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SUMMARY RECORD OF THE SECOND PART \*/ OF THE 18th MEETING

Held at the Palais des Nations, Geneva,  
on Friday, 1 June 1990, at 6 p.m.

President: Mr. POPESCU (Romania)

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OTHER FUNDS AND PROGRAMMES (agenda item 8) (continued)

(g) TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES (continued)

(i) REPORT OF EXPERT COMMITTEE (continued) (DP/1990/77)

1. Mr. KHAN (Pakistan) said that, in line with the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, UNDP was required to orient its activities, programmes and projects towards supporting the objectives of TCDC, which was an important vehicle for achieving self-reliance and promoting efficient use of developing countries' resources for their collective welfare. Within its limited resources, Pakistan had been implementing a modest programme of TCDC for more than two decades. Under that programme, technical assistance was provided on a unilateral basis to about 80 developing countries in Asia, Africa and Latin America, usually in the form of training facilities, expert services, equipment and seats in professional colleges and universities. In addition, his country had concluded a project agreement with UNDP on support of programmes between Pakistan and other developing countries. The main objective of that project, for which \$100,000 had been earmarked from Pakistan's IPF, was to promote technical and economic co-operation among developing countries on a bilateral basis.

2. Pakistan was already co-operating with a number of developing countries in sharing technical know-how. An inter-governmental TCDC programming exercise had been held in Pakistan in 1988 with the co-operation of UNDP, resulting in the conclusion of about 146 project proposals with the 20 participating countries. Under those projects, Pakistan would provide 119 experts and about 105 training facilities to developing countries. The role of the Special Unit for TCDC as a catalyst for Pakistan's technical co-operation with other developing countries had been significant. It would be appropriate to consider strengthening the Special Unit to enable it to play its co-ordinating and supportive role more effectively, and to continue the financing of action-oriented TCDC activities from Special Programme Resources in the next programming cycle.

3. The developing countries must recognize the need to seek technical assistance from developing countries which had made advances in specific fields rather than turning to the developed countries. The arranging of seminars and workshops as part of the TCDC exercise could help to achieve that objective. Developing countries which had not yet done so should be encouraged to make allocations out of their country IPFs to promote co-operative arrangements with other developing countries. Countries at a comparatively advanced stage of development should offer technical assistance at their own expense to other developing countries in fields in which they had gained considerable expertise and specialization. Also, UNDP, the international financial institutions and developed countries might offer financial assistance for the implementation of technical co-operation programmes. Lastly, his delegation appreciated the valuable efforts of the Group of Governmental Experts on TCDC and would give serious consideration to its recommendations.

4. Mrs. GREDER (Sweden) said that the four Nordic countries on whose behalf she was speaking were strong supporters of TCDC as a modality for technical co-operation and believed that it should be pursued more vigorously during

the 1990s. Areas of development co-operation that were influenced by social and cultural factors seemed to offer particularly promising prospects for TCDC. One such area was collaboration between Islamic countries in the area of population. Another area was debt management, where employees of the Central Banks in Latin American countries stood to gain much from sharing experiences with other Latin American colleagues. A particular advantage offered by TCDC was that it led to capacity building and institution building, both in the developing countries receiving technical advice and in those developing countries providing it. Strengthening of national capacities was an important means to attain self-reliance.

5. TCDC was generally regarded as a matter for the countries concerned but the role of the international community should also be reaffirmed. The importance of information had been underlined by the Group of Experts. The Nordic countries believed that UNDP had a major role to play as a broker of TCDC by providing developing countries with information on where to find the relevant expertise in other developing countries and by facilitating contacts between experts and institutions.

6. Financing of TCDC should remain the primary responsibility of the developing countries. However, given the importance of that modality and the prospects for a more significant role for UNDP, the Nordic countries were prepared to consider an increase in the general resources of UNDP leading to a larger allocation for TCDC in the negotiations on the fifth cycle.

7. Mr. SMALLENBROEK (Netherlands) said that his delegation agreed with the findings contained in the report of the Group of Governmental Experts (DP/1990/77) regarding the main impediments to greater use of TCDC and supported the thrust of the proposals made to overcome them. It fully subscribed to the view expressed in paragraph 46 of the report that the financing of TCDC was the primary responsibility of developing countries themselves. They should increase the allocations to TCDC activities within their national programmes and budgets, and UNDP should give more emphasis to TCDC projects within their country IPFs. The report could have been more explicit in that respect.

8. His delegation agreed with most of the recommendations made in the report, including those for a strengthening of UNDP support to TCDC activities. In that regard, the INRES-South Information Referral System offered interesting possibilities, as did an expansion of the activities of the Special Unit for TCDC within UNDP. His delegation noted with interest the Administrator's proposal to increase the SPR for TCDC to \$15 million. However, a final decision on that proposal would have to be taken within the framework of the fifth-cycle discussions.

9. Mr. ELGHAOUTH (Mauritania) said that his delegation wished to reiterate the importance which the African countries attached to a more effective implementation of the Buenos Aires Plan of Action. In that regard, the significant role played by the Special Unit for TCDC was to be welcomed and he hoped that additional financial resources would be made available for it to discharge its mandate fully. He observed that the findings of the High-level Committee on the Review of Technical Co-operation among Developing Countries had been made available to the Group of Governmental Experts. Those findings should be set before the Governing Council itself. Lastly, his delegation

took note of the Administrator's proposal to increase the SPR for TCDC in the fifth cycle. The proposed increase was substantial, although it still fell short of what was required to make the fullest use of the potential of TCDC.

10. Mr. EL-FERJANI (Libyan Arab Jamahariya) welcomed the clear presentation of the report of the Group of Governmental Experts (DP/1990/77) and supported its recommendations aimed at improving technical co-operation among developing countries. He wished to remind the Governing Council, however, that TCDC could not be constructive unless the necessary political will was shown by those countries with advanced technology to help developing countries to achieve the objectives of the Buenos Aires Plan of Action and to implement the strategies and resolutions relating to it. Lastly, he wished to pay a tribute to the untiring efforts of UNDP's Special Unit for TCDC.

11. Ms. FEENEY (United States of America) said that her country was firmly committed to the concept of TCDC and to the view that developing countries possessed skills which they could share for mutual benefit. It continued to support the principles set forth in the Buenos Aires Plan of Action and believed that the planning, financing and implementation of co-operative activities among developing countries must remain the primary responsibility of the developing countries themselves. It had been pleased to see that the recent meeting of the Group of Governmental Experts continued to support that approach.

12. A major constraint would appear to be the need to devote greater attention to TCDC as a mode of implementation for projects other than those specifically designated as TCDC projects, namely those funded from country IPFs or other national resources. In that regard, the trend seemed to be towards increased national execution as a means of boosting TCDC efforts. Her delegation urged greater co-ordination with programmes such as the United Nations Volunteers as a way of providing a larger TCDC component in UNDP projects.

13. Mr. CHEKAY (Union of Soviet Socialist Republics) said that his country supported the promotion of TCDC activities through a variety of financial, technical and other measures, to whose systematization the Group of Governmental Experts had made an important contribution. His delegation agreed with the conclusions contained in that body's report (DP/1990/73), particularly on the use of TCDC modalities in national planning activities and programme implementation and on the establishment of national focal points for TCDC. Attention should also be given to the promotion of awareness and the improvement of information about TCDC. Technical co-operation among the developing countries should remain the primary responsibility of the developing countries themselves, and its effectiveness would be commensurate with the spirit of co-operation they displayed.

14. Mr. ABDEL-NASSER (Observer for Egypt) emphasized the importance of TCDC as a means for the developing countries to achieve economic integration and attain self-reliance. UNDP had a vital role to play in that regard. Resources were still inadequate, as noted in the report of the Group of Governmental Experts, and greater support was needed from the international community and in particular from the international financial institutions and developed countries. Egypt was pursuing TCDC activities especially through its fund for technical co-operation with African countries. It had also entered into triangular arrangements with international organizations and with developed countries.

15. Mr. CABACTULAN (Philippines) said that his country supported the recommendations of the Group of Governmental Experts, especially those contained in paragraphs 47 and 49 of its report. Governments should recognize that the modality needed to be developed in future through triangular arrangements involving third parties to enhance and expand TCDC. While the principal responsibility for TCDC must remain with the developing countries, it should not be forgotten that some areas to be covered by TCDC activities were global concerns which needed to be addressed by developed and developing countries alike. In an increasingly interdependent world, that principle had to be maintained.
16. Mr. VAN NORT (International Maritime Organization) said that, as the first executing agency to have rallied to the cause of TCDC, his organization welcomed the recommendations of the Group of Governmental Experts and was firmly committed to implementing all of them, especially those in paragraph 69 of the report. His delegation would shortly be arranging a meeting of focal points and looked forward to holding consultations with any interested delegations. He felt that IMO could accomplish a great deal more in promoting TCDC activities if the recommendations by some members of the Governing Council, especially the Nordic group of countries to the effect that UNDP should increase its brokerage role in facilitating contacts, were implemented.
17. Particular attention should be drawn to the observation in paragraph 17 of the report (DP/1990/77) concerning the inability of institutions from developing countries participating in TCDC projects fully to recover costs incurred on those projects, and to the relevant recommendation in paragraph 41 concerning the establishment of a suitable mechanism for the coverage of such costs. In the overwhelming majority of cases, IMO had to rely on the generosity of domestic institutions in financing TCDC activities for other countries out of their own budgets. The practical significance of the recommendation in paragraph 41 should be especially underlined.
18. Mr. RADZI (Malaysia) thanked the Director of the Special Unit for TCDC for his excellent presentation and joined with other speakers in calling for an increase in the allocation for the Unit to enable it to perform its mandate to its fullest potential.
19. Mr. JASINSKI (Poland) said that the opportunities and possibilities for TCDC had changed since the Buenos Aires Conference as a result of unprecedented developments in the global political climate and economic reforms in many countries which had drawn the lessons from their disappointing experiences of the 1980s. The United Nations development system had also embarked on a major restructuring exercise. The time was therefore ripe for the international community to rededicate itself to the Buenos Aires Plan of Action. The current rethinking of the role of the State in the economic and development spheres should result in a larger involvement of all sectors, including non-governmental organizations and individuals, in that process. Respect for the principle that recipient Governments had sole responsibility for co-ordination of external assistance and the principal responsibility for its design and management was the key to the enhanced effectiveness of international economic co-operation and of TCDC in particular. His delegation welcomed the recommendations contained in the report of the Group of Governmental Experts (DP/1990/77) and hoped that they would be reflected in future UNDP activities.

20. Mr. CHADHA (Director, Special Unit for Technical Co-operation among Developing Countries), responding to the points raised by delegations, welcomed the positive suggestions made with a view to improving the work of the Special Unit. He shared the concerns expressed by various speakers regarding the lack of awareness and information about TCDC so many years after the adoption of the Buenos Aires Plan of Action. While shortage of financial resources was often an impediment, it was not the only one: another problem was administrative weaknesses in the participating Governments themselves. In 1990, the Special Unit had appointed a training officer to assist in that matter and hoped to establish training programmes and training interaction shortly on a much larger scale with countries requesting such assistance. A training programme undertaken recently in Baghdad in co-operation with the Government concerned and the local UNDP office had produced extremely encouraging results.

21. The Special Unit had been pleased to assist in the inception and implementation of the TCDC programming exercises mentioned by the representatives of Pakistan and Turkey, and was also helping to set up so-called umbrella TCDC projects, involving some 35 countries world-wide. In 1989, it had assisted in the formulation of five or six umbrella projects in the African region alone. The Special Unit was launching a number of other initiatives, too, such as a meeting of TCDC focal points to be held shortly in the Maghreb region with a view to setting priorities for areas of co-operation. It was also working closely with IMO in programming TCDC maritime activities in Latin America.

22. The lesson to be drawn from the past few years was that TCDC really worked. Some 2,200 projects, involving more than 100 developing countries, were currently being planned or implemented and would need less than \$10 to \$15 million of assistance from UNDP and the specialized agencies. That figure underlined the fact that most were small projects. It was to be hoped that the experience gained would lead to operational TCDC projects on a larger scale.

23. It should, however, be pointed out that, 12 years after the Buenos Aires Conference, there was still misunderstanding as to what TCDC meant. Projects employing the services of experts from developing countries or projects utilizing United Nations Volunteers, for example, were not TCDC projects. Likewise, a project executed by an agency in which many developing countries were participating might be a good project, but it was not TCDC. According to the definition incorporated within the mandate of the Special Unit, TCDC projects were only those projects which were managed and executed by the developing countries themselves. The essence of the modality was to assist the developing countries to achieve self-reliance.

24. The PRESIDENT said that the Governing Council had thus completed its general discussion of the item under consideration. If he heard no objection, he would take it that the Council agreed that the Drafting Group should begin the elaboration of a draft decision on technical co-operation among developing countries.

25. It was so decided.

PROGRAMME IMPLEMENTATION (agenda item 4) (continued)(b) IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL AT ITS PREVIOUS SESSIONS (continued)

## (xiii) SECTORAL SUPPORT (DP/1990/73)

26. Mr. GUCOVSKY (Deputy Assistant Administrator), introducing the report of the Administrator on sectoral support (DP/1990/73), said that the Administrator was recommending that the presentation of the sectoral support programme review requested by the Governing Council in its decision 87/48 should be postponed until the 1991 session for the reasons set out in paragraph 13 of his report. In particular, the changes in the management of the SIDFA programme had taken effect only on 1 January 1990 since the finalization of the agreement between UNDP and UNIDO had been delayed until April 1989. Also, UNIDO was studying a long-term financing scheme for the SIDFA programme, to which UNDP's financial contribution would be made on the basis of the resources available, the results of the internal review and the level of UNIDO participation. The postponement would, in addition, enable the review to include the benefit of three years of experience with the new procedures established for the management of the sectoral support programme to the 11 smaller agencies.

27. A tentative allocation of \$30 million was therefore proposed for the sectoral support programme in the fifth cycle. A new redistribution of resources between the two sub-programmes as well as among smaller agencies was anticipated as a result of the review of the programme during the last quarter of 1990. The review would also benefit from the current discussions in the Governing Council and from any guidance it might provide.

28. Mr. MALMIERCA (Cuba) said that the Administrator's recommendations were very relevant. His delegation welcomed an independent review of the whole sectoral support programme in the second half of 1990 and agreed with the suggestions made in paragraph 13 (a) and (b) of the Administrator's report. It also supported in principle the proposed tentative allocation of \$30 million for the sectoral support programme in the fifth cycle on the understanding that that figure could be amended in the light of subsequent substantive discussions.

29. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that his delegation had taken note of the report of the Administrator and had no difficulty in accepting the proposals contained therein.

30. Mr. CHEKAY (Union of Soviet Socialist Republics) said that his delegation shared the Administrator's view that a postponement of the detailed review until the thirty-eighth session was desirable for the reasons given in his report. It could also agree to the proposal for a tentative allocation of \$30 million in the fifth cycle to the sectoral support programme, for which the resource level should not be disproportionate to that for the fourth cycle.

31. Ms. DUDIK-GAYOSO (United States of America) said that her Government appreciated the need to have sufficient accumulated experience with the new arrangements covering the SIDFA programme prior to conducting a comprehensive

review. Her delegation took note of the recommendations in the Administrator's report, but would be raising other aspects of the issue under other agenda items, for example in respect of support costs and the fifth programming cycle.

32. Mr. CABACTULAN (Philippines) said that his delegation was in general agreement with the Administrator's recommendations, which, as the previous speaker had pointed out, should be considered in the light of other interrelated matters such as agency support costs and the fifth cycle. At the same time, it was important to ensure that the SIDFA programme and support for the smaller agencies would continue without disruption whatever form the final arrangements took.

33. Mr. BURLEY (United Nations Conference on Trade and Development) said that UNCTAD had found the sectoral support arrangements provided by UNDP indispensable in its efforts to enable developing countries, especially those with little or no representation in Geneva, to make the best possible use of the agency's technical co-operation services. Through the sectoral support programme, UNCTAD was undertaking such programmes as demonstrating software packages for customs administration and debt management and was arranging short-term advisory missions covering areas such as shipping, port management and tariff harmonization. It was also launching several new initiatives, including one programme on training and human resources development and another on enterprise promotion in the trading sector.

34. Most of the scenarios being considered for the new support cost arrangements included proposals to facilitate the development of the specialized agencies' technical capacity for co-operation with developing countries, whether or not the agencies were to execute projects in the traditional sense. UNCTAD welcomed that approach. In that context, it might be desirable to include in future sectoral support arrangements a specific mandate to support Governments for the effective design and implementation of projects which they themselves would be executing.

35. Mr. GUCOVSKY (Deputy Assistant Administrator) said that all of the views expressed by delegations would be taken into account during the review of the sectoral support programme during the last quarter of 1990. Likewise, related points made during the Council's discussion of other agenda items would be duly reflected in the review.

36. The PRESIDENT said that the Governing Council had thus completed its general discussion of the item under consideration. If he heard no objection, he would take it that the Council agreed that the Drafting Group should begin the elaboration of a draft decision on sectoral support.

37. It was so decided.

The meeting rose at 7.10 p.m.