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Special session

SUMMARY RECORD OF THE 5th MEETING

Held at Headquarters, New York, on Thursday, 23 February 1989, at 10 a.m.

President: Mr. PIBULSONGGRAM (Thailand)

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The meeting was called to order at 10.45 a.m.

FOURTH PROGRAMMING CYCLE: PROGRAMME PLANNING

- (a) MANAGEMENT DEVELOPMENT PROGRAMME (continued) (DP/1989/4 and Corr.1)
- 1. The PRESIDENT suggested that the meeting be suspended so that the Vice-Presidents could inform the respective regional groups on the outcome of the consultations.

The meeting was suspended at 10.50 a.m. and resumed at 11.20 a.m.

- 2. Mr. PETRONE (Italy) said that while the tentative guidelines proposed by the Administrator in document DP/1989/4 and Corr.1 were acceptable that did not mean that continuation of the Management Development Programme into the fifth programming cycle should be considered assured. At the start of the fifth cycle the programme would be reviewed in the broader context of consideration of the advisability of increasing the volume of resources centrally administered by UNDP.
- 3. With regard to the implementation and the beneficiaries of the Programme, preference should be given to the poorest countries. Several countries had presented requests for co-operation under the Programme. His delegation looked forward to receiving the outlines of the projects to be proposed for funding under the Programme because that would give the Council a better idea of what the thrust of the Programme would be. It was very important to consolidate the Management Development Programme with similar programmes existing in UNDP, specifically, the Special Action Programme for Administration and Management (SAPAM) and the Structural Adjustment Advisory Teams for Africa.
- 4. Mr. MAJOOR (Netherlands) said that, although the Management Development Programme had been approved by consensus, many delegations were still concerned about some aspects and some misunderstandings had not yet been totally dispelled. There were fears of an unholy alliance with the multilateral financial institutions concerning the implementation of often unpopular adjustment processes and concern about the implications regarding the recipient country's sovereignty in the choice of policies to be applied and more specifically the use of IPFs.
- 5. His delegation was in favour of expanding UNDP's role in the field of management development. Although UNDP should not become a kind of specialized agency for the management of development, UNDP'S intergovernmental and neutral character might enable it, at the recipient Government's request, to tackle that sensitive issue successfully. It was, however, necessary to strengthen UNDP's co-ordinating role at the country level in order to help the recipient Government prevent overlapping and contradictions between the various management development efforts.
- 6. Concerning the <u>modus operandi</u>, everyone would agree that a request from a recipient Government was the only adequate point of departure. Of the eight

(Mr. Majoor, Netherlands)

countries which appeared to have requested survey missions, only one was a least developed country and only two were in sub-Saharan Africa. That did not seem in keeping with the needs nor did it correspond to UNDP's stated support for the least developed countries. His delegation welcomed the assurance given by the Administrator that due account would be taken of the needs of the poorest countries and specifically of African countries south of the Sahara.

- 7. Turning to the implementation of Management Development Programme projects, no clear indication had been received from the secretariat concerning the modalities of agency participation and Government execution or the manner in which the commitment and disbursement system would be applied. His delegation supported the preference indicated in the report for the use of national experts, possibly through increased use of TOKTEN.
- 8. The \$60 million set aside for the implementation of the Programme would not cover all the needs; however, the need for funding would only become urgent on the eve of the fifth programming cycle, and could therefore be addressed when the question of fifth cycle resources was discussed at the thirty-seventh session of the Council. For the time being no source should be excluded; however, in the longer term efforts should be made to include management development activities within the mainstream of UNDP activities.
- 9. The innovative character of the Programme warranted close monitoring of the Programme's progress and extensive reporting to the Council. In that connection a three-pronged approach might be adopted. In February 1990, a report could be submitted as a matter of priority concerning experience acquired in the execution of the SAPAM programme and the manner in which UNDP proposed to apply that experience to the Management Development Programme; in June 1990, a progress report could be submitted on the initial implementation of the Management Development Programme, and a full-scale evaluation of the Programme could be conducted, either externally or by the Central Evaluation Office, for submission to the Council at its thirty-eighth session. Such a procedure would help maintain the transparency of the Management Development Programme and would keep States fully informed.
- 10. Mr. OULD CHEIKH (Mauritania) said that his delegation had reservations concerning the goals set forth in the guidelines document (DP/1989/4, paras. 10 and 25). It should be remembered that the Council had decided to establish the Management Development Programme before the guidelines were drafted and before any details were known about how the new service would operate. Clearly the Council could not duplicate the work of the Bretton Woods institutions. On the contrary, it should emphasize the humanitarian aspect of its activities and mobilize resources.
- 11. His delegation was opposed to any condition that might be made during the course of the fourth programming cycle. Although it believed that the amount of \$60 million for all developing countries would probably prove insufficient, it was not in favour of using IPFs to finance specific elements of the programme as suggested in the document.

(Mr. Ould Cheikh, Mauritania)

- 12. The document did not reflect the needs and rights of the child nor did it provide for any co-operation with UNICEF. Likewise, it was unfortunate that no mention at all had been made of co-operation with the United Nations Population Fund which dealt with matters that were crucial to the administration of development.
- 13. His delegation was sure it was speaking for the Group of African States in saying that it was too early to approve the guidelines and he suggested that the guidelines be reviewed before they were adopted.
- 14. The delegation of the Netherlands had mentioned a concern which was shared by his delegaton, namely, that only one of the eight countries that appeared to have requested preliminary management surveys belonged to the least developed group. There was no question of receiving funds at the expense of other developing countries but there was no doubt that the group of least developed countries was the object of UNDP's priority concern. In order to make the most of UNDP funds, the Management Development Programme should be able to influence all decisions of Governments receiving a high percentage of UNDP resources.
- 15. Finally, he stressed that the opinions of the authorities of the countries concerned should be taken duly into account in the new programme.
- 16. Mr. MAXWELL (United States of America) said that the Management Development Programme was of importance to the United States as a means of supporting efforts of the poorer developing countries to strengthen their management capacities. His delegation agreed that the Programme should not support marginal activities but devote itself instead to critical needs. On the whole, the United States had supported long-term programmes to improve management in the developing countries. Strengthening of institutional capacity was an important activity in that connection. For example, it would be possible to improve a country's institutional capacity to co-ordinate or to develop co-ordination structures for high-priority sectoral activities, such as environmental protection, land utilization and reforestation. Assistance in debt management was another priority activity.
- 17. The Council had approved a project designed to help developing countries design and implement long-term, sustainable sectoral or multisectoral management development programmes. His Government was anxious that the effects of the Programme should not be diluted. His delegation was in general agreement with the tentative guidelines contained in document DP/1989/4, but it would like to suggest, as other delegations had done, that the guidelines and operations of the Programme be reviewed again between 1990 and 1991 in connection with the planning of the fifth programming cycle.
- 18. His delegation felt that the preliminary management surveys should not merely produce a list of management improvement proposals from which Governments and donors could select individual programmes for financing. An alternative would be to give priority to certain aspects of management which were considered particularly critical, for instance, budgetary, accounting and auditing systems.

(Mr. Maxwell, United States)

At a recent meeting, the World Bank had identified fiscal reform and overall improvements in government accounting systems as priority areas.

- 19. His delegation fully agreed with the statement made in the guidelines that central institutions for resource management and the monitoring and evaluation machinery of the Government were essential for the efficiency of the public sector. The Management Development Support Unit should develop a methodology for assessing management needs which assigned priority to the Government's capacity to analyse problems and examine alternative policy options, to the statistical-information, budgeting and accounting systems necessary to take those decisions and to the Government's capacity to monitor and control the implementation of such decisions. The Unit should ensure that such a methodology was applied by outside consultants serving as members of management assessment teams.
- 20. His delegation reiterated its request that UNDP should notify donors about opportunities for participating in management development programmes. He agreed that use of funds from all sources should be considered as an option in supporting management improvement activities.
- 21. Much of the \$60 million allocated to the programme would of necessity be used for the initial country survey. The work of UNDP, therefore, should be such that it would attract additional resources from donors and recipient countries without preventing a country from devoting part of its IPF to the programme.
- 22. His delegation wished to know how the secretariat would be organized to implement the programme. In that regard, he asked in particular why the reference to a specific type of expertise required in the Unit had been deleted from paragraph 24 (DP/1989/4/Corr.1). He also wished to know why it had been decided to delete paragraph 15, dealing with the preliminary surveys. Lastly, he requested information on how activities arising out of the surveys would be made known to potential donors.
- 23. Mr. LIU Lianke (China) said that, generally speaking, the funds of the Management Development Programme should be allocated on the basis of the IPFs. The proposal to set aside a considerable amount of funds to establish that Programme could be considered a special measure.
- 24. In the context of that particular programme, UNDP should actively prepare projects to make use of funds and avoid the accumulation of unused funds. Likewise, in adopting them, UNDP should listen to the views of the recipient countries and take their circumstances into account, since the criteria for using funds could not be the same for all countries.
- 25. Duplication should be avoided in sending missions and an attempt should be made to establish relations with experts and officials in the recipient countries. His delegation hoped that in executing the Programme, UNDP would give attention to the role of the relevant agencies.

- 26. Mr. SOTO (Colombia), referring to the amended text of paragraph 20 in document DP/1989/4/Corr.1, said that the principle of taking, on an ongoing basis, decisions about the use of funds was valid in cases involving a new programme with sizeable resources. Nevertheless, when there was a small amount to be allocated and there were several applicants, it would be essential to establish criteria so that the Administration would not be faced with unsolvable problems.
- 27. Thus far, what had been laid down by the Administration in order to define priorities was highly subjective and, therefore, easily called in question by those who felt that they were being treated unfairly. Since the Programme was evolving and experience was being acquired, one of the goals should be to establish objective criteria for allocating resources in a more systematic way.
- 28. Mr. VARDACHARI (India) stressed again the importance of adhering strictly to the principles enunciated in part A, paragraph 10, of decision 88/31, under which the Management Development Programme had been established. In particular, he drew the attention of the Council to the provision that no conditionality would be applied in the use of funds and that the use of the programme would not be related to the implementation of any policy other than that of the Government concerned and, especially, that it should not be conditional upon those of any other organization. It was essential that the resources of that facility should be available for assistance in designing and implementing long-term programmes and, at the same time, should not be made conditional on preliminary management surveys to oversee the entire gamut of the macro-economic policies of the potential recipient.
- 29. The primary goal of UNDP in that area should be to enhance the capacity of the recipient countries to improve their own management. That could be best accomplished by executing such projects within the framework of the IPFs and country programming in order to take into account the varying needs of recipients and the differences in their levels of development. Unfortunately, that view had not been shared by all delegations and, as a consequence, there was a centrally managed programme which was funded through SPR. He reminded the Council that the decision to allocate \$60 million to that activity had been taken against the background of the nominal surplus of resources identified during the mid-term review and hence should be regarded as a temporary measure to be subjected to a thorough review and appraisal concerning the validity and usefulness of the programme at the end of the fourth cycle.
- 30. Paragraph 10 of document DP/1989/4 set forth the objectives of the Management Development Programme. His delegation felt that questions such as the organization of the civil service, conditions of service, and resource management, including planning, taxation, capital market organization, debt management, aid co-ordination and related fields, fell totally outside the mandate of UNDP, as laid down in the 1970 consensus and the 1975 resolutions. As a universal technical assistance organization, UNDP should continue to concentrate on its traditional role of rendering technical assistance, albeit more effectively than at the current time. The recipient countries should indicate their needs in management development and institution building. It was necessary to avoid the danger that assistance under the Management Development Programme might deteriorate, occasionally inadvertently, into serious, unwarranted intervention in a country's economic policies.

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(Mr. Vardachari, India)

- 31. The last sentence of paragraph 14 constituted an unacceptable conditionality: there were well-established channels of communication between the Administration of UNDP and the central authorities of the recipient Governments, which had worked quite satisfactorily thus far; for that reason, there did not seem to be any need to give the missions or project personnel direct access to senior policy-making levels.
- 32. With regard to the preliminary management surveys, his delegation asked how those surveys could improve upon the Policy Framework Papers prepared by IMF and the World Bank or other, similar exercises carried out by them. Such surveys should be undertaken only if the recipient Government made a specific request and in no case could be imposed upon a Government as a pre-condition for assistance under the Management Development Programme. India had itself carried out such exercises, which had met with various internal problems. That presumably applied to many other countries also. In that context, he emphasized the possibility of rendering assistance in making sector-specific and area-specific improvements. As the delegations of Italy and the Netherlands had already observed, it was also necessary to eliminate duplication and overlapping with other programmes such as NaTCAPs and SAPAM.
- 33. The Governing Council should establish the priorities for the use of funds. It should not be left to the Administration of UNDP to determine the relative poverty of countries or the commitment to management improvement on the part of potential recipient Governments.
- Concerning paragraph 27, it was necessary to recall the understanding at the time of the establishment of the Management Development Programme that additional funds, both bilateral and multilateral, would be forthcoming. That was the main reason advocated at the time for maintaining the Management Development Programme as an activity that would be centrally funded from Special Programme Sources. was therefore difficult to accept that the possibility of financing from the IPF should be explored as a general rule. While not questioning any recipient country's prerogative to utilize the IPF in the manner it deemed fit, India feared that the use of IPF resources for the Management Development Programme would alter the character of the country programme and make it dependent on the policy reforms advocated by the so-called management surveys. There should be no distortion of the role of UNDP vis-à-vis the recipient Government in formulating and implementing the guidelines. Political, social and economic problems often acted as constraints in the solution of development problems, and they were themselves not quickly or easily solved. Those who believed that simply transplanting technical solutions to such soft areas would be effective were bound to be seriously disappointed.
- 35. It was also necessary to try to avoid the proliferation of new mechanisms in the name of aid co-ordination. Thus, a special management co-ordination committee seemed to be an unnecessary addition to the plethora of such mechanisms already in existence. His delegation also did not think that interested donors should participate in missions undertaking management surveys, which should be conducted solely at the express request of the recipient Government and in close consultation with it.

- 36. Mr. CABEIRO QUINTANA (Cuba) said that his delegation had actively taken part in the debate on the Management Development Programme at the thirty-fifth session of the UNDP Governing Council that had culminated in decision 88/31. It was a well-known fact that structural adjustment policies had been and were genuinely unpopular, and therefore his delegation believed that if UNDP was to maintain the well-deserved prestige it had gained for its contribution to development in the countries of Asia, Africa and Latin America and the Caribbean, it must avoid adopting measures that could harm its public image. The solution did not lie in imposing more poverty on the poor but in resolving the problems posed by external debt, protectionism, trade relations and other similar matters.
- 37. During the discussions on the Management Development Programme in Geneva in 1988, it had been stated that the programme should have a universal and non-conditional character. Contrary to that, paragraph 14 of document DP/1989/4 clearly described the programme as a conditional one; that paragraph therefore had to be redrafted.
- 38. As stated in paragraph 28, in the beginning of 1991 an evaluation of the programme would be undertaken. His delegation believed that it was necessary and timely to make a preliminary evaluation in 1990. Furthermore, so many changes had been made in the wording of document DP/1989/4 that it would be appropriate to issue a revised version in the next few months.
- 39. Mr. VOICU (Romania) said that his delegation attached particular importance to the Management Development Programme, which was natural if one took into account the role of management in development in general and in fostering the economic efficiency of the public sector in particular. It therefore welcomed the growing interest of UNDP in strengthening the management capabilities of developing countries, particularly the least developed.
- 40. His delegation appreciated the efforts of the UNDP Administrator to prepare and submit to the Governing Council the preliminary guidelines for the Management Development Programme. It went without saying that the success of any such programme depended on its full incorporation into the overall economic and social development programmes of each country, taking into account their particularities.
- 41. The preliminary guidelines for the Management Development Programme should keep to the letter and spirit of Governing Council decision 88/31. No conditionality must be applied in the activities of the programme other than the normal requirements of UNDP programmes. Mention should also be made of the principle that the use of the facility would not be related to the implementation of any policy other than that of the Government concerned. His delegation was pleased that many others shared that view.
- 42. Those principles should be understood in the light of the additional explanations given in paragraph 13 of document DP/1989/4. It could not be too strongly emphasized that there was no intention to impose any particular model or philosophy of management upon developing countries. The decision-making power belonged to the Governments. Particularly important, therefore, were those

(Mr. Voicu, Romania)

elements in the guidelines recalling that it was the Governments that decided which reforms were to be undertaken.

- 43. Paragraph 26 was especially interesting in its mention of engaging international and local consultants and attaching great importance to the use of local experts. Romania had just completed a joint project with UNDP on the training of management personnel, with excellent results that had been recognized both nationally and abroad. On the basis of the experience gained during the implementation of that project, a permanent structure had been established within the Academy of Social and Political Sciences for the training of high-level management leaders in various economic and social sectors in Romania. The project had helped to strengthen the country's management capability and to expand the training and research institutions in public administration.
- 44. While there could be no doubt that the Management Development Programme would yield fruitful results in practice, efforts should be made to improve on the preliminary guidelines, taking into account the views expressed by the various delegations.
- 45. Mr. FERNANDEZ (Liberia) said that he agreed with the major points made by the delegation of Ghana in his introduction of the item, and with the statements made by the delegation of the Netherlands.
- 46. Many delegations were concerned about the possibility that conditions might be imposed; his, in any case, viewed with apprehension the possibility that the Management Development Programme could be turned into a mechanism for applying the strategies of the Bretton Woods institutions, and for that reason it had serious reservations about incorporating Structural Adjustment Advisory Teams for Africa in the Management Development Programme.
- 47. There was no reason why the programme would not be useful since its objective was to increase government economic management capabilities. However, as the discussions within the Working Group had brought out with absolute clarity, management, if it was to be effective, must have national roots.
- 48. He fully agreed with the procedure outlined by the delegation of the Netherlands, particularly with regard to the submission of a report in 1990 on the implementation of the Special Action Programme for Administration and Management. He also supported having a report submitted on the functioning of the Management Development Programme to the thirty-seventh session of the Governing Council in 1990.
- 49. The delegation of India had eloquently expressed its disquiet, which his country shared, regarding the use of the IPF, and especially regarding the determination of relative poverty. In Liberia's view, such an assessment was eminently subjective and might not take into account the true interests of the developing countries.

- 50. Mrs. PERKOVIC (Yugoslavia) thanked the UNDP Administration for preparing preliminary guidelines on the Management Development Programme. The task had not been an easy one, since UNDP had been given no precise instructions on what the guidelines should look like. It was therefore of little surprise that the guidelines were far from perfect and needed substantial improvement. One of the major obstacles to preparing them had been a lack of clear vision as to what the Programme proper should consist of.
- 51. Careful study of the preliminary guidelines gave the impression that their main thrust was an attempt to influence individual countries' choice of economic policies rather than enhance their capacity to meet their development needs. In her delegation's view, the guidelines should emphasize the sovereign role of Governments in deciding on the kind of assistance they needed within the context of the Programme, since activities under the Programme could only be carried out at the request and under the supervision of the Governments concerned.
- 52. Her delegation wished to make some comments, but they should not be understood as an exhaustive or final assessment of the subject. In the light of what she had said, she considered that the drafting of paragraph 10 (b) needed to be substantially changed. The final sentence of paragraph 14 as currently drafted could be interpreted as an attempt to impose conditions. Her delegation did not question the need to ensure direct access to senior policy-making levels in the host country, but the wording should be changed so that access was perceived as a need and not as a condition.
- 53. Regarding paragraph 20, more objective criteria should be developed for selecting countries to receive assistance. A situation where the relative poverty of a country was evaluated by UNDP missions themselves should be avoided. As for the commitment to management improvement, no further justification was needed; the simple fact that a country requested assistance from UNDP implied such a commitment. Her delegation also had serious reservations about paragraphs 24 and 25.
- 54. On the mobilization of resources, referred to in paragraph 27, her country did not agree with the suggestion that the possibility of financing from the IPF should be explored, for it was inconsistent with the spirit prevailing at the thirty-fifth session of the Governing Council, when the Management Development Programme had been set up. Finally, on the proposal to set up a special management co-ordination committee (paragraph 27 (a)), her delegation believed that the existing aid co-ordination forums were sufficient.
- 55. Mr. VARGAS (Brazil) said that, like other delegations, he did not feel the Management Development Programme should be linked to structural adjustment programmes. It should be inspired by the plans, projects and priorities of developing countries seeking UNDP assistance. The structural adjustment process as it was currently understood had not necessarily improved economic and social conditions in developing countries.

(Mr. Vargas, Brazil)

- 56. His delegation would like to know how the comprehensive approach referred to in paragraph 8 of document DP/1989/4 was defined, and what machinery it was intended to use to encourage Governments to choose that approach. He also asked for information on how the project monitoring referred to in paragraph 10 (c) of document DP/1989/4/Corr.1 would be put into practice.
- 57. Paragraph 11 of document DP/1989/4 did not seem to take adequate account of each country's ability to specify its own needs and promote its own development, saying that the Management Development Programme must have available an overview of public sector management activities and assistance therefor in the country concerned. His delegation wondered how the preliminary management surveys would be conducted, and what guidelines would apply. One of the cardinal principles of the Management Development Programme adopted by the Governing Council at its thirty-fifth session was its unconditionality. Paragraph 14, however, indicated that conditions might be imposed, and that was unacceptable: it was up to Governments to decide which policy-making levels in the host country the mission would have access to.
- 58. Furthermore, paragraph 20 of document DP/1989/4/Corr.1 drew a clear distinction among developing countries on the basis of the relative poverty of the country requesting funds. In his delegation's view, that criterion was subjective, establishing an unfortunate precedent that ran counter to the principles agreed on in Governing Council decision 88/31: namely, that the Programme would be available to all countries and that no conditions would attach to the use of Programme funds or activities. As for the criterion of commitment to management improvements, he did not consider it was for UNDP to decide if a Government was committed or not. As far as consultants for the missions were concerned, he suggested that the guidelines should ensure that local consultants and experts were used to the maximum extent.
- 59. When the Management Development Programme was approved by the Governing Council, it had been confirmed that resources for it would be obtained from sources other than those already established. Hence IPFs should not be used to implement the Programme. He asked for an explanation of how staff would be allocated to the Programme Support Unit: whether five more staff members were to be hired, or if staff would be reassigned from the Bureau for Programme Policy and Evaluation for the purpose. He wondered whether the co-ordinator would have a specific post in the UNDP Administration and, if so, which one. In connection with paragraph 27 (a), he would like to know what kind of consultation with interested donors it was proposed to hold in the existing co-ordination forums. The sovereignty of the recipient countries must be preserved at all costs in the selection of management projects.
- 60. Mr. CHEKAY (Union of Soviet Socialist Republics), pointing out that although Russian was an official United Nations language most UNDP documents were submitted in English, drew attention to an ambiguity in the Russian translation of the term "Management Development Programme", and expressed the view that the future role of UNDP and the Management Development Programme should be discussed in high-level

(Mr. Chekay, USSR)

meetings at the thirty-sixth session. Management, including aspects of co-ordination and supervision, was the prerogative of the country concerned. The specialized agencies had gained much experience which they should turn to advantage. UNDP should be guided in its work above all by the agreements already in existence.

- 61. Mr. ROHNER (Switzerland) said that his delegation agreed with the views of the delegation of the Netherlands concerning seed money and the use of other sources of funding, especially the indicative planning figures (IPF). The purpose of UNDP was to advise and assist in a neutral and independent manner and, therefore, the indicative planning figure should not be excluded from the proposal. Referring to paragraphs 15 and 24 of document DP/1989/4, he reiterated the questions that had been asked by the delegation of the United States. His delegation agreed with the views of the representatives of Italy, the United States and the Netherlands concerning programme evaluation. Lastly, he observed that the translation of the term "management development programme" into French posed a problem.
- 62. Mr. LADJOUZI (Observer for Algeria) said that his delegation supported the statements by the representatives of Ghana, Liberia, Mauritania, India and Yugoslavia. It was not efficient to attempt to consider the same item in the Working Group and in the Council afterwards. On the contrary, if an item had already been considered in the Working Group, the Council should limit itself to taking the proper decision.
- 63. It would appear that the very States which would benefit from the programme were calling its usefulness into question. The problem lay in the ambiguity of the guidelines for implementing the Management Development Programme. The details of the Programme must be finalized and the views of the countries in which it was implemented must be taken into consideration. Consideration must also be given to the provisions contained in paragraph 10 of Governing Council decision 88/31. There was likewise a problem with regard to priorities: since the thirty-fifth session of UNDP, too much importance had been placed on the Programme at the risk of diverting UNDP from its purpose, which was to finance the programmes and priorities decided by Governments. In the end, document DP/1989/4 contained one more programme.
- 64. His delegation agreed with the proposals by the representatives of the Netherlands, Cuba, India and Yugoslavia. UNDP must clarify its criteria in collaboration with Governments. It should not allow itself to be influenced by donor countries in those cases where it was participating in a management development process. Any conditionality in the Management Development Programme must be clearly and unequivocally eliminated. The Programme must adhere strictly to the provisions of Governing Council decision 88/31. The criteria for classifying developing countries on the basis of their per capita GDP must also be reassessed, for the simple reason that the GDP was not the best indicator of the country's economy. Indicative planning figures must not be used for the Programme, except when expressly requested by the State concerned. The estimate of \$2.8 million during the fourth programming cycle for the financing of a support

(Mr. Ladjouzi, Observer, Algeria)

unit under the Bureau for Programme Policy and Evaluation, was excessive and should be reviewed. There was a clear link between the Programme and the future role contemplated for UNDP. It would be much more sensible for the role of UNDP to evolve within the framework of the principal organs of the United Nations - the General Assembly and the Economic and Social Council.

- 65. Mr. KABIR (Bangladesh), recalling that, from the outset, the Management Development Programme had been a source of controversy, expressed the hope that the contents of paragraph 10 of UNDP Governing Council decision 88/31 would be fully respected. It would not be appropriate to use IPF funds to finance the Programme, and Governments must give their approval to any measure for implementing it.
- 66. Mr. ELGHOUAYEL (Tunisia) expressed concern over the duplication involved in considering the same items in the Working Group of the Committee of the Whole and in the Governing Council of UNDP. Document DP/1989/4 would be very useful if its approach were flexible and pragmatic rather than rigid and dogmatic. Tunisia favoured the adoption of sectoral or multisectoral approaches in which Governments would decide how projects should be oriented. It was also regrettable that the document did not recognize the importance of technical co-operation among developing countries in that area. If IPF funds were used for the Programme, it would constitute an optimum use of resources.
- 67. Paragraph 17 and the second sentence of paragraph 27 should be deleted. Paragraph 21 contradicted the principles stated in Council decision 88/31, as the paragraph did not take into account the reality of the balance between UNDP and the mechanisms of the Bretton Woods system. Paragraph 14 should be amended to indicate that only the countries concerned could request UNDP to undertake the studies in question.
- 68. Lastly, his delegation had reservations concerning the proposals in paragraph 27 (a), (b) and (c) and supported the statements by the representatives of Ghana, India, Liberia, Mauritania and Yugoslavia.
- 69. Mr. PALMLUND (Co-ordinator, Management Development Programme) explained that there was no connection between the prospects for implementing the Programme and the fact that a country was carrying out an economic structural adjustment programme or had concluded an agreement with the International Monetary Fund or the World Bank.
- 70. Some countries were of the opinion that the indicative planning figure should not be mentioned as a source of financing. In any case, the countries themselves would decide what should be done with the IPF funds. Referring to the statements by the representative of the Netherlands on information and programme evaluation, he said that an evaluation would be conducted at the end of 1990 and presented in 1991, the year in which the Governing Council would decide on its fifth programming cycle.

(Mr. Palmlund)

- 71. Replying to the concerns of the delegation of the United States, he said that it was not within the competence of a legislative body to define the requirements for persons recruited by UNDP.
- 72. It had been said that an attempt was being made to impose new machinery for co-ordinating donor activities, when, in reality, the secretariat, in its document, advised Governments to use existing machinery and, in the absence of machinery, to co-ordinate the activities carried out in each specific area before establishing new machinery.
- 73. It had been suggested that resources for the Programme should be allocated on the same basis as the IPFs. In that case, there would be no need to establish a new programme. Even though, in accordance with the resolution, all countries had access to the Programme which had been established and to its funds, co-operation with all countries was not contemplated. Nor was it assumed that all countries could use the services of the Programme. Rather, it was hoped that countries in great need of support for management development would request it, thereby furnishing UNDP an opportunity to extend its co-operation to them.
- 74. The PRESIDENT said that the Council had concluded its general consideration of agenda item 2 (a).

The meeting rose at 1.15 p.m.

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