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SUMMARY RECORD OF THE 29th MEETING

Held at the Palais des Nations, Geneva,
on Tuesday, 12 June 1990, at 10 a.m.

President: Mr. POPESCU (Romania)

later: Mr. HAMADZIRIPI (Zimbabwe)

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

OTHER MATTERS (agenda item 10) (continued)

(d) LEAST DEVELOPED COUNTRIES (continued) (DP/1990/89)

1. Mr. RADE (Netherlands) said that his delegation agreed with the priorities listed in section II, A, of document DP/1990/89, but inquired how they related to those in the funding strategy document, which were almost identical.
2. The roles of UNDP in the population sector and of the United Nations Environment Programme (UNEP) in the environment sector must be carefully co-ordinated. His Government was pleased that the United Nations Capital Development Fund (UNCDF) had created a series of projects awaiting commitment. The Second United Nations Conference on the Least Developed Countries, to be held in Paris in September 1990, and the generally satisfying results achieved by UNCDF might lead to an increase in pledges. But UNCDF should currently concentrate on effective execution and evaluation of the projects already undertaken rather than the formulation of new project proposals.
3. In the view of his delegation, a decision on the future of the Special Measures for the Least Developed Countries (SMF) Fund should be postponed until after the Paris Conference. The outcome of the fifth programming cycle discussion would also have a bearing on the pattern of pledging to the SMF. His delegation fully subscribed to the view expressed in section II, F, that scenarios 9 and 10 would be best suited for focusing the scarce resources available for technical co-operation on the poorest countries, and in particular the least developed countries (LDCs).
4. Mr. PETTITT (United Kingdom) said his delegation considered that section II, A-E, of document DP/1990/89 should be viewed as UNDP's opinion and as a record of action. It supported the priorities set out in section II, A, of that document. It agreed with the United States delegation on the need to redefine the term "least developed country", but the current definition should be retained for the purposes of the Paris Conference.
5. Section II, F, should be drawn to the attention of those negotiating the fifth programming cycle. Various scenarios should be proposed for the LDCs. In particular, further consideration should be given to the question whether the LDCs should be defined according to usage outside UNDP or within UNDP, and whether the three countries treated "as if" they were LDCs should be included.
6. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that it was important to encourage implementation of the Administrator's proposal; the Administrator must ensure that the developing countries could participate in the Paris Conference and give priority to obtaining more resources for them.
7. Mr. LIU Lianke (China) stressed the importance of the Paris Conference. The economic situation of the LDCs had deteriorated, and the goals set at the first Conference on the LDCs had not been attained. Economic growth in those countries over the past decade had been 2.2 per cent as opposed to a targeted 7.2 per cent, export income had fallen, their foreign debt had doubled,

and ODA had stagnated. Any solution to the problems facing the LDCs called for international support, a reform of unjust international economic relations and an improved international environment.

8. UNDP should increase the IPFs allocated to the LDCs in the fifth programming cycle. It should draw upon the United Nations Capital Development Fund (UNCDF), to which the developed countries should step up their contributions. The Fund should also make better use of its resources.

9. China, which enjoyed good relations with the LDCs, had undertaken many activities over the years to support them within its capabilities and would continue to enhance its economic and technical co-operation with them in the future.

10. Mr. GIELING (Belgium) said that the LDCs must be given absolute priority, in particular in the allocation of non-reimbursable UNDP assistance. His delegation was not convinced, however, of the need to decide upon a specific figure as an objective for the LDCs. More UNDP resources should be set aside for activities which would make an impact in those countries. It would be interesting to refine still further the human development indicator and examine its impact on the criteria serving as a basis for the definition of the term "least developed country" and on resource allocation.

11. Mr. ROHNER (Switzerland) said that UNDP must use IPF allocations and special programmes, in particular UNCDF and UNV, to step up the assistance it provided to the least developed countries. It must play an active role at the Paris Conference, offering its broad range of experience.

12. His delegation suggested that the study commissioned by UNCTAD ("Aid co-ordination and effectiveness: Least developed countries, 1981-1989") should be discussed soon at the current session, because the Preparatory Committee for the Paris Conference had been unable to examine it. It was also essential to obtain an independent evaluation of UNDP efforts in strengthening the co-ordination capacity of recipient countries. Round-tables, consultative groups and on-site co-ordination must increasingly be carried out by Governments themselves. UNDP should report on its experience in that area.

13. Mr. HAMADZIRIPI (Zimbabwe) said that the resources allocated to the LDCs in the fifth programming cycle should be used for programmes that fully reflected the priorities which those countries had themselves identified. Fifth cycle allocations to the lower-income countries must be a matter of priority.

14. His delegation welcomed the enhanced size and effectiveness of UNCDF, but more resources were needed to enable the Fund to fill the gap between pre-investment, technical co-operation and capital financing from bilateral and multilateral development institutions. UNCDF procedures must also be streamlined to respond more effectively to the needs of the LDCs.

15. With regard to paragraph 26 of document DP/1990/89 on the possible uses of the Special Measures Fund, it was the understanding of his delegation that the Fund's mandate would be subject to the report to be submitted by the Administrator to the Council in 1991.

16. Mr. FERNANDEZ (Observer for Liberia) said he was pleased to note the importance attached to the role of people in development. The World Bank report entitled "Sub-Saharan Africa, from crisis to sustainable growth - A long-term perspective study" must be put in its historical context: it had appeared after the African countries had expressed concern about the World Bank's approach in that area. People must be the architect of their own development. It was unfortunate that the report had made no mention of activities being carried out in Africa by the people themselves.

17. His delegation inquired whether subparagraphs (a) - (i) of paragraph 15 of document DP/1990/89 had been listed in order of priority and, if so, wondered how that order had been arrived at and whether the lack of absorptive capacity referred to in subparagraph (c) had been the primary concern behind subparagraphs (a) and (b).

18. The Committee on Development Planning (CDP) had recommended that Liberia should be included on the list of least developed countries. As the Paris Conference would be held prior to final endorsement of that recommendation, his delegation requested an interim arrangement to enable Liberia to receive assistance in preparing for its participation in the Conference.

19. Mr. IVERSEN (Federal Republic of Germany) pointed out that there would be only limited private-sector flows from the developed countries to the LDCs; ODA on a grant basis must therefore be the main modality for foreign contributions. The best preparation for the Paris Conference would be to give wider country IPF shares to the LDCs when deciding on the fifth programming cycle. UNDP should also strengthen the NATCAP and round-table processes. Although the Programme did provide channels for support, without the above-mentioned activities it could not take meaningful steps to contribute to the development of the LDCs.

20. Mr. GEPP (Brazil) speaking on behalf of the Latin American and Caribbean countries, expressed support for the priorities established to combat economic stagnation and poverty. His delegation welcomed the efforts made by UNDP in the 1980s to confront the problems of the LDCs. Unfortunately, the increases in assistance to those countries had been to the detriment of other countries which, although not in a similarly difficult situation, also attached high importance to multilateral co-operation for their development needs.

21. On the basis of the Administrator's report (DP/1990/89), three possibilities emerged for helping the LDCs during the fifth cycle: a substantial increase in UNDP voluntary contributions, amounting to more than 10 per cent annually in real terms; additional IPF allocations from funds and other programmes; and a reallocation of IPF country resources for the LDCs, if the increase in resources did not exceed 6 per cent annually. The donor countries must realize that a real effort was needed to make additional resources available to the LDCs, whether through the SMF, UNCDF or other funds. The transfer of resources from countries which, although not in as serious a situation as the LDCs, required UNDP co-operation would have a disastrous impact on their development efforts. In the view of his delegation, consideration of financial co-operation with the LDCs should be deferred until informal consultations had been held on the fifth programming cycle.

22. Mr. GOPINATHAN (India) considered that the priorities listed in paragraph 16 of document DP/1990/89 should have been drawn up by the LDCs themselves, and not by the UNDP secretariat.

23. Mrs. SHALABY (Observer for Egypt) said that co-operation must be enhanced and resources made available to the LDCs to ensure their sustained development in the 1990s. Her delegation supported giving priority to the LDCs, provided that each country could set its own priorities in accordance with its needs. It was important to attract bilateral aid, for example through the round-table process. Human resources must be developed, and a strategy must be formulated to promote economic development by cancelling debts and allowing LDCs to pursue structural adjustment programmes based on the capacity of each country to undertake the requisite reforms. The country IPF allocations for the LDCs must be increased in real terms by augmenting voluntary contributions and by helping the LDCs to withstand the adverse effects of inflation. But a growth in programme resources for LDCs should not be an excuse for reducing resources for other developing countries. UNDP must also support the funds established by the LDCs themselves.

24. In preparations for the Paris Conference, use should be made of the UNCTAD studies on the LDCs. His delegation was pleased that the Preparatory Committee for the Conference had asked UNDP to step up its support for the Conference.

25. Mr. TALUKDAR (Observer for Bangladesh) said that during its meetings in March and April 1990, the Preparatory Committee for the Second United Nations Conference on the Least Developed Countries had prepared proposals for national and international measures for the LDCs for the 1990s, for consideration by the Conference, and had also had a chance to discuss priorities for the LDCs for the decade. Those proposals had already been made available in a document. Action was called for in three very important areas: the quantitative resource target for the LDCs, debt relief, and market access for their exports. He asked members of the Council to bring those three important issues to the attention of their Governments, for consideration at the appropriate level, so that decisions could be taken at the Paris Conference. His country was considering participating in the Conference at the highest political level, and would be happy to see that level of participation matched by as many countries as possible.

26. One item that had remained pending during the discussions in the Preparatory Committee was the question of UNDP resources for the IPFs of the least developed countries. The delegation of France had proposed that during the next cycle such resources should be increased from the present level of 43 per cent to 60 or 70 per cent. His delegation had noted with appreciation the understanding displayed, during the debate in the high-level segment, of the needs of the LDCs, and the emerging consensus that the overwhelming proportion of UNDP resources should be allocated to IPFs for those countries in the next cycle. His delegation urged members of the Council to give those proposals earnest consideration during the informal consultations, so as to arrive at a consensus, in line with the French proposal, to make available enhanced resources in real, and not merely nominal, terms.

27. Mr. MIZUKOSHI (Japan) said that his Government was making every effort to foster development of the LDCs, inter alia, through grant assistance to compensate for their debt burden. However, such bilateral grant assistance would produce maximum results only when combined with efforts to increase the self-reliance and national capacity of the LDCs. UNDP had a major role to play in that regard, and his delegation expected a strengthening of UNDP assistance to those countries during the fifth cycle.

28. Mr. CHAUDOUET (France), referring to the statement by the observer for Bangladesh, said that his delegation fully concurred with its content, subject to two slight qualifications. First, among the priorities for the LDCs in the 1990s that had emerged from the discussions in the Preparatory Committee, Bangladesh had cited market access for LDC exports. The issue was certainly an important one, but his delegation felt that what was of paramount importance was to regularize LDCs' export resources, and specifically, commodities.

29. Secondly, in his appeal for higher IPF resources for the LDCs during the next cycle, the observer for Bangladesh had mentioned a figure higher than the 60 per cent France had in fact proposed. It was his delegation's view that a higher figure might lead to massive transfers of resources at the expense of UNDP aid to other categories of countries.

30. The representative of Switzerland had requested that UNDP should examine the study commissioned by UNCTAD, on round-table and consultative-group meetings. His delegation was aware of the importance of those study and support processes to the LDCs and thus fully supported the Swiss proposal. It hoped that UNDP would examine the study as soon as possible, perhaps at the February 1991 special session.

31. Mr. LOUP (Regional Bureau for Africa) thanked members of the Council for their wide support for the priorities presented in document DP/1990/89 and not least, for the support provided by non-LDC developing countries. Needless to say, he fully agreed with the representative of India that each LDC Government must define its own priorities. In response to the question by the Netherlands representative about the relationship between the priorities concerning LDCs set forth in section II, A, of document DP/1990/89 and those presented in the funding strategy, he confirmed that they were indeed fully in line, and that any differences were purely a matter of emphasis, attributable to each LDC's particular circumstances.

32. With regard to the points made by the representative of Liberia, he acknowledged that document DP/1990/89 did not mention a number of important meetings that had taken place in Africa. Such omissions were attributable purely to lack of space. The observer for Liberia was also correct in assuming that there was no order of priority in the list of issues concerning technical co-operation set forth in paragraph 15 of the report. The question of Liberia's participation in the Paris Conference would be looked into, in consultation with UNCTAD, so as to ensure that its participation was as effective as possible.

33. He had noted the suggestion by the representative of Switzerland, supported by the representative of France, about the possibility of discussing the UNCTAD evaluation of round-table and consultative-group meetings, and would welcome and support such a proposal. He also confirmed, for the benefit

of the representative of Zimbabwe, that, in accordance with decision 90/2 of 23 February 1990, a report would be prepared on the Special Measures Fund for LDCs in time for the next session. With regard to the definition of the LDC category, that definition had been approved by the General Assembly on the recommendation of the Economic and Social Council, which had reached its decision on the basis of recommendations by the Committee for Development Planning. However, it was possible that the question might be discussed at the Paris Conference.

34. The PRESIDENT said that, if there was no objection, he would take it that the Governing Council agreed that the Drafting Group should begin framing a draft decision on agenda item 10 (d).

35. It was so decided.

PROGRAMME IMPLEMENTATION (agenda item 4) (continued)

(e) SPECIAL PROGRAMMES

(ii) ROLE OF THE UNITED NATIONS DEVELOPMENT PROGRAMME IN THE IMPLEMENTATION OF THE UNITED NATIONS PROGRAMME OF ACTION FOR AFRICAN ECONOMIC RECOVERY AND DEVELOPMENT 1986-1990 (DP/1990/30)

(i) ASSISTANCE TO NATIONAL LIBERATION MOVEMENTS RECOGNIZED BY THE ORGANIZATION OF AFRICAN UNITY (DP/1990/29)

36. Mr. DAMIBA (Director, Regional Bureau for Africa) said the current pace of political and social change suggested that the nature of social and economic development would continue to undergo significant transformations well into the twenty-first century. In most cases, radical changes were being achieved by peaceful means. But in some areas of the impoverished third world, monumental political tension and extreme economic pressure were already providing fertile ground for conflict, to say nothing of what might lie ahead if meaningful changes did not occur.

37. Africa's current situation was shaped by the unresolved issues of the 1980s, a decade characterized by a desperate struggle with mounting debt, ongoing protectionism, falling commodity prices, declining flows of investment and capital flight, mass poverty, and resultant social and political unrest. Global initiatives on those issues must remain the top priority on the world agenda. At the country level, second-generation programmes of economic stabilization and adjustment were being tempered in the light of experience, and there were now few, if any, countries not engaged in some form of structural adjustment. Significant achievements by a few developing countries in East and South-East Asia, together with progress towards greater economic co-operation, were creating new commercial realities. And in Europe, 1992 promised to be one more major milestone in a continent-wide process of political and economic transformation and integration.

38. The fundamental characteristics of those trends were the search for new political structures, for new or redefined societal goals, for social and economic solutions that were internally defined and democratically set, and for sustainable growth. Their implications for the international community and for the United Nations would be worked out in the months ahead in the Economic and Social Council, at the Paris Conference on the Least Developed

Countries, in the General Assembly, and at the Africa consensus-building conference at Maastricht (Netherlands) the following month. The challenge facing the Governing Council was to adapt the future course of technical co-operation to those changing circumstances.

39. In the global context, Africa's commitment to long-term transformation and economic restructuring was irreversible. The debate on the design of adjustment programmes, focusing on long-term economic transformation strategies and regional co-operation, had been an enriching process from which consensus had emerged. The Lagos Plan of Action, Africa's Priority Programme for Economic Recovery (APPER) and the United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD) had been accepted by Africa's partners as frameworks within which development would take place. Long-term growth should never be subordinated to narrow short-term goals. Shifts in the World Bank approach, and General Assembly endorsement of ECA's Alternative Framework to Structural Adjustment Programmes had recently produced a noteworthy degree of consensus on the desirable economic policy elements for Africa through the 1990s. Yet the fear in Africa now was that enhanced super-Power economic relations and the economic reforms in Eastern Europe would lead to the continent's marginalization. Those fears remained real, although he had been encouraged by donor countries' statements in a number of forums that there would be no reduction in assistance to the LDCs, or to Africa in general, as a result of the developments in Eastern Europe. However, even if that proved to be the case, the fundamental problem was that there would be less additionality for Africa, precisely at the time when Africa both needed and deserved it most. Africa must thus seek a new compact or consensus with its partners, East and West, North and South.

40. Many in Africa also feared political conditionality, whereby aid would be the reward for political and economic adjustment. Most Governments now recognized that the priority accorded to the exalted role of the State had contributed to ineffective public sector management, imported consumption patterns, urban bias, and a failure to generate indigenous and sustainable well-being for the majority. African countries understood why so little progress had been made in the 1980s and were now actively seeking new approaches, for which there was already evidence of widespread popular support. In that context, externally imposed political change would be counter-productive.

41. What, then, were the bases for a new coalition for African development? First, recognition must be accorded to the spirit of enterprise, steeped in tradition and fundamental to the survival of the African. The resilience of the rural African population was in fact the success story of the past 20 years, for they had shown themselves responsive to opportunities for survival and growth in the face of countless adversities. Secondly, it must be recognized that that spirit flourished best within an environment that spawned incentives rather than regulations. Evidence abounded of participatory development becoming the centre-piece of economic reform and restructuring, and of small government synonymous with good government. Lessons could be learned from the experience of the informal sector. Thirdly, the African must be placed at the centre of the development effort and viewed as a valuable asset. Economic policies must be sufficiently broad-gauged to provide underpinning for vulnerable groups in society, at least until their productive and entrepreneurial energies were unleashed.

42. He was convinced that it was necessary to concentrate on four main priority areas for Africa's economic and social development in the 1990s. First, the emphasis on enhancing national capacity for economic management must be maintained, focusing on establishing a policy and climate of incentive favourable to investment and enterprise, and particularly Africa's own investment. Possibilities existed for equity financing through joint venture partnerships. UNDP technical co-operation resources should be used to open windows of opportunity for such activities. The initiative would parallel work already under way in the African Management Services Company and Africa Project Development Facility. The capacity to design growth-orientated adjustment programmes and to manage the social sectors needed close attention. Poverty must never become an accepted state in Africa on the threshold of the twenty-first century. UNDP already possessed some instruments required for that task, through Structural Adjustment Advisory Teams for Africa (SAATA), the Management Development Programme (MDP) and national capacity-building projects, reinforced by a forward-looking planning concept. UNDP was also involved with the African Development Bank and the World Bank in the development of the African Capacity-Building Initiative (ACBI). SAATA missions had already led to seminars and special studies in several countries and \$24.5 million had been notionally allocated by MDP to Africa.

43. Secondly, UNDP's programme in Africa for the next cycle must incorporate participatory and decentralizing components. Many projects already provided for grass-roots participation, for the empowerment of local communities and women, and for the involvement of NGOs. What was needed was a more comprehensive approach that would ensure that all UNDP-supported activities became vehicles for the promotion of popular participation in development. That would require targeted outreach efforts to the informal sector, both urban and rural. Programmes to foster self-employment, small-enterprise development and technology incubators would be noticeably increased as the fifth cycle approached.

44. For some time past UNDP had been pursuing strategies to ensure that the development contribution of women was given due priority in technical co-operation policies and programmes. In Africa, UNDP had embarked upon a number of far-reaching projects linked, for example, to agricultural production and marketing, credit and enterprise development. Those projects had broader implications in that they were replicable throughout the continent. UNDP expected to achieve greater gender-bonding within its technical co-operation efforts. In Africa, the involvement of women in development should be regarded as a critical factor for sustainable development.

45. Thirdly, UNDP would continue to support, particularly through the regional programme, the goals of African collective self-reliance and regional economic integration. In recent months the economic integration groupings had taken positive steps to revitalize their activities.

46. Fourthly, UNDP would intensify efforts to extend the use of the NATCAP process for the design and management of technical co-operation programmes in Africa. Statistical analysis of bilateral and multilateral technical assistance in the 1980s suggested that its magnitude was betrayed by the paucity of the results achieved. African administrations had often allowed their partners to provide large but unexamined quantities of assistance which

had been poorly understood, poorly managed, and too often ineffective. That had occurred at a time when national civil service structures had collapsed through resource constraints, lack of professionalism, policy vacuums and protracted politicization. Through NATCAPs, UNDP had already seen in a few countries the revitalization of the technical co-operation design and management process, the empowerment of Governments to ensure that such assistance met real needs and did so effectively. Civil service reform was a logical part of that process. It was in that spirit that General Assembly resolution 44/211 could be applied to UNDP programmes in Africa, in the empowerment of national administrations to design and manage technical co-operation, firmly lodged in the national planning process and using to the maximum the skills, competence and physical inputs available locally.

47. Those were the elements of UNDP's approach to supporting revitalized African development in preparation for the twenty-first century.

48. Mr. HAMADZIRIPI (Zimbabwe), speaking on behalf of the African countries members of UNPAAERD, said that they had noted with interest the information on the level of resources for Africa in the fourth cycle. There had been increases in dollar terms but that had not represented any additionality. African delegations were aware that such additionality was difficult to quantify, but they did not wish to create or accept the impression that what was a natural and global increase to the programme should be treated as additionality for UNPAAERD. For the fifth cycle, he would suggest that the Council should consider increasing the resources for NATCAP as well as direct contributions to UNPAAERD. He was concerned that the evaluations requested concerning NATCAPs and the Social Dimensions of Adjustment (SDA) project had not been completed in time for the current session as had been requested in the relevant decision.

49. In section III of document DP/1990/30 the Administrator had addressed specific UNPAAERD themes. The African countries had noted in that connection the considerable attention which UNDP had given to mitigating the social effects of adjustment programmes in Africa. The African countries would be interested to learn from UNDP how it intended to support the implementation of the African Framework for Structural Adjustment (AFSA), which had been endorsed by the international community as a bold indigenous effort to achieve recovery and sustainable development in Africa.

50. Section V of the report had addressed the internalization of UNPAAERD priorities in the various UNDP offices. In that connection the African countries would welcome a report which more fully reflected the impact and contribution of UNDP participation in UNPAAERD meetings.

51. Mr. ABDEL-NASSER (Observer for Egypt) said that the work done in connection with the implementation of UNPAAERD must take account of the priorities set by the African countries themselves, as had been stated at a number of high-level meetings.

52. His delegation supported the increased programme resources allocated to Africa for agricultural and human resource development and for the promotion of services and infrastructure, as well as to UNDP programmes on social adjustment and information exchange relating to development experience. Resources for projects and sectors such as science, technology, energy and education might decline. His delegation considered, however, that those sectors were also essential for African development.

53. Reforms must be conducted in the light of each country's particular conditions and should be formulated as an integral part of the country's long-term efforts, with due account being taken of human and social implications for improved living standards. He agreed with the Assistant Administrator's reference to the dangers implicit in falling commodity prices and the worsening African debt situation, which called for increased external assistance to African Governments.
54. He welcomed increased co-operation between the Arab and African UNDP Bureaux and would like to emphasize that UNPAAERD was intended to cover the whole continent of Africa with, of course, the exception of the racist Pretoria régime. That point had been reaffirmed at the twenty-fifth summit meeting of OAU in 1989. Egypt was playing its part by providing technical assistance for African countries through the Egyptian Fund for Economic Co-operation for African Countries. He hoped that UNDP would increase support for Egypt's efforts in that connection, bearing in mind the appeal made by the African Planning Ministers at their meeting in 1989 for greater use of African experts and training centres.
55. His delegation fully supported the efforts of UNDP to increase the role of African women in development. It also supported the assistance which UNDP was providing to ANC and PAC. It was essential that international resources should be mobilized from whatever source to help newly born Namibia in its efforts to overcome the effects of many years of colonialism.
56. Mr. Hamadziripi (Zimbabwe) took the Chair.
57. Ms. AARNIO (Finland), speaking also on behalf of the delegations of Denmark, Norway and Sweden on the question of UNPAAERD as a whole, said that the Nordic delegations were looking forward to the four evaluation reports dealing with the social dimensions of adjustment, NATCAPs, inter-organizational collaboration and structural adjustment advisory teams for Africa.
58. The Nordic delegations would suggest that the 1991 report to the Governing Council on the assessment of UNPAAERD should highlight problems encountered and assessments by the planning ministries of African countries themselves concerning national capacities and potential bottle-necks, as well as capacity-building needs in the light of the proposed national execution modality. The inclusion of the views of the countries themselves would be particularly useful against the background outlined in document DP/1990/30, paragraph 34.
59. Mr. HARRISON (United Kingdom) said that, during his introduction of the item, the Director of the Regional Bureau for Africa had referred to the fears of African countries that events in Eastern Europe would lead to diversion of assistance funds from the developing countries to the countries of Eastern Europe. In that connection he would like to say that United Kingdom aid to Eastern Europe was separate from, and additional to, the assistance it provided to the developing countries, and to the African countries in particular.
60. The Director had also referred to the question of political conditionality in relation to aid. That question did not arise in regard to aid provided by the United Kingdom to African countries. He had also referred

to the Human Development Report, 1990, which was a useful tool in considering development issues, particularly in Africa. On page 128 of that report, attention had been drawn to many African success stories.

61. The United Kingdom was continuing to increase its assistance to sub-Saharan Africa. The amount had risen from £250 million in 1984 to over £400 million in 1988. A large proportion of the United Kingdom's multilateral aid was disbursed through the European Community and the World Bank. An increasing proportion of bilateral aid (£100 million in 1988) was being provided in the form of programme aid and balance-of-payments support for the growing number of countries implementing structural adjustment programmes with IMF/World Bank support. £250 million had been pledged in that way to the World Bank's Special Programme of Assistance for Sub-Saharan Africa, covering the period 1988-1990. A follow-up programme to cover the period 1991-1993 was being worked out by the World Bank, in close consultation with recipients and donors. He expected that the United Kingdom would be equally generous in its support of the second programme.

62. His delegation was disappointed that UNPAAERD sought merely neutral relationships with the Bretton Woods institutions, as it would have hoped for even closer co-operation between UNDP and the World Bank and IMF. The World Bank in particular, had been a major instrument in channelling donor funds to Africa through consultative groups. All shared a common aim and must work together to achieve it.

63. His delegation commended the World Bank's Long-Term Perspective Study (LTPS) on sub-Saharan Africa, which had been published in November 1989. The study looked beyond macro-economic issues to real problems, including population, environment, education, health, poverty alleviation and food security; it also underlined the tremendous potential in Africa and provided a timely reminder both that adjustment programmes must be consistent with long-term development objectives and that development must reach all levels of society. It laid great emphasis on human resource development. Action was currently in hand to pursue the recommendations of LTPS.

64. The same study highlighted the severe weakness of the capacity of the African countries in policy analysis and economic management. His delegation therefore welcomed UNDP's joint sponsorship, together with the World Bank and the African Development Bank, of the recently launched African Capacity Building Initiative (ACBI). Much of the technical assistance provided by the United Kingdom had already had an effect in that area, and his delegation welcomed the better co-ordination and more focused approach which ACBI would bring. He was surprised that document DP/1990/30 made no mention of that important initiative. He was also surprised that more emphasis had not been placed in the same document on the need to stress environmental protection when considering development proposals.

65. Mr. FERNANDEZ (Observer for Liberia) said his delegation regretted that the evaluation of NATCAP activities was not yet available. In the absence of that evaluation it was surprising that UNDP should regard NATCAPs as the appropriate instrument to address the poverty dilemma. It was also a matter for regret that no information would be available on the impact of SAATA and MDP before the Council's 1991 session.

66. His delegation would also welcome information on the impact of UNDP participation on UNPAAERD and on whether any evaluation had yet been made of that programme. His delegation hoped that UNDP would implement the findings of the Administrator's report (DP/1990/30).

67. Mr. MUGUME (Observer for Uganda), referring to the evaluations of NATCAPs, SDA and SAATA, said that, while evaluations were expensive, the pay-off was very high. Evaluation would be particularly important in connection with the SAATA project. The aim of that programme was to be achieved through training courses, seminars and workshops on macro-economic policies and negotiation. As the African countries moved towards economic integration, they were finding that their policies had more to do with their neighbouring countries than with people speaking the same language. In the economic field everything must be seen within the context of the subregional grouping.

68. On the question of resources, document DP/1990/30 implied that it would be difficult to mobilize additional resources for UNPAAERD. In the end, resources were provided by Governments and, generally speaking, went to national or regional IPFs. As UNPAAERD had only been initiated after the last allocation of IPFs had taken place, it was the hope of his delegation that additional allocations of resources would be made for the programme in the fifth cycle.

69. Mr. MacARTHUR (United States of America) said that his delegation welcomed a number of UNDP initiatives to support the adjustment efforts of member countries, as it viewed economic adjustment as one of the critical elements in bringing about the conditions necessary to allow economic growth to take place in Africa.

70. Although it had been delayed, the SAATA had much potential for providing African Governments with the vital assistance required to enable them to enhance their own capacities to develop and manage effective macro-economic adjustment programmes. His delegation encouraged continued vigorous support of the SAATA programme by UNDP. His delegation continued to observe with interest the Social Dimensions of Adjustment (SDA) programme as it helped to improve understanding of the implications and effects of structural adjustment. The closely related research effort being undertaken by Cornell University was probing similar questions, and his delegation welcomed the healthy exchange of information between those two projects. The NATCAP programme was producing valuable results, fulfilling to a large extent the hopes aroused by that programme since its inception. His delegation would encourage African Governments and their partners to take the next step and make NATCAPs a viable planning tool and co-ordinating mechanism for planning technical assistance allocations within country programmes.

71. His delegation again commended the UNDP management for ensuring that women-in-development considerations were addressed in all projects submitted to headquarters for approval. That process was a vital element in ensuring that projects matched the policies concerning women and development which all members had adopted.

72. Mr. GABRIEL (International Bank for Reconstruction and Development) said that the Bank was pleased to be a partner with UNDP, the African Development Bank and ECA in a number of programmes and initiatives concerning Africa,

the LDCs. Paragraph 4 of document DP/1990/37 highlighted the striking difference between the income level of the white population and that of the black population, a difference which was clearly a result of the colonial period. His delegation fully supported the level of resources proposed by the Administrator for Namibia during the fourth cycle, together with the recommendation contained in paragraph 8 of that document.

84. Mr. MWALE (Observer for Zambia) said that in April 1990 the General Assembly had convened a special session to work out a consensus declaration concerning the future of economic co-operation. A consensus had been reached and the Assembly had adopted a draft declaration, which covered four areas of international co-operation: the external debt crisis as it affected the investment capacity of developing countries; the commodity crisis and its effects on terms of trade; expanded aid flow, a vital component of national institution capacity-building and restructuring; and the transfer of technology as a vehicle for economic transformation. The declaration was highly relevant to Africa. It was supported by all donors and should be the basis for assistance to the African region, which was fast becoming economically marginalized. The number of LDCs was increasing in Africa, and his own country was in the process of falling into that category.

85. He appealed to the Administrator to consider the situation of the African countries and hoped that the UNPAAERD projects would initiate a change in the region. UNPAAERD had not achieved much, largely because while the African countries had contributed their share, the donor community had not done so. In conclusion, he appealed for co-operation by the international community and stressed that the African community was prepared to play its part.

86. Mr. Popescu (Romania) resumed the Chair.

87. Mr. MacDONALD (Australia) said that his delegation supported UNDP's continuing role in UNPAAERD. It noted and welcomed the attention given to women in recognition of their dominant role in the critical sectors of agriculture and food production in Africa. UNPAAERD was essentially a multilateral assistance mechanism. Australia provided assistance to a number of countries in southern Africa, including support to reduce their economic dependence on South Africa and to strengthen their food security.

88. Mr. MacARTHUR (United States of America), referring to paragraph 25 of document DP/1990/29, noted that only the Pan Africanist Congress of Azania (PAC) had drawn funds in 1989. However, the approved budget on page 9 indicated an amount of \$56,000 and his delegation would like to know whether the larger figure in paragraph 25 covered all three African national liberation movements or merely PAC.

89. Mr. KRAMER (Canada) said that his delegation supported UNDP's participation in UNPAAERD and expressed appreciation for the leadership provided by the Regional Bureau for Africa.

90. Mr. DAMIBA (Director, Regional Bureau for Africa) said that on the question of additionality two things were certain: the relative increase in the resources of the Programme, and their allocation to UNDP programmes and projects for Africa. In terms of direct additionality, UNDP had not proceeded to make special allocations for Africa. That was a matter which could be dealt with within the context of the fifth programming cycle.

91. A question frequently raised by delegations concerned the fact that the reports on the evaluation of the Social Dimensions of Adjustment (SDA) and SAATA programmes and the NATCAPs were not available. UNDP could of course have produced the reports rapidly but the three programmes had assumed such dimensions that UNDP had wished to present the Council with reports of the highest possible standard. It was important to take the time necessary to make an in-depth evaluation. Consequently, together with the services entrusted with evaluating the programmes, the Bureau had developed a methodology that made it possible to present the Council with reports of outstanding quality.
92. With regard to the NATCAPs, UNDP had begun an evaluation process at a major meeting in Malawi with representatives of all countries which had already undertaken a NATCAP project or intended to do so shortly. Among the results achieved had been the adoption of a common methodology for NATCAPs in Africa. Eleven countries had accordingly been added to the 10 which had been the first to undertake NATCAPs on a pilot basis. Consequently, there were 21 countries which would serve as a basis for evaluation and enable the Bureau to submit to the Council an evaluation report based on a sufficiently representative sampling. Since the process was under way, the Bureau was confident that an evaluation report on NATCAPS would be available by December 1990 at the latest. It would cover all aspects of NATCAPs, including such related issues as civil service reform, utilization of national personnel and incentives to be introduced to induce officials to increase production.
93. With regard to the question of adjustment, the Bureau had initiated a project with the World Bank and the African Development Bank. There were at present 30 countries involved in the project. It had been agreed that a conceptual framework paper was required in order to define a methodology and identify policies that would make it possible to correct the negative effects of adjustment programmes. The framework paper had been approved by the African Governments in December 1989 in Yaoundé. The Bureau had been working on the project since December and had produced a memorandum of understanding between the World Bank, UNDP and the African Development Bank. He was certain that the evaluation report would be available by September, for consideration by the Council in February 1991.
94. The SAATA project had got off to a late start. The Bureau had started with a preparatory assistance programme involving three countries with a view to defining a modus operandi. At the present time, 11 countries were participating in the project. There were no criteria for selecting countries and the Bureau operated on a first-come, first-served basis. No distinction was made between countries speaking English, French or Portuguese. In that regard, he drew attention to a project being carried out at the African Centre for Monetary Studies in Dakar, which was multilingual in nature.
95. In reply to a point made by the observer for Egypt, he said that there was close co-operation between the Regional Bureaux for Africa and for the Arab States and Europe. They had participated together in a meeting of ECA Planning Ministers in Tripoli and consulted one another regularly to ensure that projects would benefit all African countries.
96. In reply to a question by the representative of Uganda, he said that there was a regional SAATA, but UNDP was in the process of developing national SAATAs at the request of Governments. In connection with the question by the

United States representative concerning national liberation movements, he would provide a reply at a later meeting when that topic was taken up. He welcomed the World Bank's comments on its co-operation with UNDP on a number of projects.

97. On the point raised by the representative of Mozambique concerning resource mobilization, he said that UNDP projects had generated cost-sharing in the amount of \$114 million. With regard to TCDC, it should be noted that a mission had been organized in Namibia, Zimbabwe, Tanzania and the Côte d'Ivoire in order to obtain information on the key sectors of land and water resources management. In reply to the question raised by the Netherlands representative concerning the criteria used in meeting requests for SAATA assistance, he said that assistance was given solely if there was a nucleus of local civil servants, consultants or experts who could work on the project.

98. The PRESIDENT said that, if there was no objection, he would take it that the Council wished to request the Drafting Group to prepare a draft decision on the questions just discussed.

99. It was so decided.

The meeting rose at 1.05 p.m.