation of the Jansson Report and, in particular, of its treatment of country programmes which represented a further step towards strengthening the country programme process.

120. The representative of New Zealand had envisaged the possibility of a United Nations country programme. That would, however, involve co-ordination with the bilateral side. Any final co-ordination of country programmes could be carried out only by the recipient country itself. The United Nations system, in which WHO was a strong partner, should work towards the development of a programme in support of the national programme, a programme that UNDP should support rather than prepare.

121. Mr. BROWN (Associate Administrator, United Nations Development Programme), replying to the comments made by members of the Governing Council, said that some of the issues which had been raised in regard to the Jansson Report were policy matters and would require to be dealt with by the Governing Council rather than by the UNDP secretariat.

122. The representative of New Zealand had given examples of existing problems in some field offices where the chemistry between the various representatives had not been too good. It should not be forgotten, however, that, even if the chemistry was good, each of those field offices was taking instructions from a different individual executive head and implementing decisions taken by its own governing body. He felt that the fracturing of the United Nations system into a number of self-governing bodies was at the root of the problem and agreements between the secretariats concerned might not be able to solve it. If however the secretariats could work together, they could make an important contribution towards overcoming the problems arising from the existence of separate legislative authorities. For example, representatives of UNDP had sat down with the Director-General for Development and International Economic Co-operation and identified a meaningful division of responsibility and had agreed to fund three of the studies mentioned in decision 42/196.

123. The study on country programming and the country programming process, which was the frame of reference, was being carried out by an experienced former staff member of FAO. Such a study would carry much more weight than if it were prepared by a member of the UNDP staff who might have been suspected of bias in favour of UNDP. Little purpose would be served in discussing the country programme system as a frame of reference until the detailed study had been completed, because its entire purpose was to try to develop practical information which would then be used for the benefit of the governing bodies.

124. There were, however, one or two points that had surfaced during the preliminary discussions which had taken place. For example, if the UNDP country programme was used as an all-embracing document including the programmes of all the United Nations agencies, the question would arise as to what the status of the Governing Council would be in relation to the programmes of the other organizations. Many of the other agencies had indicated that they were not funding agencies and that, in many cases, their programmes were ad hoc and were developed from time to time as trust and other funds became available.

125. The guidelines for country programming which had been issued, with copies to members of the Governing Council, in 1987, had requested the resident representatives to make the country programmes as broad-based as possible because the exercise involved in developing the United Nations country programme could, with very little extra effort, be made to cover a much wider

spectrum which would then be available for all to use, as it would have been prepared in collaboration with the Government concerned and would, indeed, have come to the Governing Council as the Government's programme rather than the Administrator's programme.

126. The next study, to which the representative of New Zealand had referred, was the assessment of the additional resources needed to make the office of resident co-ordinator more effective. That study had also been commissioned and was being paid for by UNDP.

127. The third study related to the harmonization of procedures and formats. One of the most important documents in operational activities was the project document, because it set out the project formulation and framework for carrying out the project. After 18 months of close collaboration with the agencies, a project document format had been issued by UNDP and it was hoped that it would be regarded as a basic format which could be used by as many organizations as would care to adopt it. Bilateral donors might also wish to look at it and to discuss the possibility of adopting that document as a single common formula.

128. In reply to the representative of New Zealand, he said that there were many field offices headed by a resident co-ordinator/resident representative where that official could advise the head of planning where particular types of aid might be found, if necessary in consultation with UNDP headquarters. In the meantime, UNDP had notified resident representatives of sources of aid outside the United Nations system, including bilateral donors which might have a special interest in helping.

129. He accepted the suggestion by the Department of Technical Co-operation for Development that UNDP should take advantage of its special expertise, particularly in administration and management, and there had been discussions with particular reference to the fourth programming cycle.

130. The representative of India had made a number of important points, some of which were matters of policy and, therefore, required discussion by the Governing Council. The issue of increasing delegation of authority in proportion to the size of IPFs and the type of programme undertaken was one which had been under consideration for a long time. However, the conclusion had been reached that, as authority was being delegated to a person and not for a programme, what was important was whether UNDP had confidence in the resident representative as a person wherever he might be stationed.

131. With reference to paragraph 39 of document DP/1988/64, the representative of India had rightly noted that NaTCAPs should go only to countries which requested them. That was, in fact, the position and UNDP could clearly not move into a country without the request of the Government concerned. An early criticism of NaTCAPs had been that UNDP had not done enough to internalize the operation, meaning that too much of the work had been done by foreign consultants and that local experts and staff had not been involved enough. Efforts were being made to improve the situation in that respect.

132. The representative of India had also criticized intercountry programming procedures. He agreed that, where a regional programme had its headquarters in a particular country, the other partner countries tended to be isolated, so that activities were concentrated in the host country while the activities of others were peripheral. That was an obvious weakness and UNDP was considering how to deal with the it.

133. Other delegations had raised the question of increasing authority for local procurement over the \$700,000 level. UNDP would like to have more time to study how the current situation was working, and would certainly look at the matter again if there was further inflation.

The meeting rose at 6.15 p.m.

