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Held at Headquarters, New York,
on Wednesday, 12 June 1991, at 10 a.m.

President:

Mr. PIRIZ-BALLON

(Uruguay)

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The meeting was called to order at 10.15 a.m.

PROGRAMME PLANNING

(a) COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

1. Mr. NOUR (Assistant Administrator and Regional Director, Regional Bureau for Arab States and Europe) said that consideration of UNDP's response to the historic events in Europe in 1989 and 1990 presented an opportunity for the Governing Council to provide guidance on the policy issues raised by a significant group of long-standing recipients whose situation and need for technical cooperation had radically changed.
2. A cluster meeting of the small team working on UNDP programmes in Europe at the country level and at headquarters within the Regional Bureau for Arab States and Europe had been held at Geneva in April 1991, together with officials from the relevant thematic divisions of UNDP. An outline had been developed and shared with all the European indicative planning figure (IPF) countries, the specialized agencies of the United Nations development system and several other multilateral funding agencies - the World Bank, the Commission of the European Community and the recently created European Bank for Reconstruction and Development (EBRD). All had responded enthusiastically to the idea of a people-centred approach to the European economies in transition.
3. The Administrator had made visits to almost all the countries concerned one year earlier, and had held discussions with policy makers at the highest level. Shortly before those visits, he himself had led a high-level mission to Poland, Hungary and Czechoslovakia, which had enabled the Regional Bureau to identify the areas which had then appeared to be the top priorities in the complex and still evolving situation.
4. The Regional Bureau had faced other challenges over the past year. It was still providing technical support to countries in all parts of the region, both Arab and European, which were facing some of the most complex, exciting and, for the time being, devastating developments in recent history. More than one half of the countries with which the Regional Bureau dealt were in a state of crisis; almost all the others were undergoing profound societal change. He paid tribute to the small team of professionals, both in the field and at headquarters, who had devoted their skills and time to developing new ideas and approaches. Without additional resources or staff and, in most cases, without a country presence, the team had demonstrated what could be achieved and why technical cooperation, particularly through UNDP, was so relevant to the processes of economic, social and political transition.
5. Drawing attention to the informal conference room paper which was before the members of the Council, he said that the Regional Bureau covered recipients ranging from some of the largest of the least developed countries to the wealthiest of the oil-producing developing countries. As part of UNDP,

(Mr. Nour)

which was committed to the least developed and the lowest-income countries, the Bureau was convinced that its contribution to the transition in Eastern Europe must be made without diverting core resources or management attention from the countries under its mandate.

6. In order for those initiatives to be sustained, there was a need for additional programme and staff resources. The approach which the Regional Bureau had adopted was in line with the Charter of the United Nations, in that it promoted mutual understanding among countries rather than encouraging competition for limited and often insufficient resources.

7. Mr. WHALEY (Deputy Regional Director, Regional Bureau for Arab States and Europe) said that the Regional Director had just referred to the main challenge which the Regional Bureau had faced over the past year, namely, the need to respond to an appeal for critical technical support for reform processes without contributing to the diversion of resources from the least developed and lowest-income countries. The UNDP commitment to those countries was reflected in the approach which the Bureau had adopted in response to the changes taking place in Central and Eastern Europe.

8. The main responsibility for the Regional Bureau's activities fell upon the five headquarters officers who constituted the field office team for Albania, Bulgaria, Czechoslovakia and Hungary, as well as Malta and Portugal; the somewhat isolated Resident Representatives in Poland and Yugoslavia; and the small teams in Turkey and Cyprus.

9. A clear message had emerged from the seminar of privatization agencies of the subregion held in November 1991. All the participants had declared their conviction that multiparty democracy, diverse and principally private ownership of the means of production, and broad participation in decisions concerning both resource allocation and the access to and management of services constituted inseparable elements of a market economy. They were designed to release the energies, the imagination and the risk-taking capacity of individuals in the interest of a better society for all.

10. It had given him great satisfaction to visit the small, cost-effective, new UNDP office at Warsaw and to observe a group of Polish nationals who were responsible for redesigning UNDP work in Poland. As he spoke, another historic event was taking place: the UNDP Resident Representative-designate in Albania, a country which for years had expressed no interest in having a UNDP field office, was inaugurating the UNDP presence there.

11. He had also participated as an observer in a meeting of policy makers from Central and Eastern Europe, and Latin America and the Caribbean, held at Vienna in March 1991 under the auspices of the Economic Commission for Europe (ECE), the Economic Commission for Latin America and the Caribbean (ECLAC) and UNDP. The representatives of the regions had compared notes on such issues as export promotion, marketing, exchange-rate policy,

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(Mr. Whaley)

measures to encourage foreign direct investment, inflation control, industrial strategy, price stabilization and subsidies.

12. At a recent colloquium held at Algiers, the growing confrontation between the South and the East had been transformed into greater mutual understanding, based on improved knowledge of the facts and the recognition that resources and knowledge still flowed from the East to the West as well as from the South to the North.

13. Lastly, he had presided over the cluster meeting held at Geneva in April 1991, at which the ideas arising from close consultation with Governments had been warmly welcomed and endorsed by all.

14. The informal conference room paper on technical cooperation in the transformation and recovery of European economies in transition described the role of UNDP before the events of 1989. While the cooperation programme had been exemplary in many ways, it was uncertain whether the overall economic and social environment had allowed it to have a major impact on the lives of people in general. The dividends of institutional capacity had certainly not been fully realized. Nevertheless, with its emphasis on networking among centres of technological excellence in the subregion and beyond, and its involvement of key technicians, the programme had provided the kind of support and encouragement which only a universal, neutral body could have offered at the time.

15. The paper focused on the response of UNDP to the new situation. UNDP had drawn on the principles of human development and had placed people at the centre of the process. In doing so, it had generated a series of new approaches and methodologies which had been experimentally implemented over the past year. UNDP was focusing its policy-oriented technical cooperation on five broad and interrelated programmes: the human dimension of transition; the development of the management skills and systems required by all types of institutions so that they could operate in a competitive international market economy; the expansion of opportunities through the establishment of an enabling environment and mechanisms to encourage the emergence and dynamic involvement of both the domestic and the international private sector; the design and implementation of sustainable development policies with a particular focus on the measures required to tackle the acute problems of environmental pollution; and the exchange and flow of information, people and goods through more reliable and accessible communication facilities.

16. Those elements constituted the basis for an overall strategy. Together they defined broad areas of priority and ensured appropriate linkages between specific activities and institutions at the country level, among external partners and among the countries of the subregion. They had provided the basis for an innovative approach to the Regional Bureau's programming exercise for the fifth cycle: using the core resources as seed money for designing and launching a series of interlinked national and regional activities which would be presented to the Council in June 1992. They had also made it possible to

(Mr. Whaley)

identify the need for well-structured networking among national agencies and the intensive use of mechanisms such as the Transfer of Knowledge through Expatriate Nationals (TOKTEN), United Nations Volunteers (UNV) and United Nations Short-term Advisory Resources (UNISTAR) programmes to provide hands-on advice and bring the direct experience of the market to bear on management in a totally new environment. UNDP was helping major bilateral and multilateral funding agencies to make the critical link between complex microdemand and their available, but still largely untapped, macrofunding.

17. In order to translate that strategic programme approach into operational reality, financing and high-quality personnel were needed. That could be achieved by channelling some of the resources already earmarked for the European economies in transition through UNDP, in order to fund specific activities.

18. What the Regional Bureau needed from the Council, in addition to guidance, was an endorsement of its overall approach, encouragement to undertake the appropriate development exercise and to continue to mobilize resources in an appropriate manner, and the allocation of the administrative budget and Special Programme Resources in accordance with the thematic thrust of its initiative.

19. Mr. JASINSKI (Poland) said that his delegation fully supported the approach outlined in the informal conference room paper. The Deputy Regional Director had referred to the useful meetings held at Vienna and Algiers, at which representatives of Arab and Latin American countries had discussed the challenges and opportunities for international cooperation arising from the process of transformation in Central and Eastern Europe. The discussion had confirmed the basic principles underlying UNDP activities, as embodied in the 1970 Consensus. His country was grateful for such support and encouragement of its efforts, which would determine the success or failure of the attempted transformations. It was satisfying to note that a spirit of constructive contribution prevailed within the UNDP Administration, both in the field and at headquarters, and he looked forward to increased cooperation with the Administration and the executing agencies.

20. Mr. BAICHEV (Bulgaria) said that the euphoria which had accompanied the profound democratic changes in Central and Eastern Europe in 1989 had gradually given way to a more sober assessment. His delegation agreed that the transitional period would be longer and would require far greater efforts than originally envisaged, and that substantial support would be needed from the international community. His country's experience of transition to a market economy confirmed that view. The crisis of the national economy was the legacy of a strongly centralized system which for decades had favoured heavy industry, distorted prices and suppressed market forces, leading to overall imbalances and excessive internal and external debt. Close trade links with the members of the Council for Mutual Economic Assistance (CMEA) had provided a market for the manufacturing sector, but at the same time, they had insulated the country from international competition.

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(Mr. Baichev, Bulgaria)

21. While momentous political and economic changes had been initiated in 1989, they had not been introduced as an integrated package, and by 1990 the economy had been at an intermediate stage. With the erosion of the centralized planning and management system, neither the plan nor the market had governed the economy. The result had been a severe deterioration in Bulgaria's terms of trade, aggravated by an adverse external environment. The Middle East crisis had made a strong direct and indirect impact on the country. In 1990, output had fallen by more than 10 per cent, and a further sharp decline appeared to be inevitable.

22. Against that background, a strong consensus had emerged for addressing macroeconomic imbalances and implementing fundamental reforms. The programme for 1991, which had received international support, had two central aims: to end the chronic excess demand and stabilize the economy within a new macroeconomic framework, and to take essential steps towards the adoption of market mechanisms. The specific targets of the programme were, first, to prevent the further decline of the economy, which was, however, inevitable for the first half of 1991, and to strive for a progressive recovery in the second half of the year; secondly, after initial sharp corrective adjustments, to reduce rapidly the rate of inflation in the last six months of 1991; thirdly, in accordance with those objectives, to limit the external deficit.

23. No efforts were being spared to bring the transition process to a successful conclusion and to integrate Bulgaria fully into the world economy. The process of fundamental social and economic change was well under way, and a constitution was in preparation. Bulgaria was holding broad discussions with the international monetary, trading and credit institutions. It had recently become a member of the International Monetary Fund (IMF) and the World Bank, and the procedure for its accession to the General Agreement on Tariffs and Trade was in progress.

24. In that connection, his country attached particular importance to UNDP as a universal body concerned with the organization and funding of multilateral technical cooperation, which Bulgaria considered to be vital in the transitional period. His delegation fully shared the view that there was a need to identify the mechanisms whereby UNDP could mobilize resources additional to the core funds, in order to assist in solving the economic and social problems which the Central and Eastern European countries were facing in their transition. It was to be hoped that the Governing Council would give the requisite mandate to the Administrator. He appealed to all members of the Council, both donor and recipient countries, to express their views on that subject. Lastly, it should be noted that, in order to be successful, such activity should be carried out in close cooperation and coordination with other international organizations, such as the World Bank, EBRD and IMF.

25. Mr. POPESCU (Romania) said his delegation was grateful that UNDP was breaking new ground in helping the European recipient countries to move from centrally planned to market-driven economies. It had been satisfying to learn

(Mr. Popescu, Romania)

that Eastern Europe had been the major focus in 1990 with regard to private-sector development, and that the Regional Bureau for Arab States and Europe had been strengthened through the merging of existing posts into a division for Europe and the appointment of a division chief.

26. His delegation also appreciated the initiative taken by the Administrator to convene a meeting in April 1991 to examine the role of UNDP in Eastern Europe and to respond to the technical cooperation needs of the countries in transition. He welcomed the willingness shown by the European Community and EBRD to collaborate with UNDP in management and entrepreneurship development and in environmental management.

27. The transformations taking place in his country, as in the other European countries in transition, required international support and increased UNDP assistance. UNDP had the mechanisms and the experience to provide critical technical support in the difficult current phase of Eastern European development; however, it did not have adequate staff or funding to implement the appropriate strategy. He appreciated the fact that, as shown by the informal conference room paper, UNDP was taking the initiative of exploring ways to mobilize additional external resources, with the understanding, however, that such resources must not divert funds or attention from the most needy of the developing countries.

28. His delegation supported the proposed strategy and programme, which took into account both the needs of the countries in the region and the reduction of the country programme IPFs and the regional programme for those countries - in Romania's case, by 20 per cent. He also supported the proposed funding mechanisms referred to in the paper. His Government was very interested in cooperation for the purpose of cleaning up the Danube River basin and the Black Sea. On the basis of the Bucharest Declaration of 1985, steps would be taken to work out a legal framework and mechanisms for protecting the Danube River against pollution. His country had offered to host a meeting of ministers of the Danube countries in 1991. Romania had also signed a convention on the protection of the Black Sea against pollution, and was determined to safeguard its marine environment and living resources.

29. Mr. ŠUCHMAN (Observer for Czechoslovakia) expressed his delegation's appreciation to UNDP for its efforts to respond to the development challenges facing countries in Central and Eastern Europe, and endorsed the programme strategy for Europe outlined in the informal conference room paper and its intended focus on human development in the transition process. The unique situation in the Eastern European countries provided an opportunity for UNDP to demonstrate its comparative advantage as a coordinator and provider of technical assistance through multilateral channels. The five interrelated programmes for the region constituted an important element of UNDP strategy for the 1990s, and demonstrated its commitment to building national capacities. Further attention for the issues of the human dimension of transition and the development of management skills and systems would promote understanding of the situation in the subregion as a whole.

(Mr. Damiba)

61. There was a pressing need for a long-term development vision for Africa, which must be shaped not by a select few, but by the whole society with a clear understanding of its role and direction. Reform measures and adjustment policies must fit into and contribute to the imperatives of the long-term vision. Although emergency management capabilities would have to remain a major focus in at least six African countries, all such short-term measures should be guided by long-term policies and programmes. The participation of such entities as non-governmental organizations, trade and farming associations, universities and opposition groups in the process of articulating that vision was essential for building social and political cohesion and development.

62. In sub-Saharan Africa, previous UNDP-supported activities to correct critical capacity shortages had not had the desired impact. UNDP must therefore respond strategically, drawing upon the lessons of the past in working to create key capacities which were self-sustaining and which could influence the pace and direction of economic and social development. In the context of the efforts of the Regional Bureau for Africa to strengthen national capacities to articulate and develop a long-term development vision, to define key policies and programmes and to manage development resources effectively, a number of activities had been undertaken in collaboration with the Economic Commission for Africa, the African Development Bank, the World Bank and other donors. Those activities included National Long-Term Perspective Studies and Programmes, which sought to help African countries to prepare long-term development frameworks; the revitalization of development planning in Africa to ensure compatibility between short-term constraints and long-term imperatives; the African Capacity-Building Initiative, which focused on building local capacities for policy analysis and development management; and round-table meetings and National Technical Cooperation Assessment and Programmes to assist Governments in improving aid coordination and management of development resources, particularly technical cooperation. All of those initiatives, which sought to enable Africa to shape and manage its own destiny, were mutually reinforcing and were designed to be complemented by related activities at the country level. In addition, all were designed to facilitate donor coordination through a policy dialogue on development issues.

63. The enormous challenges of African development should be viewed as opportunities for UNDP to help Africa, in a true spirit of partnership, to address its demographic, democratic, liberalization, environmental and economic integration issues. Above all, Africa must define its own long-term vision, rooted in human-centred development and based on its cultural values, and must develop its capacities to define its own policies and manage its own development.

ANNUAL REPORT OF THE ADMINISTRATOR FOR 1990 AND PROGRAMME-LEVEL ACTIVITIES
(continued) (DP/1991/10 and Add.1-4, DP/1991/11-15, DP/1991/57, DP/1991/68 and
DP/1990/77)

64. Mr. DRAPER (Administrator), responding to points raised during the general debate, said that his annual report (DP/1991/10 and Add.1-4) was intended to show how UNDP had evolved to adapt to significant changes in the world situation and in the perception of technical cooperation. The general debate had yielded stimulating comments on the Human Development Report 1991. In evaluating that document, it must be recognized that no intellectual enterprise was without risk, and no uniformity of opinion was possible on basic issues involving development policy. The strength of the report's analysis lay in its professional honesty, and it should therefore be discussed in a spirit of constructive cooperation.

65. There was broad-based agreement on the report's basic message that people must be at the centre of all development. A number of delegations had praised the important contribution of the two issues of the report to translating that message into practical development strategies and policy options. However, he was deeply concerned that the Governing Council's attention had been diverted from the report's main policy messages by disagreement over the issue of the human freedom index.

66. Human development had been defined as a process of enlarging the range of people's choices. Those choices included not only income, but also better health, more education, a cleaner physical environment, personal security, community participation, and personal and political freedoms. Since that process clearly required the freedom to make such choices, freedom was an integral part of the concept of human development, and questions about the measurement of human freedom should not be allowed to invalidate that definition.

67. However, in the interest of preventing the report's professionalism from being jeopardized by biased or imperfect indices, the concerns which had been voiced about the human freedom index must be addressed. In its statement, the Group of 77 had noted that there were a number of instruments that embodied notions of freedom which were generally accepted by the international community, and that those instruments should have been the central resource for developing any universal freedom index. However, all of the 40 indicators on which the index in the current report was based had been distilled from the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights. For the purposes of the human freedom index, article 12 of the Universal Declaration, which provided for protection against arbitrary interference with individual privacy, had been interpreted to include protection of the right to homosexuality between consenting adults. Although some delegations had seen that interpretation as a cultural bias, it would be unfair and unreasonable to use that example to cast doubt on the validity of the entire index, since the weight of that indicator in the index was only 2.5 per cent.

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68. Clearly, the human freedom index would require considerable refinement and updating, as in the case of the previously established human development index, which was beginning to gain international acceptance. For example, it might be possible to distil a few political indicators on which there was universal agreement, or to consider some basic economic and social freedoms which many delegations had stressed. There was also a need to develop objective criteria to measure each indicator, and the entire process must be made more transparent so that it could be improved over time through further analysis. Finally, the data used in the next report's human freedom index must be updated, since profound changes had occurred since the elaboration of the current index in 1985. The Human Development Report was intended to be responsive to the concerns of the entire development community, and he would therefore continue to seek advice through informal consultations at the national, regional and international levels. However, he reiterated that the validity of the report depended on its independence and intellectual integrity, and that it was intended to express the views of the team that prepared it, not a consensus within UNDP, its Governing Council or Governments.

69. The Group of 77 had pointed out the importance of examining, in the next Human Development Report, how the external environment affected human development levels in the developing world. Work along those lines had already begun, and that aspect of development would receive a good deal of analysis in future issues.

70. Concern had been expressed that aid allocations might become conditional on human freedom. The Programme did not favour such conditionality, did not recommend it to others, and would not apply that practice itself. Some delegations feared that a high ranking on the human development index might go against them in aid allocations; that was a gross misunderstanding. What mattered for policy dialogue was the rate of change in human development and the rate of human progress, not just the level of human development at a particular time.

71. The Human Development Report was not perfect and was not meant to annoy any country or to embarrass any constituency. Its objective was to stimulate a dialogue on people-centred development strategies and to offer realistic options to policy makers.

72. The European Community, the Group of 77 and the Soviet Union had all stressed that the International Development Strategy for the Fourth United Nations Development Decade should be supplemented by other international agendas, including the Declaration adopted by the General Assembly at its eighteenth special session, the World Declaration on the Survival, Protection and Development of Children and the Plan of Action for its implementation, and the Programme of Action for the Least Developed Countries for the 1990s. Reference had been made to those documents in the annual report for 1990, and UNDP would respond to them within the terms of its mandate.

(Mr. Draper)

73. Some delegations had cautioned that UNDP should not diversify its activities into areas where it did not have a clear mandate or a comparative advantage. That point had been made with particular reference to the Programme's work with displaced persons and in the private sector. With respect to displaced persons and refugees, he shared the concern that the roles and coordination of the various United Nations organizations involved should be clear and authoritative, and agreed that UNDP should be the bridge-building organ for the continuum from relief to development. Meanwhile, however, there was urgent work to be done, and UNDP was on the spot with its field network.

74. While UNDP had not received an explicit mandate from the Governing Council to pursue a programme of activities that would enhance the private sector's role in development, an increasing number of developing countries had assigned a central role to the private sector in their development strategies. The Programme's activities in the area of the private sector were fully in line with General Assembly resolution 45/188 on entrepreneurship, which explicitly recognized and supported the participatory role of entrepreneurs in the development process in partnership with Governments. Moreover, enhancing the role of the private sector in development was consistent with the Programme's participatory development strategy. The overriding objective of all UNDP activities related to the private sector was the creation of a more favourable and predictable economic environment in which entrepreneurs and investors would be encouraged to thrive and become part of the mainstream of development. The Programme's activities were designed to help Governments to develop the predictable policy framework and more efficient public-sector infrastructure needed to support private-sector development.

75. Questions had been raised about UNDP cooperation in the area of human rights in Latin America. At the request of the Secretary-General, and in cooperation with the Office of the United Nations High Commissioner for Refugees (UNHCR) and the Organization of American States (OAS), UNDP had recently assisted Central American Governments in resettling members of the Nicaraguan resistance and their families in Nicaragua or in third countries. Since 1986, UNDP had been assisting the Government of Colombia in designing and carrying out rural and infrastructure development projects in the geographic areas most affected by the armed conflict with various insurgent groups. The Programme had assisted Paraguay in establishing a centre for human rights and, more recently, had helped the Government of Haiti to promote the widest possible participation in the 1990 elections with a view to attracting development resources from bilateral donors. In each case, UNDP had responded to a specific request and had helped to promote human development through its cooperation; there was nothing in those activities that was incompatible with its mandate.

76. There was widespread consensus that the Programme's comparative advantages were based on its universality, its political and sectoral neutrality, and its role in the United Nations system, which made it uniquely

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well placed for coordinating the joint efforts of many donors. Moreover, the Programme's network of 113 field offices was a significant factor in that comparative advantage. Both the mid-term reviews of country programmes undertaken over the past two years and the assessment of past experience sought to highlight the Programme's comparative advantages in the national context.

77. Several delegations had expressed the hope that the fifth-cycle country programmes would reflect the six new areas established by the Governing Council in its decision 90/34. The Programme had already begun the process of reorientation, which was reflected to some extent in the six country programmes that the Council would shortly be asked to approve. A number of delegations had stressed that UNDP should concentrate on a small number of programme activities and, at the same time, substantially reduce its large number of individual projects. That process had begun, but it would take time and depend on the extent to which a programme approach was found appropriate by the parties involved.

78. Concern had been expressed about the proposed changes in the administrative arrangements for the Division for Women in Development. The implication seemed to be that UNDP was diminishing the importance of women in development in its policies and programmes. Nothing was further from the truth. The Programme was committed to a comprehensive policy to incorporate a gender focus in all its activities. For example, although UNDP had only six women resident representatives, there were currently 22 women deputy resident representatives in the system. More importantly, since 1988 its recruitment policy had favoured a higher intake of female Professionals in the management training programme. The members of the Governing Council could assist the Programme by providing it with qualified women candidates when UNDP carried out recruitment missions.

79. The changes proposed in the administrative arrangements for women in development were different from the arrangements adopted by other organizations and would need to be carefully monitored. The Women in Development Programme would remain a separate and visible unit within the new Human Development Division, and would continue to give high priority to advocacy and gender training, as well as to policy development and personnel issues. Under the new arrangements, the integration of gender concerns in the fifth-cycle programmes would become the responsibility of all staff of the Bureau of Policy and Programmes, who would receive special training to that end. The Assistant Administrator and his deputy would personally direct that effort, with the advice and assistance of the Women in Development Programme. The integration of women in development would also be furthered by the Programme's intention to strengthen national and regional capacity to assist field offices in incorporating those concerns in all aspects of their work.

80. Many delegations had commented on UNDP's progress in implementing Governing Council decision 90/20 on the environment. While the environmental management guidelines were still being perfected in close cooperation with

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Governments, agencies of the United Nations system and others, they were already being applied in all of the Programme's work. Training in the use of the guidelines had begun and was being expanded.

81. UNDP had cooperated with the Joint Inspection Unit (JIU) in the preparation of a report entitled "Assessment of the environmental focus of projects financed by UNDP and other United Nations agencies" (JIU/REP/91/2). The Programme was currently reviewing the specific recommendations and would report on that matter at a later date.

82. The human immune deficiency virus and the acquired immune deficiency syndrome (HIV/AIDS) were becoming an important issue. The Global AIDS Strategy had provided the framework for the Programme's work, and the WHO/UNDP Alliance to Combat AIDS had consigned to each agency its proper sphere of influence, facilitating a coordinated approach. The Programme would continue to cooperate fully with WHO. Under the WHO/UNDP Alliance, the Programme's sphere of expertise and responsibility related to the social and economic dimensions of the epidemic; that complemented the primary focus of WHO on prevention, health care and treatment.

83. UNDP shared the concern expressed by a number of delegations about the impact of the AIDS epidemic on women. It was necessary to bring to the area of women and AIDS the accumulated knowledge of women-in-development issues, in order to ensure the effectiveness of UNDP assistance in saving lives and lessening the burden of care created by the epidemic.

84. There had been a substantial increase in the number of programmes for national execution since the report on the Management Development Programme had been written for the Governing Council. By 1 January 1991, 34 programmes had been approved, of which 8 would be executed by Governments. Of the 41 programmes approved to date, 15 would be executed by Governments, which meant that all 7 programmes approved in 1991 would be Government-executed.

85. Information had been requested about the proportion of women and experts from developing countries taking part in missions set up under the Management Development Programme. Initially, the number of women on such missions had been small. However, the Management Development Programme Support Unit had considerably increased the number of women on its roster, and, where possible, missions would include women consultants. More detailed guidelines on the integration of women-in-development concerns were currently being worked out on the basis of the evaluation of the Management Development Programme and in close cooperation with the Department of Technical Cooperation for Development. The evaluation team had pointed out that the number of developing country experts on Management Development Programme missions should be increased, and efforts were being made to correct the imbalance in that regard.

86. A major part of the expertise involved in Management Development Programme work consisted of locally recruited national experts. Missions to

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Latin America had, from the beginning, included a substantial number of experts from the region. Special efforts must be made to increase the participation of experts from Africa and Asia.

87. A question had been raised about the coordination of the Management Development Programme with other programmes in the same field, such as the African Capacity-Building Initiative and the Municipal Development Programme. UNDP was closely associated with those programmes and, in the case of the African Capacity-Building Initiative, there were good prospects for cooperation and joint financing.

88. UNDP had taken note of the special appeals made by a number of delegations on behalf of Africa and Eastern Europe. The Programme was fully aware of the challenges facing Africa, and was determined to contribute as fully as possible to meeting them. In addition to its assistance to the African National Congress and the Pan Africanist Congress of Azania, UNDP had established an internal task force at headquarters and a high-level focal point in the field to oversee and assist in the development and review of the Programme's strategy for South Africa.

89. Several countries of Eastern and Central Europe had referred to their transition from centrally planned and market-oriented economies, and had given examples of how UNDP had been able to sustain them in that process, especially in the area of privatization. While those countries' needs were, clearly, great, he stressed that UNDP resources for that region should be supplementary and not taken from existing central funds.

90. The Byelorussian Soviet Socialist Republic had drawn attention to the accident at the Chernobyl nuclear power plant and its tragic aftermath. He was sure that members of the Governing Council would come forward with special resources in order to enable UNDP to respond to the Republic's very important request. Albania had requested UNDP to carry out a mission to review that country's emergency needs; that mission would take place later in the month.

91. The United Kingdom had asked a number of questions concerning the Programme's support for tobacco-related projects. Since UNDP did not have a policy on that issue, it welcomed guidance from the Governing Council in that regard.

92. Many delegations had spoken on the subject of resources. While he was aware of the pressures on national aid budgets, he hoped that the Programme would nevertheless succeed in reaching its target of an 8 per cent annual increase.

93. References had been made to the issues of support costs and net contributor status. Support costs were the subject of ongoing negotiations, and he hoped that the Governing Council would be able to resolve the issue at its current session. The provisions of the fourth programming cycle

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applicable to countries with a per capita gross national product (GNP) above \$3,000 and small island countries with a per capita GNP above \$4,200 were contentious for many delegations and difficult to administer. The arrangements for the fifth programming cycle emphasized that a country's change from recipient to donor status should be gradual. Furthermore, the principle of universality of the Programme would be maintained by keeping UNDP field offices in countries with programmes that were large enough to justify a permanent UNDP presence.

94. Denmark had proposed the creation of an international development council to discuss matters relating to UNDP, the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF), the World Food Programme (WFP) and the International Fund for Agricultural Development (IFAD). The possibility of changing the funding arrangements for UNDP to include assessed contributions had also been mentioned. He referred those issues to the Governing Council for consideration.

95. The PRESIDENT summarized the debate on the annual report of the Administrator for 1990 and programme-level activities. He hoped that the suggestions made by participants would guide UNDP in its activities for the next year and the future.

96. If he heard no objection, he would take it that the Governing Council agreed that the Drafting Group should prepare draft decisions on the item.

97. It was so decided.

The meeting rose at 12.55 p.m.

