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GOVERNING COUNCIL

Thirty-sixth session

SUMMARY RECORD OF THE 18th MEETING

Held at Headquarters, New York, on Tuesday, 13 June 1989, at 10 a.m.

President: Mr. PIBULSONGGRAM (Thailand)

later: Mr. POPESCU (Romania)

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The meeting was called to order at 10.05 a.m.

POLICY REVIEW: THE ROLE OF THE UNITED NATIONS DEVELOPMENT PROGRAMME IN THE 1990s (continued) (DP/1989/14 and DP/1989/25)

<u>High-level segment</u> (continued)

- 1. Mrs. SADIK (Executive Director, United Nations Population Fund) said that, over the past 20 years, many national leaders, as well as hundreds of millions of individuals, had become aware of the seriousness of population issues. An increasing number of Governments considered that their population growth rates were too high. More than 70 developing countries were carrying out population policies. Life expectancy at birth was almost 60 years, or 5.5 years longer than in the period 1970-1975. The annual rate of population growth in developing countries had dropped from 2.5 per cent in 1968 to 2.1 per cent, which was particularly noteworthy, given the substantial decline in mortality rates throughout the world. Those advances were a result of the enlightened efforts of the developing countries, and the United Nations Population Fund (UNFPA) was proud of having contributed to their efforts.
- 2. However, despite those encouraging trends, the population of the developing world continued to increase, in terms of absolute numbers, by large increments each year. In the 1990s, the population of the developing countries was expected to increase by over 900 million. Variations in population growth rates among regions, and even among countries, were also worrying. Africa's population was expected to increase by 225 million during the 1990s, or by more than the entire population of Africa in the year 1950. By the year 2000, Asia's population would have increased by nearly 600 million. The rapid expansion of large urban areas was also a major concern.
- 3. Public awareness of the interrelationship of population growth and distribution, economic growth, the adverse impact on the environment of current patterns of resource use, global warming and a possible food shortage was also increasing. As a result, Governments were in a better position than ever before to take various steps to address those issues and problems of sustainable development forthright. In view of the urgency of population intervention, UNFPA had submitted to the Council a report on the policy implications of the findings and conclusions of the Fund's exercise on review and assessment of policy programme experience (DP/1989/37). The report called for the adoption of comprehensive population programme goals for the 1990s in such areas as: (a) the development of comprehensive population policies to help achieve sustainable development; (b) the deceleration of population growth through the expansion of information, education, and family planning services; (c) the lowering of infant and maternal mortality; and (d) improvement of the role, status and participation of women. were realistic, as was evident from the great strides which various developing countries had made in the past two decades, thanks in large part to their own efforts, and also to international assistance. In addition to the necessary human and financial resources, four elements played a crucial role: firm political

(Mrs. Sadik, UNFPA)

support, existence of a national plan and programme for population, careful assessment of the socio-cultural context, and complementarity with other development objectives, to which should be added the active participation of all sectors of the population.

- 4. She noted that population assistance amounted to less than \$600 million annually, or only 1.5 per cent of official development assistance (ODA), and that it had remained at that level for the last few years. An increase in population assistance of even 10 per cent a year in real terms during the 1990s would make a huge difference in the international community's collective ability to establish a balance between population and resources, and would still account for less than 3 per cent of total ODA.
- 5. Since, in the 1990s, it would be necessary to achieve a better balance between economic and social development, more attention should be given to the social aspects of development, and in particular to the participation of women in development; that was the theme of the Fund's 1989 State of World Population report, which sought to demonstrate that smaller population growth and economic progress without irreversible damage to the environment depended on investment in women. It was therefore important for the international community to ensure that issues concerning population, women and environment became an integral part of the international development strategy for the fourth United Nations development decade; likewise, population concerns should figure prominently in the preparation of the special session of the General Assembly devoted to international economic co-operation and the second United Nations Conference on the Least Developed Countries.
- 6. The co-ordination of operational activities had a special meaning for UNFPA. Population issues cut across all the other major sectors and, in order to be successful, programmes must include attention to education, health, housing, employment and the status of women. UNFPA would therefore continue to strive to ensure the best possible co-ordination with other United Nations bodies, bilateral agencies and non-governmental organizations. However, such co-ordination implied the harmonization of the various programming cycles of those bodies, as well as the strengthening of the role of the Resident Co-ordinators. In addition, Governments, through the different intergovernmental forums which governed the work of United Nations bodies, should speak with the same voice and with consistent messages.
- 7. Finally, she stressed that, in order to build a lasting foundation for sustained and equitable development in the twenty-first century, a central place should be given to the related issues of population, women and the environment. Such development could be achieved only with the full and equal participation of women, when population, environmental and development linkages were adequately translated into policies and programmes, and when the social and economic aspects of development were given equal priority.

- Mr. CZARKOWSKI (Poland) said that the political climate had been improving for a number of years as a result of the progress which had been made in the settlement of regional conflicts, and of the strengthening of international security. notion of the interdependence of States had been accepted and was contributing to the expansion of multilateral co-operation, whose role in world affairs was increasing. The reforms which had been undertaken in the socialist countries were contributing to the improved world political climate. However, that improvement was not matched by progress in international economic relations, which remained beset by the difficulties of indebtedness, deterioriating terms of trade, protectionism, high interest rates, and the reverse flow of capital and resources; as a result, the objectives of the Third United Nations Development Decade had not been achieved and the world economic situation continued to be marked by serious imbalances and characterized by a painful need for adjustment. Many industrialized countries, preoccupied with their own problems, were not paying enough attention to the global interdependence of the economy. The income gap was still widening, a situation which, in an increasingly better informed world, contained the seeds of dangerous destabilization. The elimination of such problems as poverty, debt, environmental degradation, deterioration of human settlements and, in particular, insufficient development of human resources, required new thinking and a new approach. That consideration should be borne in mind when preparing the strategy for the fourth United Nations development decade.
- Although the strategy was not yet ready, it was possible nonetheless to consider the role of UNDP in the 1990s, since the technical co-operation activities of the United Nations system and of UNDP, in particular, were an important component of the development decade. The experience gained could be adapted to other areas of international action for social and economic development. General Assembly resolution 2688 (XXV) (known as the "1970 Consensus") on the capacity of the United Nations development system, and Assembly resolution 3405 (XXX) of 1975, on new dimensions in technical co-operation, should continue to be the basis for future UNDP activities. Since the principles of technical co-operation and technical assistance had not - unlike many economic theories and concepts - been proven wrong by time, the constructive experience of UNDP should be fully utilized in the future. Among those principles, it was essential to retain the principles of UNDP's universality, respect for the right of Member States to decide with complete sovereignty on the contents of technical assistance and technical co-operation, and of the Programme's central funding role in the technical co-operation activities of the United Nations system. Indicative planning figures (IPFs) and the project approach should also be retained. Wider use should be made of evaluation in assessing the Programme's impact on social and economic development.
- 10. While Poland was not against government execution of projects, use of that method should not be pushed too far, since that would undermine the very reason for multilateral technical co-operation. On the other hand, execution of projects by the specialized agencies made it possible to maintain the high professional standard of technical co-operation activities. Projects not executed by those agencies should still benefit from the expert opinion of the agencies. The expertise accumulated in the various bodies of the United Nations system was

(Mr. Czarkowski, Poland)

extremely valuable and could be the key to solving social and economic development problems in the coming years. That goal could be better achieved if recruitment was carried out on a broader geographical basis.

- 11. His delegation agreed with the Administrator that international debt and environmental protection were new areas for UNDP activities. While the Governing Council could give general guidance in that respect, the ultimate decision regarding each project rested with the Government of the country concerned: in fact, a problem did not necessarily have the same seriousness at the global level as it did at the country level. In that connection, the issue of co-ordination at the country level was very important, and with that in mind the role of UNDP resident representatives could be expanded; in particular, resident representatives could make recipient countries more aware of the possibilities of using available external aid.
- 12. It seemed that, while procedures for country projects were operating smoothly, the same could not be said of global, interregional and regional projects; perhaps that was due to their greater complexity. In order to meet the challenges of the future, perhaps more attention should be devoted to inter-country projects. growing interdependence of States and the increasing number of problems which could be solved only with the co-operation of several countries called for a greater number of global, interregional and regional projects, as well as for improvements in their quality. More resources should be allocated to such projects and, at the same time, efforts should be made to perfect a methodology for conceiving, executing and evaluating those projects. The inter-country project mechanism was perfect for attaining the goals arising from the current stage of the international economic situation. Technical co-operation could be extended to new areas, such as providing advice on trade expansion and the elimination of trade barriers, debt management and the balance of payments, the development of various sectors of the economy and of human resources against the background of the ongoing reforms in the socialist countries. The Council should therefore provide for a system permitting the introduction into UNDP activity of new topics, some of which, perhaps, were still unknown.
- 13. Current patterns of distribution of resources among recipient countries should be maintained, with somewhat greater emphasis on global, inter-country and regional projects. The preferential treatment of the least developed countries should be maintained, without losing sight of the needs of countries at an intermediate level of development, since the performance of their economies was increasingly influencing the world economic situation. Moreover, as the Administrator had pointed out, UNDP resources should be considerably increased. That was justified by the seriousness of the difficulties and the importance of the changes occurring in the world, and UNDP had amply proved its usefulness by its excellent past performance. The Programme's role was not limited to the purely financial value of its activity. Part of the savings to be achieved through disarmament should be channelled to UNDP. There was no doubt that contributions to the Programme were a prudent investment from which present and future generations could only benefit. Poland intended to participate actively in UNDP activities and was considering a large increase in its contribution for 1990.

- 14. Mr. FARHAT (Libyan Arab Jamahiriya) said that the challenges facing UNDP, in particular in the light of the international economic situation, had given rise to many economic and political difficulties which had hampered the efforts of the developing countries to narrow the gap separating them from the developed countries and to provide for their own economic and social development.
- 15. The true mission of UNDP, which was the principal instrument for carrying out all international development activities, should be maintained and strengthened, and efforts should be made to enhance the effectiveness of its activities; in particular, it was necessary to improve administrative methods and guarantee the best possible use of available resources.
- 16. Perhaps one of the most important problems related to development and the future of mankind was the protection of the environment. The problem of pollution was becoming more serious. Nevertheless, many industrial countries continued to dump toxic wastes in developing countries. Multilateral measures should therefore be taken in order to remedy that situation.
- 17. The debt problem of developing countries continued to worsen and was adversely affecting their economic situation. The problem was aggravated by a number of external factors, including the inability of the international monetary system to regulate monetary and financial relations and strengthen mutual confidence among countries; the sharp drop in the prices of developing countries' exports; customs barriers, restrictive economic practices imposed by certain advanced countries on exports from developing countries; the collapse in the exchange rates of the major international currencies; the decline of international development assistance; higher rates of interest; and the dependence of the currencies of the developing countries on foreign convertible currencies.
- 18. In view of the current situation, it was essential to recognize that creditor and debtor countries shared responsibility, and to show the political will required in order to implement the necessary reforms and restructure the international economic system. In that context, restrictive economic practices which hampered the economic progress of developing countries (import quotas, economic embargoes, freezing of payments, etc.) must be condemned, and measures taken to end such practices, which were contrary to international law and custom.
- 19. According to forecasts, by the year 2000 the world population would have risen to 6.2 billion, 90 per cent of which would live in developing countries. World food production must therefore increase in the same proportions, for the right to food was a fundamental right.
- 20. All countries had sovereignty over their natural resources and their economic activities. In that connection, the international community must take a unified stance with respect to the situation imposed on the Palestinian Arab people by the Zionist entity's forces of repression, which were committing the most hateful crimes, and assist the Palestinians in recovering their rights. His delegation also wished to reaffirm its support for the African front-line States in their efforts to overcome the devastating effects of the policy conducted by the racist régime of South Africa.

(Mr. Farhat, Libyan Arab Jamahiriya)

- 21. Already critical, the economic situation of Africa was growing worse owing to the combined effect of several factors, among them the problem of debt, which had amounted to \$230 billion by the end of 1988, and the sharp decrease in the value of exports as a result of falling commodities prices. Attempts made to reschedule the debts of the poorest countries on an individual and selective basis had not yielded the desired results. It was therefore essential to adopt an equitable approach, consistent with an integrated and multilateral strategy. UNDP was effective in its efforts to strengthen the capacity of the African countries affected to deal with the problems created by that emergency situation, and it was providing valuable aid to the continent.
- 22. The Libyan Arab Jamahiriya had elaborated ambitious strategies in all sectors of development, particularly in the areas of agriculture (desertification control, for example), industry and the exploitation of human resources. It was making every effort to become more self-reliant, and, at the same time, furnished substantial assistance to developing countries in Africa, particularly the poorest. It had always affirmed the need to strengthen international co-operation, in accordance with the provisions of the Charter of the United Nations.
- 23. The Libyan Arab Jamahiriya was associated with UNDP in many projects, executed within the framework of cost-sharing agreements in agriculture, industry and training. None the less, despite the success achieved, a number of difficulties remained because of continual decreases in the level of technical assistance provided; constant changes in project documents as a result of rising costs, which entailed additional expenditure from the national budget; and constant decreases in its IPF at the same time that Libyan cost-sharing in projects increased. It was to be hoped that in the fifth programming cycle, the IPF allocated would be fixed so as to facilitate the execution of development programmes.
- 24. Although it had long been present in the Libyan Arab Jamahiriya, UNDP had been unable to train national specialists with a view to making the country self-reliant. Furthermore, technical functions in the field offices were assigned to foreigners, despite the availability of qualified executives at the local level. It was therefore essential for UNDP to make greater use of national capacities in order to enhance the effectiveness of operational activities for development and facilitate the transfer of skills.
- 25. In conclusion, his delegation hoped that the common effort in the field of international development would make it possible to offer all peace-loving peoples greater prosperity and a safer, more just world.
- 26. Mr. STAEHELIN (Switzerland), recalling that UNDP was an integral part of the United Nations system of operational activities for development, indicated that the review of the Programme's role should take into account the review being conducted of the entire system and should be considered as part of the international development strategy for the 1990s. In order for the technical co-operation system to emerge strengthened by the review, the importance of human resources development must be taken into account. His delegation fully agreed with the emphasis placed by the Administrator on strengthening national capacities for development.

(Mr. Staehelin, Switzerland)

- 27. UNDP, which must preserve its threefold mandate as the central agency for the financing, programming and co-ordination of technical co-operation, must focus its activities even more in key areas of development, where it had genuine comparative advantages over bilateral aid. It must also give fuller consideration to the very wide diversity of national contexts in which it operated, in order to adapt its operating procedures accordingly. In that connection, the idea of more systematic promotion of project execution by nationals was fully justified. Moreover, greater flexibility and decentralization at the decision-making level should make it possible to rectify many difficulties.
- 28. Before embarking on another substantial review of country programming guidelines, UNDP should await the findings of the evaluation of the mid-term reviews. It should involve the major specialized agencies more systematically in aid co-ordination and should further improve the follow-up of round tables and consultations. Lastly, in view of the importance which certain economic and ecological problems had acquired at the regional and global levels, UNDP could play a much more active and specific role, in close collaboration with the specialized agencies concerned. There, too, proper evaluation of the situation, the concentration of activities and the co-ordination of inputs would be essential.
- 29. While his delegation agreed with the principle of strengthening UNDP's capacity, duplication should be avoided in field office staffing, and personnel should be redeployed as much as possible, beginning with the introduction of a Development Support Services category on an experimental basis. Highlighting the importance of a central financing system, he said that UNDP's common core funds must increase at least as rapidly as they had in previous years. Switzerland was prepared to continue assuming its share of the funding, but certain major donor countries would have to agree to assume or reassume, where their share had dwindled a much larger share of the total contributions. The most advanced developing countries would also have to join in the common effort by paying sizeable contributions. A growing share of the resources must be allocated to the poorest countries and populations.
- 30. In order for UNDP to be able to assume all those increasingly complex tasks, the Governing Council must be able to pursue fully its role as governing and supervisory body. Any measures to be taken to that end must therefore be examined in great depth.
- 31. Mr. KRSTAVIC (Yugoslavia) said that the consideration of the role UNDP should play in order to respond to the challenges of the 1990s, in producing ideas that were both new and relevant, was in itself a challenge that the Administrator, drawing lessons from past experience, had to meet: his report was rich in innovative and thought-provoking but pragmatic approaches. His delegation recognized that UNDP must concern itself with the unresolved problems of development and define its priorities in close connection with the new international development strategy. The emphasis placed on the strengthening of national capacities of developing countries was particularly important. As to the future mandate of UNDP, UNDP must attempt, within the established framework of

(Mr. Krstavic, Yugoslavia)

technical co-operation principles, to improve programme quality, effectiveness, efficiency and impact; his delegation supported the measures proposed by the Administrator to that end.

- 32. His delegation also supported the proposals for strengthening the tripartite partnership of Governments, UNDP and the specialized agencies in the interests of recipient countries, making the programming approach more flexible and improving the modalities of co-ordination, evaluation and execution. The strengthening of the field office structure was desirable provided that it was beneficial to the countries concerned.
- 33. Yugoslavia supported the proposal to increase the overall resources of UNDP; the funding targets were ambitious but would not be unrealistic if resources became available as a result of the acceleration of the disarmament process. Perhaps a more gradually phased funding strategy should be envisaged for UNDP over the next decade, which would be more responsive to changing circumstances.
- 34. With regard to organizational issues, the restructuring and strengthening of administrative and technical capacities should be implemented cautiously, in particular through the rationalization of existing structures. As to the proposal concerning the establishment of a microfund, his delegation wondered whether a more flexible utilization of the structure of the United Nations Capital Development Fund would prevent the proliferation of special-purpose funds. The Yugoslav Government had recently approved a contribution to UNDP for 1989 of \$825,000.
- 35. Reaffirming its attachment to the principles under which UNDP operated voluntarism and universality in particular his delegation was concerned that some delegations were singling out the concept of geographical concentration.
- 36. Mrs. LANDRY (Canada) said that, as Canada's Minister for External Relations and International Development, she deeply appreciated the strategic contribution that multilateral organizations, and in particular UNDP, were making to development. Her country's support for those organizations was demonstrated, in turn, by the volume of its contributions. In 1989 Canada had decided, in order to redress a difficult financial situation, to reduce its budget for development assistance; however, it hoped that the budget would begin rising again in 1990.
- 37. The major principles of Canada's assistance programme up to the year 2000, which were defined in the official development assistance charter and strategy, adopted in 1988 namely: priority to the poorest, strengthening of the human and institutional capacities of developing countries, priority to development needs and partnership corresponded to those of UNDP.
- 38. For Canada, UNDP's mandate remained valid and there could only be minor adjustments to it, not major changes. That being so, it was important for UNDP to be flexible and to adapt to the changing problems and realities of the developing world by making the most of its own strengths: a general mandate which dealt

(Mrs. Landry, Canada)

almost entirely with technical assistance, which gave it invaluable experience and skills in development, but also made it more difficult to explain its role and achievements to the public.

- 39. Her delegation, while agreeing that preferential treatment should continue to be given to the least developed countries, felt that the impact and effectiveness of technical assistance channelled through UNDP could not be ignored. It also supported the proposal to attach greater importance to global and regional programmes which, because of the complexity of current development problems, often had greater impact than the country programmes, and which UNDP was in a unique position to promote. UNDP must also be able to intervene in areas which fell principally under the mandate of the Bretton Woods institutions, since its approach was guite different.
- 40. While it agreed with the principle of strengthening the field offices, her delegation felt that that should not necessarily mean an increase in the number of staff where, once again, quality must be paramount. It would like to consider in detail the rationale and budgetary repercussions of each proposal, and the problem of competition with the specialized agencies which remained a concern.
- 41. Canada was in favour of integrating the programmes and funds that were managed separately into the basic structure of UNDP, except in the case of UNIFEM, which assisted a segment of the population that clearly did not receive enough assistance through the basic programmes.
- 42. She noted that the Africa 2000 Network a Canadian initiative had become a reality, and confirmed that Canada would provide a contribution of 20 million Canadian dollars over a five-year period. Canada had also co-operated with UNEP in setting up environment-management projects in Latin America. Those projects demonstrated its desire to support UNDP's efforts. Canada was convinced that UNDP would make an invaluable contribution to the development process over the next decade.
- 43. Mr. ONYONKA (Kenya) said that Kenya appreciated the assistance given by UNDP to developing countries, and the co-ordinating role played by UNDP within the United Nations system. It therefore supported the review of the future role of UNDP, but noted that it was important to retain and strengthen the unique characteristics of UNDP assistance, such as its responsiveness to government priorities and strategies, the grant nature of its assistance, and its understanding of the diversity of developing countries. His delegation noted with satisfaction that the Administrator had stressed human resource development. The integration of the human dimension in development programmes in the 1990s would have important implications for national planning and international co-operation. Consequently, UNDP must play an even greater role in helping to impart technological and management know-how to the informal sector which, in some developing countries, constituted the critical component in the economy and in society.

(Mr. Onyonka, Kenya)

- 44. In a country like Kenya, which had adopted a system of planning development from below, there was an obvious need for investing resources in the strengthening of planning institutions at the local level, which facilitated community participation in planning and programming for development. In the final analysis, development aid consisted in assisting people in organizing and effectively managing their nation's development efforts. The strategic importance of human resource development, especially in Africa, had been demonstrated by the shortage of trained managers in Governments and in the public and private sectors. That shortage impeded the execution of a larger proportion of projects by Governments and State corporations as well as the effective participation of the people in economic activity.
- 45. In the wider context, the African countries had been grappling with a regional economic crisis to which a solution was not yet in sight and which had been attributed to slow growth, food shortages, drought, debt, declining capital inflows and explosive population growth. Recent measures taken to bring about economic recovery, including structural adjustment measures, had not only failed to achieve the desired results but had caused serious social problems. The shortage of skilled manpower, shortfalls in national budgets, balance-of-payments deficits and declining commodity prices all made it difficult to achieve economic recovery. Those problems were particularly acute in Africa, and the implementation of the United Nations Programme of Action for African Economic Recovery and Development was hampered by the lack of additional resources. The UNDP initiative to mobilize resources for that purpose was therefore crucial.
- 46. Development planning should also take account of environmental concerns, particularly desertification and pollution in urban areas. UNDP should provide assistance in those fields in order to enable Governments to tackle the problems in question effectively. The Administrator had also paid considerable attention to national capacity-building, which involved the strengthening of institutions in all sectors and the training of national staff. Kenya supported the Administrator's proposals in that area, since they were intended to strengthen the capacity of Governments to manage their own development. Additional funds must be obtained in order to enable UNDP to play an enhanced role in development. The issue of central funding for the United Nations system also required some attention, since the UNDP share of such funding had diminished to a level that gave cause for great concern. Kenya therefore supported the proposal that UNDP core funds and non-core funds administered by UNDP should be increased.
- 47. Mr. Popescu (Romania) took the Chair.
- 48. Mr. GROTH (Sweden) said that the great merit of the consensus adopted nearly 20 years earlier and of the Jackson report on which it had been based had been to focus on the needs of the recipient countries, not on donors' ideas or on the specialized agencies' sectoral interests. There was still a need for a United Nations agency that took account of the recipient countries' needs, devoted itself entirely to the financing of technical assistance, made long-term commitments on a grant basis, was universal and decentralized, and was free of political and

(Mr. Groth, Sweden)

ideological rivalries. Moreover, there was still very much a need for cohesion and co-operation both within the United Nations system and among development partners.

- 49. In his report, the Administrator pointed to four major problems: the debt burden, poverty, environmental degradation and urbanization. Those problems were all the more compelling in the light of current population trends. Additional debt-relief measures were required in order to bring heavily-indebted countries back into the mainstream of the world economy and onto the path of healthy growth. UNDP's role in that context should be to strengthen the capacities of national administrations and central banks in the best interests of the countries concerned. Sweden wished environmental issues to be placed higher on the international agenda, because it was convinced that pollution and degradation of the human habitat were problems that called for decisive international co-operation on an urgent basis. The industrialized countries, which were in fact the largest polluters, had a responsibility to come forward with the assistance needed. External resources were required because in most countries poverty was the prime reason for the depletion of nature.
- In view of those global problems, all donor countries should take specific measures to ensure that they attained the target of 0.7 per cent reaffirmed by the General Assembly at its forty-third session as soon as possible. To that end, as a minimum, total annual development assistance should be increased by \$10 billion by 1992. UNDP had itself requested increased resources in order to be able to carry out future tasks. For many years the Swedish Government had been pleading for increased contributions to UNDP, and it had itself made substantial contributions to UNDP. Sweden would like to see countries that had not made major contributions increase their share, and pay their contributions to general resources in order to preserve UNDP's multilateral character. Since UNDP's resources were relatively limited, project priorities must be well defined so as to address key issues and bottle-necks. Owing both to its mandate and its neutrality, UNDP was in a position to tackle issues in respect of which bilateral assistance was less desirable. Moreover, it was of the utmost importance that the greater part of UNDP resources should continue to be channelled to the poorest developing countries. Even though the field-office network was one of UNDP's greatest assets and the field offices performed their tasks admirably, the staff increases proposed by the Administrator were too extensive, particularly since many member countries were experiencing severe cut-backs in their own administrations. Sweden was more in favour of the proposal that a development support service should be established. Moreover, the suggestion that resident representatives should have the opportunity to recruit local experts seemed interesting and should allow for greater flexibility. It could be put into practice on a trial basis in a limited number of countries. However, Sweden fully endorsed the remarks made by Ghana concerning some negative consequences that the suggestion in question might have for the public sector.
- 51. The tripartite system should be reviewed, and new working methods could be envisaged. However, where the preparation of new models was concerned, it would be wise to await the outcome of further deliberations and the studies that were

(Mr. Groth, Sweden)

currently under way before taking decisions or making recommendations in the area in question. It appeared that in the future recipient countries would play a central role in co-ordinating development activities. The necessary instruments for assisting the recipient Governments in the area in question were evolving, and round-table meetings and consultative groups had been organized for most countries. UNDP must assist Governments in using those instruments to raise external resources and put those resources to good use. That process also made it possible for recipient Governments to promote co-operation within the donor community pragmatically. UNDP and the United Nations system had the potential and the ability to play a central role in development co-operation in the 1990s.

- 52. Mr. HAQUE (Pakistan) said that the 1980s had been a critical period for the economies of many countries: some had rapidly adjusted to new conditions, while others had suffered continued disappointments and mounting difficulties. Uncertainties still prevailed as to how the problem of developing-country debt would be solved, how the fiscal and current-account imbalances among the developed market-economy countries would be reduced, whether the international trading environment would become more or less protectionist and what the level of net capital flows to developing countries would be. Those uncertainties and the prospect of continued volatility in exchange rates and interest rates discouraged investment and retarded economic development. Despite the implementation of serious adjustment programmes, debtor countries had not been able to achieve the explicit goals of the "debt strategy", which were to restore sustained growth and retain creditworthiness and access to voluntary new lending. The deterioration in per capita incomes and in social indicators had led to growing frustration and political unrest in debtor countries, which made it more difficult to solve the debt problem.
- 53. That situation could not be corrected by national policies alone. A concerted effort was required to achieve sustained and balanced economic growth throughout the world and to resolve the problems in the world monetary, financial and trading system. The problems of the world economy were interdependent in nature and could not be solved by means of unilateral and limited measures adopted by the major industrialized countries. Unfortunately, the policies and measures adopted did not always take account of the interdependence factor.
- 54. In his report, the Administrator had identified a number of areas where opportunity for improved efficiency existed. His delegation supported all the proposed measures to strengthen national capacity-building in the management of internal and external resources for development. Pakistan also noted with satisfaction the Programme's emphasis on human resources development. Under the leadership of Prime Minister Benazir Bhutto, Pakistan had formulated a comprehensive programme and strategies aimed at achieving just income distribution with fair wages and education for all. The Government had set itself the target of building 500,000 new housing units every year. It had also launched a People's Programme throughout the country, which placed great emphasis on job training and was designed to meet the basic needs of the population in the areas of health, education, drinking water supply and communications. His delegation hoped that UNDP would contribute to the success of that programme.

(Mr. Haque, Pakistan)

- 55. UNDP had been following the practice of providing only short-term training facilities of three to six months' duration. That did not meet the increasing requirements of developing countries in the industrial and technical fields. It was therefore necessary to formulate a comprehensive long-term training programme in areas which were vital for human resources development. UNDP should make use of the indigenous capacities and expertise which existed in many developing countries. In that regard, his delegation noted with interest the proposal for the introduction of development support services in the Programme's field office network. It was, however, essential that the proposed programme should allow UNDP to make full use of national expertise in its operational activities. Similarly, potential suppliers of locally produced goods and services in developing countries should be systematically identified and used to the maximum.
- 56. Pakistan was also in favour of the proposed measures in support of government execution of projects. That modality should be introduced in a greater number of developing countries. The procedures for formulating and approving government-executed projects seemed to be more rigorous than the conditions required of other executing agencies. It would be useful if recipient Governments created a special unit to deal with project execution and if the field offices took special steps to support Government efforts. UNDP should implement a training programme for government officials which would enable them to assume responsibility for managing technical assistance. It should also ensure that government execution of projects did not limit Governments' access to the wealth of technical expertise accumulated in the specialized agencies. In that regard, the relationship between UNDP and those agencies should be re-evaluated. That relationship should be neutral and based on flexibility, according to the needs of recipient countries. His delegation looked forward to the recommendations on agency support costs which would be made later in the year by the expert group.
- 57. UNDP programmes dealing with the participation of women in development should be supported. It was, however, disappointing to note that UNDP had not played a significant role in the transfer of advanced technology, equipment and capital goods to developing countries. The Programme should strive to achieve a global balance between the various sectors and to promote the transfer of modern technology to developing countries. The share of country IPFs in the total allocation had been decreased from 85 per cent in the first programming cycle to 81 per cent in the fourth cycle. Further reduction should be avoided in the fifth cycle, since that would have adverse effects on the programmes of the developing countries. With regard to the distribution of country IPFs, the criteria and principles laid down in Governing Council decision 85/16 should be retained for the fifth cycle. His delegation did not support the proposal to lengthen the programming cycle from 5 to 10 years. The existing five-year cycle suited the priorities and programmes of the developing countries in the perspective of five-year national plans. Lengthening the cycle would make it difficult to modify country programmes in order to adapt them to changing priorities, and would retard the tempo of the implementation of activities. Economic and technical co-operation among developing countries was a valuable instrument for promoting efficient use of human, material, financial and technological resources. In that regard, the

(Mr. Haque, Pakistan)

importance of subregional, regional and interregional co-operation among developing countries could not be overestimated. UNDP's efforts to expand economic co-operation among developing countries in order to achieve effective restructuring of international economic relations should be supported.

- 58. In view of the importance of technical co-operation in the multilateral framework of UNDP, it would be disastrous for the developing countries if the Programme were to be deprived of the resources it required to maintain the volume of its activities. UNDP had always endeavoured to strike a balance between the objectives of the recipient and those of the donor countries. It was therefore logical that the developed countries should strengthen the Programme's resource base in a spirit of co-operation and with a view to mutual benefit. Nothing was more important than to strengthen the Programme's financial base in order to enable it to discharge its mandate effectively until the year 2000.
- 59. Mr. THOMPSON (Fiji) said that the Administrator's report on the role of UNDP in the 1990s was an informative, balanced and consistent document, and Fiji endorsed the underlying philosophy of growth with equity, sustainable development and self-reliance.
- 60. An important priority identified in the report was national capacity-building, which was of critical importance for the countries of the South Pacific. His delegation welcomed the proposals for the strengthening of field staff and for Development Support Services, as well as the idea of setting up a new mechanism (Microfund); the latter would be particularly useful at the village level and would help meet local needs. It would also be useful to strengthen the Office for Project Services in order to improve the effectiveness of the organization in subregions, as the Administrator had suggested.
- 61. UNDP had been an active participant in the development efforts of Pacific island countries through country and regional IPFs. There were 23 island developing countries and territories in the region, most of them very small and highly prone to devastating natural disasters. In the preparation of the fifth programming cycle, account should be taken of those characteristics as well as the diseconomies of scale which disadvantaged those countries, and of the internal distribution of wealth; in the case of small countries, a large percentage of the national wealth was confined to a small, generally urbanized, section of the population and, although the national average per capita GNP might appear high, the bulk of the population was often well below that figure.
- 62. In their efforts to respond to the needs of their populations, developing countries had to undertake painful reforms and adjustments. Government officials had also modified their approaches to a considerable extent; it was therefore regrettable that some aid agencies maintained an inflexible attitude and sometimes attempted to induce recipient countries to undertake programmes which were irrelevant to their needs. The specialized agencies also needed to change their attitudes and strengthen their co-operation in order to enhance cost-effectiveness. The developing countries must be able to choose how and by

(Mr. Thompson, Fiji)

whom their programmes would be implemented. The view that such decisions rested with the agencies could no longer be sustained, and priority should be given to the interests of the countries concerned and not to the internal needs of organizations. That was why his delegation supported the Administrator's proposal to give Governments a greater role in programme and project execution.

- 63. Mr. CHAI (Observer for the Republic of Korea) said that, for many developing countries, the current decade could be characterized as a period of crises, financial depression, debt burden and environmental degradation. The prospects for the coming decade were hardly encouraging since, according to United Nations estimates, the average growth rate of per capita GDP was expected to be only about 2 per cent.
- 64. To meet the challenges of the 1990s, UNDP should adopt a more innovative, flexible and country-specific approach in the implementation of its projects and programmes. As the Consensus of 1970 and the New Dimensions resolution of 1975 had pointed out, UNDP should assist recipient Governments, at their request, in strengthening their capacity to negotiate with their partners regarding their development projects and to undertake the necessary preliminary reforms which would enable them to carry out their proposed development plans. The Governments of recipient countries should endeavour to play a more active role, in close co-operation with the UNDP Resident Representative, and be fully involved in all stages of development activities.
- 65. One of the most important aspects of the role of UNDP in the 1990s was national capacity-building and strengthening of the self-reliance of the least developed countries. It was a fact that the gap between the least developed countries and the developed countries continued to widen; according to projections, by the year 2000 per capita GDP would be \$225 in the least developed countries and \$13,400 in the developed countries. UNDP would have to co-ordinate the efforts of the international community in order to respond adequately to the needs and priorities of the least developed countries. The technological gap between North and South was also widening; UNDP had an important role to play in that area as well, and it would have to redouble its efforts in order to contribute to the technological progress of the developing countries.
- 66. The Republic of Korea attached great importance to economic and technical co-operation among developing countries, and participated actively in ECDC/TCDC activities both within and outside the United Nations system; in 1986, it had established the Economic Development Co-operation Fund in order to enhance international economic co-operation through the provision of concessional loans to promote industrial development and economic stabilization in developing countries.
- 67. Tripartite efforts among recipient Governments, UNDP and the executing agencies should be intensified in order to help the developing countries overcome their economic, financial and technological difficulties. UNDP should strengthen its relations with the agencies responsible for project execution and should assist the Governments concerned in their management of external assistance flows. In the

(Mr. Chai, Observer, Republic of Korea)

1990s, UNDP should further involve the executing agencies in national technical co-operation assessments and programmes (NATCAPs) exercises, round-table meetings and programmes and projects executed by non-governmental organizations and Governments.

- 68. During the next decade, use of national capacities in UNDP-funded projects should be accelerated. To that end, the Administrator should give preferential treatment to developing countries, in particular to the least developed countries, in utilizing local expertise and in procuring equipment and services.
- 69. The Government of the Republic of Korea was prepared to support UNDP's efforts to surmount the difficulties which would confront it in the 1990s.
- 70. Mr. OSATANANDA (Thailand) said that, in the coming years, UNDP should focus its activities on three priority areas: growth with equity, sustainable development and greater self-reliance. In view of the growing diversity among developing countries, technical assistance would have to be adapted to the specific needs of each country. In such conditions, country programming should remain the preferred tool. The basic characteristics of the Programme's mandate should be maintained, namely, responsiveness to government priorities, flexibility, multilateralism, neutrality, universality and the grant nature of assistance.
- 71. In order to develop national capacities, the role of Governments in project management and execution should be strengthened. His delegation agreed to the arrangements proposed by the Administrator concerning supplementary grants for equipment, supplies and consultancy services.
- 72. He stressed a number of issues which UNDP would have to treat with great caution. The first was the issue of aid co-ordination. The Programme should intervene only in special circumstances and at the request of the Government concerned. In all other cases, responsibility for co-ordination rested with the Government itself. However, before tackling that complex task, the role of the Resident Co-ordinator should be strengthened. In paragraph 63 of the annex to its resolution 2688 (XXV), the General Assembly emphasized the role of leadership of the "resident director", or resident representative of UNDP at the country level. Thailand was not sure that UNDP had done everything to fulfil the function it had been given in that area. The Governing Council should examine ways of vigorously reaffirming that role.
- 73. His delegation welcomed the proposals on the creation of special funds, in so far as they did not reduce the magnitude of existing resources, did not imply excessive expenditure and did not duplicate other funds, but expressed concern at the Administrator's invitation to the Council to consider setting funding targets at double the current level for the fifth cycle, and triple that level for the sixth cycle.

(Mr. Osatananda, Thailand)

74. With regard to the issue of central funding for the United Nations system, it was his delegation's understanding that the Consensus of 1970 recognized UNDP's central role in that area. Thailand shared the Administrator's concern that UNDP's share in the funding of technical co-operation was fast decreasing; in order to reverse that trend, a study should be made of the future directions of the specialized agencies in order to avoid duplication of activities and thus reduce spending.

The meeting rose at 1.10 p.m.