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GOVERNING COUNCIL

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SUMMARY RECORD OF THE 3rd MEETING

Held at Headquarters, New York,  
on Tuesday, 20 February 1990, at 3.30 p.m.

President:

Mr. POPESCU

(Romania)

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The meeting was called to order at 3.30 p.m.

ADOPTION OF THE AGENDA (DP/1990/L.2 and Add.1, DP/1990/4 and Corr.1, DP/1990/5)

1. Ms. COLLOTON (United States of America) proposed that the Committee of the Whole should consider holding another working meeting before the June session of the Governing Council.
2. Mr. HAMADZIRIPI (Zimbabwe) said that a sub-item should be added to the outside consultant's item entitled "Other matters", providing for an exchange of views on the report on the Special Measures Fund for the Least Developed Countries, considered in informal consultations.
3. Mr. ROHNER (Switzerland) said that it was not yet appropriate for the Council to discuss the report.
4. The PRESIDENT said that sub-item (b) could be added to the agenda and, time permitting, preliminary views on the report could be exchanged, as requested by the representative of Zimbabwe.
5. The agenda was adopted.
6. The PRESIDENT said that if he heard no objection, he would take it that the Council wished to approve the proposed organization of work for the special session, as contained in document DP/1990/L.2/Add.1, on the understanding that it would be applied with the necessary flexibility.
7. It was so decided.

SECOND UNITED NATIONS CONFERENCE ON THE LEAST DEVELOPED COUNTRIES

(a) REVIEW OF THE SPECIAL MEASURES FUND FOR THE LEAST DEVELOPED COUNTRIES  
(DP/1990/6)

8. Mr. LOUP (Co-ordinator of Assistance to the Least Developed Countries), introducing the item, said that most projects under the Special Measures Fund for the Least Developed Countries (SMF/LDC) had met the financing criteria established by the approval procedures as modified in 1986. The failure of one fifth of the projects to qualify could be attributed to the somewhat broad and diffuse nature of the existing criteria. If the Fund were narrower in scope and the criteria tighter, projects might meet the requirements more easily.

9. The range and number of SMF priorities - from policy analysis to feasibility studies to the Transfer of Knowledge through Expatriate Nationals (TOKTEN) and United Nations Volunteers - meant that the Fund did not differ markedly from the indicative planning figures (IPFs). New orientations had therefore been proposed with a view to establishing a clear identity for the Fund. Those orientations included limiting financing to three priority areas: strengthening the planning

(Mr. Loup)

and development administration capacity; helping to assess and plan technical assistance requirements; and reinforcing the capacity of indigenous non-governmental organizations (NGOs).

10. Over time, those areas had become increasingly relevant, as least developed countries placed greater emphasis on economic management, policy reform and the management of technical assistance. Concentrating on a few priority areas would also help in implementing decisions taken at the Second United Nations Conference on Least Developed Countries, to be held in Paris in September 1990. An outside review of UNDP-administered funds had advised against modifying the current system of fully funding SMF projects. However, that decision could be reviewed if the number of donors to the Fund increased and if those donors indicated in advance the amount of their contributions to SMF.

11. Mr. MAHMOUD (Mauritania) said that his delegation welcomed most of the Administrator's proposals for strengthening the Fund, in particular the emphasis placed on grass-roots participation through community programmes, and in the informal and rural sectors. It was to be hoped that the Fund would truly make additional resources available in order to contribute to the formation of a development structure in the least developed countries. In that connection, the report should have stressed human resources development in the evaluation phase more than it did.

12. It was unclear why contributions to SMF had tapered off if its traditional donors continued to regard it favourably. It would be useful if the Secretariat could provide more information on the mobilization of resources, the direct management of the Fund, the possibility of placing it under the United Nations Capital Development Fund and the role of the Co-ordinator of Assistance to the LDCs. Referring to paragraphs 18 to 20 of the report (DP/1990/6), he said that in the interest of attracting more donors all Member States should be informed of measures taken to improve the operation of the Fund. The Second United Nations Conference on the Least Developed Countries should give fresh impetus to the Fund.

13. In allocating resources from the Fund, the principle of balance among recipient countries must be observed. Priority should be accorded to small projects to improve the daily lives of the rural population, while preserving the environment. Greater attention must be devoted to simplifying the approval procedures. Additional funds for round-table conferences and national technical co-operation assessment and programmes (NaTCAPs) should be drawn from other multilateral and bilateral sources rather than from the Fund.

14. Mr. CRUSE (France) reaffirmed France's wish to help mitigate the difficulties confronting the least developed countries, based on which it had initially provided active support to SMF/LDC. In 1985, however, France had withdrawn that support, believing that the types of projects and activities financed by the Fund did not truly differ from those financed by IPFs. As such, the Fund had not fulfilled its original purpose of helping the least developed countries to overcome obstacles in the co-ordination of aid and economic management.

(Mr. Cruse, France)

15. The Fund's mandate must be redefined so that it could provide specific support in the preparation of round-table conferences and help the least developed countries to ensure better co-ordination of international assistance. Such support would be particularly important to certain Governments in improving the quality and relevance of the documents they submitted. The Fund could also be used to cover travel expenses of national leaders from the least developed countries who participated in round-table conferences, rather than requesting outside support in each case.

16. The Paris Conference in September 1990 offered an opportunity to focus attention on the Fund. However, the Fund must be restructured in order to respond to the needs of the least developed countries and the requirements of donor countries. Document DP/1990/6 was not adequate in that respect. UNDP should re-examine the question in the light of the discussions at the special session and submit another report to the Council's June 1990 session, which would be transmitted to the Paris Conference.

17. Mr. ZHANG Guanghui (China) noted that when the Fund had been established, there had been only 24 least developed countries. By 1988, that number had almost doubled. It was to be hoped that at the Paris Conference, measures would be taken to increase available funding in order to satisfy the needs of the increased number of least developed countries.

18. Mr. CABEIRO QUINTANA (Cuba) said that his Government made a small annual contribution to the United Nations Capital Development Fund (UNCDF) and contributed to the Special Measures Fund. The proposals contained in paragraphs 18 to 20 were sound and should attract contributions by more donors. His delegation hoped that at the Paris Conference, a more up-to-date document would be presented, containing more substantive proposals for the future.

19. Mr. AQUARONE (Netherlands) said that the Administrator's report in document DP/1990/6 made it clear that the Special Measures Fund, with only three major contributors, lacked attractiveness. That had nothing to do with the nature of the target countries or the activities supported by the Fund; it was because the Fund lacked a clear identity and a recognized and specific task. The areas of concentration and changes in procedure recommended in that document were commendable, but he would also like the Administrator to provide more insight into the relationship between the proposed activities of the Fund and other UNDP activities in similar areas. His delegation would decide its final position on the future of the Fund on the basis of the answer to that question as well as the outcome of the forthcoming Second United Nations Conference on Least Developed Countries to be held in Paris, and of the fifth-cycle discussions.

20. He welcomed the support provided by UNDP to the least developed countries in helping them prepare the Paris Conference but was disappointed in UNDP's own input into the preparation of the Conference. UNDP should be more than a facilitator; its input should be substantive. He wanted to know UNDP's views on the measures needed to improve the economic and social situation of the least developed

(Mr. Aquarone, Netherlands)

countries and on what the outcome of the Paris Conference should be. Lastly, he would like a copy of the report of the four UNCTAD consultants referred to in paragraph 6 of document DP/1990/6/Add.1.

21. Mr. SOUMALAINEN (Observer for Finland), speaking on behalf of Denmark, Norway, Sweden and Finland, said that those countries had given important financial support to the Special Measures Fund from the very outset. He welcomed the suggestion in the Administrator's report (DP/1990/6) that the Fund should focus on fewer activities and concentrate on capacity-building and economic and social development, but also felt that those areas of concentration should be dealt with within the framework of country programming. Potential donors had not been attracted to the Fund because its priorities were not clear and recipient countries could not make full use of the possibilities provided by it.

22. He wanted further information on how the funds earmarked for the Paris Conference had been used and what role UNDP had played in preparing the Conference other than providing financial assistance. UNDP should be more than a funding agency. It must help prepare the Conference and help least developed countries prepare their participation in it.

23. No final decision should be taken on the focus of the Fund's activities until after the preparation of the fifth programming cycle and after the Paris Conference.

24. Mr. KABIR (Observer for Bangladesh) said that the problems of the least developed countries were greater than ever and that the Special Measures Fund needed even more resources. The Fund had failed to meet its full potential because it was groping for an identity, and the Administrator's report (DP/1990/6) failed to analyse that problem. There were few contributors to the Fund, and many had even stopped supporting it. They must be asked why. The proposal that the Fund should focus on fewer activities had merit but needed further scrutiny. A final decision should be deferred pending the outcome of the Paris Conference.

25. Mr. ROHNER (Switzerland) said that the Administrator's report should have provided more substantive information on and analysis of the actual impact of the Fund in its most recent phase. More consideration must be given to the link between the Fund and IPFs and what resources were available to the least developed countries. He wondered to what extent there could be greater concentration of resources on the neediest countries, and particularly on economic management and co-ordination. No decision could be taken on the Fund or on the Administrator's report until the fifth programming cycle had been negotiated and the results of the Paris Conference were available.

26. Mr. SAHLMANN (Federal Republic of Germany) supported the views expressed by the representatives of the Netherlands, Finland and Switzerland and said he too would like to see the report of the UNCTAD consultants referred to in paragraph 6 of document DP/1990/6/Add.1.

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27. Mr. PETTITT (United Kingdom) said that the proposals in the Administrator's report were sensible. The fact that his own country had not contributed to the Fund was no reflection on the way it was managed or oriented. The United Kingdom simply preferred funding from IPFs, bilateral sources and capital assistance agencies. Drawing attention to paragraph 21 of the report, he asked when the study of the consultant referred to would be available and what other funds it also covered.

28. Ms. COLLOTON (United States of America) welcomed the Administrator's recognition of the need to re-examine the Fund's activities and to focus on certain key areas, in which she believed UNDP could play a useful catalytic role. Her Government encouraged UNDP co-ordination of the round-table process in least developed countries which did not have World Bank consultative groups. The round-table process could be even more relevant to structural transformation in the future than in the past, and her Government had supported the financing of round-table conferences, which should be part of UNDP's core planning and budgeting process. Her Government would also be interested in the results of the evaluation of the round-table process being undertaken by the four UNCTAD consultants.

29. She hoped that the Paris Conference would provide a realistic analysis of the problems of the least developed countries and identify pragmatic policies. UNDP could play a helpful, analytical role in that connection and it should also help the least developed countries analyse the progress made and the problems encountered in the 1980s. She agreed that UNDP should be more than a facilitator. Factors for progress should be identified as a guide for future action. Capacity-building was important and UNDP should help least developed countries improve their economic-analysis capacity and their ability to formulate their own policy-reform strategies. UNDP should also play a role in following up the results of the Paris Conference.

30. Mr. HAMADZIRIPI (Zimbabwe) said that he would welcome generous contributions to the Special Measures Fund for the least developed countries, most of which were in Africa. It was sad that there were so few contributors, particularly in view of the increasing number of least developed countries. It was premature to make any final comment on the proposals in the Administrator's report (DP/1990/6) until the results of the Paris Conference were available. Consideration should be given to refocusing the activities of the Fund and to whether its new orientation would help income-generation at the grass-roots level.

31. Mr. LOUP (Co-ordinator of Assistance to the Least Developed Countries) said he would reply to some of the points raised. Some countries had withdrawn their support for the Special Measures Fund mainly because the Fund lacked identity and priorities. As for the lack of substance in the report, he said that it was impossible to review 146 projects in a brief report. The impact of the Fund, however, had been positive. As for the relationship between the Fund and other United Nations activities, he said that efforts were made to identify those areas in which the Fund could be most effective. He was aware of economic management deficiencies and the failure of IPFs and sought to establish priorities. He wanted the Fund to be the major support for round-table consultations and national

(Mr. Loup)

technical co-operation assessment and programmes (NatCAPs) so as to strengthen and monitor them. Management operations should also be supported by the Fund. As to financing, it had been concluded that partial financing of projects was not prudent. As to the report of the four UNCTAD consultants, he said that it would also cover the United Nations Revolving Fund for Natural Disasters and the United Nations Development Fund for Women. He agreed that decisions could be postponed pending the outcome of the Paris Conference and said that he would discuss UNDP participation in the Conference later.

32. The PRESIDENT said that if he heard no objection he would take it that the Council wished to take note of document DP/1990/6.

33. It was so decided.

(b) PARTICIPATION OF THE UNITED NATIONS DEVELOPMENT PROGRAMME IN THE PREPARATION OF THE CONFERENCE (DP/1990/6/Add.1)

34. Mr. LOUP (Co-ordinator of Assistance to the Least Developed Countries) said that, although an allocation from the Special Measures Fund had been used to finance a support project for the Conference which was being implemented by the United Nations Conference on Trade and Development (UNCTAD), the role played by UNDP in connection with the Conference was not merely a financial one. Each least developed country was to submit a brief document to the Conference with assistance from consultants financed by UNDP as well as assistance provided by UNDP field offices. UNDP had also compiled two documents in preparation for the Conference, the first for the first expert group meeting, held in April 1989, which contained an analysis of the situation of the least developed countries during the 1980s, UNDP activities and proposals for action to be taken with regard to those countries in the 1990s. The second document would be submitted to the Conference Preparatory Committee, which would meet in Geneva in March/April 1990; it, too, contained an analysis and proposals relating to technical co-operation in the least developed countries.

35. UNDP was not the lead agency in so far as the evaluation of round-table meetings and consultations was concerned. The evaluation was being financed by bilateral donors rather than UNDP, since it was the Programme that was being evaluated. The consultants engaged by UNCTAD to carry out the exercise had met with resident representatives, and their final report would be disseminated by UNCTAD.

36. Finally, UNDP had participated in all the preparatory meetings for the Second United Nations Conference on the Least Developed Countries, including the recent ministerial-level meeting at Dhaka, Bangladesh.

37. Mr. HEIN (United Nations Conference on Trade and Development) confirmed that the contribution of UNDP to Conference preparations had been vital. The next important phase of conference preparations would be the meeting of the

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(Mr. Hein)

Preparatory Committee for the Conference, to be held in March/April 1990. One of the principal documents being submitted to the meeting, setting out elements for a programme of action for the 1990s for the least developed countries, had been issued at Geneva by the UNCTAD secretariat. The document included elements of policy guidelines for macro-economic programmes of least developed countries and addressed the issues of financing, both internal and external, for the programme of action, the mobilization of human resources in least developed countries and the modernization and integration of their productive bases. Suggestions had also been made for follow-up, monitoring and review of the proposed programme of action.

38. With regard to the country presentations which were to be submitted to the Conference, work was progressing satisfactorily and it was expected that some 25 to 30 reports would be available for the forthcoming meeting of the Preparatory Committee.

39. The collective views of the least developed countries had been set out in the Declaration issued by the ministers of the least developed countries at their recent meeting at Dhaka. The ministers had also designated four of their number to visit donor capitals for the purposes of briefing and soliciting support for the new programme of action.

40. The evaluation of consultations and round-table meetings which had been undertaken by consultants engaged by UNCTAD was completed and the results would be available for consideration at the meeting of the Preparatory Committee. The consultants' draft report had been reviewed at an informal meeting earlier in the year in which a number of experts from least developed and donor countries as well as representatives of UNDP, the World Bank and the International Monetary Fund had participated, and the final report would take into account the comments and suggestions made at that meeting.

41. The consultants had concluded that, while existing processes were not perfect, there was no alternative to an organized dialogue for co-ordination. The study contained 34 recommendations for improving aid co-ordination mechanisms and highlighted the three main deficiencies of existing arrangements: the need for development partners to focus on better formulated development strategies over a period longer than that currently afforded by structural adjustment programmes; the tendency for donor-led co-ordination arrangements to weaken the central role of least developed country Governments; and the need for major reforms in the assistance practices of donor agencies with a view to strengthening the capacity of least developed countries to co-ordinate and implement development programmes. The study would be a valuable contribution to enhancing the co-ordination and effectiveness of assistance in the 1990s.

42. Ms. AL AWADI (Observer for Kuwait) commended the efforts of UNDP described in document DP/1990/6/Add.1 and welcomed the proposals that had been made at the various meetings held in 1989 at Geneva regarding the least developed countries. She commended also the round-table meetings and consultations and welcomed the contribution made by UNDP to the ministerial-level meeting of least developed



(Ms. Al Awadi, Observer, Kuwait)

countries at Dhaka. It was to be hoped that the film on round-table meetings being prepared by UNDP would be completed so that the purpose of that exercise might be better understood, thereby enabling donors to increase their assistance to least developed countries.

43. Mr. ROHNER (Switzerland) commended UNDP and a number of donors to the Special Measures Fund for their contributions to the Conference preparations. Because the Conference would deal with important issues relating to the role of UNDP in the 1990s, his delegation was eager to learn about the status of preparations and the outcome of various preparatory meetings. He welcomed in particular the information provided by the representative of UNCTAD regarding the forthcoming meeting of the Preparatory Committee and asked whether any advance copies of the reports being prepared by UNCTAD would be available.

44. He was pleased to note that the United Nations Capital Development Fund (UNCDF) had played an active role in a number of areas, including the recent meeting at Dhaka. His delegation would also be interested in having an advance copy of the paper UNCDF was preparing for the March/April 1990 meeting for the Preparatory Committee.

45. Finally, he wished to know what round-table meetings were planned for the near future.

46. Mr. CRUSE (France) said that, while his delegation believed there should be no derogations from the principle of universality - one of the basic principles underlying UNDP - it was generally acknowledged that the least developed countries suffered more than other countries from the difficult international environment and consequently required greater efforts from the international community. UNDP had a special role to play in that regard, and that role should be expanded. He therefore welcomed the information provided with regard to the Programme's involvement in the Second United Nations Conference on the Least Developed Countries.

47. It was to be hoped that future UNDP documents would put forward concrete proposals for the Conference that the Governing Council could endorse at its June session, particularly since the fifth programming cycle offered an opportunity for innovation. The volume of financing provided by UNDP to least developed countries made the Programme stand out among multilateral organizations, and that trend should be encouraged and increased. However, the Administrator's proposal to increase financing to least developed countries from 10 per cent to 15 per cent was unclear; did it refer to the current amount of financing, or were additional resources envisioned? His delegation hoped 60 per cent of IPFs could be devoted to least developed countries, assuming, of course, that total resources were increased to prevent any adverse impact on other programmes.

48. UNCDF must be strengthened; however, his delegation did not consider the activities undertaken with the assistance of the Special Measures Fund to be satisfactory. However, strengthening must not be simply a matter of contributions: aid co-ordination mechanisms must be improved.

49. Mr. MAHMOUD (Mauritania) noted that the review of the Special Measures Fund in 1989 had disclosed a lack of adequate resources to permit all least developed countries to participate in the Conference. Accordingly, the Governing Council had adopted decision 89/12. However, adequate resources had yet to be found. He therefore wished to know what efforts had been made to implement that decision, and specifically what action had been taken with regard to a contribution earmarked for that purpose by the Japanese Government.

50. Mr. KABIR (Observer for Bangladesh) expressed appreciation for the active role UNDP was playing in the preparations for the Second United Nations Conference on the Least Developed Countries. He particularly welcomed the measures described in paragraphs 3 to 8 of document DP/1990/6/Add.1. He wished to thank UNDP and the Japanese Government for their contributions which had made possible the holding of the recent ministerial-level meeting at Dhaka. With regard to Governing Council decision 89/12, insufficient attention had been paid to paragraph 3, and he sought further information on that subject.

51. Mr. LOUP (Co-ordinator of Assistance to the Least Developed Countries), replying to the question raised by the representative of Switzerland, said that round-table meetings for the Gambia, Chad, Togo, Burkina Faso, Benin, and the Comoros were currently in varying stages of preparation. In addition, sectoral meetings were being prepared for a number of countries, including the Central African Republic, Chad, Sao Tome and Principe, Equatorial Guinea, Mali and the Niger.

52. With regard to a question raised by the representatives of France and Mauritania, he reiterated that the role of UNDP vis-à-vis the least developed countries would be taken up when the Council began its consideration of the fifth programming cycle.

53. Finally, with regard to the question raised by Mauritania and Bangladesh regarding donor contributions to Conference preparations, he said that, to the best of his knowledge, the major preparatory meetings had been financed either through UNDP or on a bilateral basis and there were consequently no outstanding needs to be met. The recent meeting at Dhaka had been financed partly by UNDP and partly by the Japanese Government.

54. Mr. KABIR (Observer for Bangladesh) asked whether a decision had been taken regarding the financing of participation by two representatives from each least developed country in the Conference.

55. Mr. LOUP (Co-ordinator of Assistance to the Least Developed Countries) said that UNCTAD was discussing the matter with bilateral donors. It might therefore be more appropriate for the representative of that body to address the issue.

56. Mr. MAHMOUD (Mauritania) asked whether funding for participation in the Conference would be provided for three representatives or two representatives from each least developed country.

57. Mr. HEIN (United Nations Conference on Trade and Development) said that no final decision had been reached on financing for the participation of representatives from least developed countries. While he was hopeful that a solution could be reached, he wished to point out that funding for the daily subsistence allowance of delegates in Paris had yet to be secured.

58. The PRESIDENT said that, if he heard no objection, he would take it the Council wished to take note of document DP/1990/6/Add.1.

59. It was so decided.

#### MID-TERM RESOURCE SITUATION OF THE FOURTH PROGRAMMING CYCLE (DP/1990/7)

60. Mr. DRAPER (Administrator), introducing document DP/1990/7, said that the report consisted of two parts, one dealing with the resource outlook for the fourth programming cycle and one providing an update of allocations and commitments against Special Programming Resources (SPR).

61. He reminded the Council that the release of the remaining 25 per cent of the resources authorized under Governing Council decision 88/31 A had been contingent on the resource outlook for the balance of the cycle. According to the November 1989 forecast, presented in table 1 of the document, estimates of voluntary contributions and other income for the remainder of the cycle had been substantially lower than had been assumed when decision 88/31 A had been adopted. However, voluntary contributions for 1990 were currently estimated at approximately \$1.05 billion, as compared with the \$960 million on which the November 1989 assumptions had been based. A re-evaluation of previous estimates had therefore been necessary.

62. If voluntary contributions in 1990 and 1991 were affected by a 5 per cent appreciation in the value of the United States dollar, as had been envisaged in Governing Council decision 88/31, the balance of resources at the end of the cycle would be much higher than the amount anticipated in November 1989. He had therefore concluded that the release of the remaining 25 per cent of IPFs and SPR authorized under that decision was feasible, thereby increasing the amount of resources available to IPF and SPR programmes by \$US 150 million. Revised versions of tables 1 and 2 were being circulated during the current meeting.

63. Part one of the report also provided information concerning expenditure targets for the years 1989-1991, in keeping with the Council's directions as set out in paragraphs 7 and 8 of its decision 89/57. Those targets had initially been set at \$815 million for 1990 and \$825 million for 1991; however, with the release of the remaining 25 per cent of IPFs and SPR, they would be revised to \$840 million for 1990 and \$860 million for 1991. The revised 1987-1991 IPF expenditure targets implied a carry-over of IPF entitlements in the amount of \$169 million from the fourth to the fifth programming cycles, thereby facilitating a smooth transition to the fifth cycle.

(Mr. Draper)

64. As described in paragraphs 10-12 of the report, special conditions in several countries would affect programme delivery there. Accordingly, the carry-over of IPF entitlements might be considerably higher than the figure he had just quoted. To achieve the aggregate expenditure targets for 1990 and 1991, certain other countries should be permitted to borrow IPF entitlements from the fifth cycle under arrangements which were described in the report.

65. Part two of the report provided an update of allocations and commitments against SPR, in accordance with Governing Council decision 89/36. Most of the funds had been allocated, and actual budgets approved accounted for 80 per cent of available resources in several cases.

66. At the end of November 1989, 81 per cent of SPR available for disasters had been allocated. Resident representatives had been informed that, until further notice, the maximum amount available for disaster relief immediately following a disaster had been reduced from \$50,000 to \$30,000. Longer-term disaster rehabilitation assistance had been reduced from a maximum of \$1.1 million to a maximum of \$200,000. An amount of \$6 million would be required to restore the amounts allocated for disaster relief in 1990-1991 to meaningful levels, and those amounts would still fall short of the original figures.

67. Programme development activities funded by SPR had generated considerable interest among developing countries. Approved budgets currently accounted for 90 per cent of all allocations, and it was clear that current needs could not be met from available resources. He therefore proposed the release of 25 per cent of SPR, which would provide modest additional resources for disaster assistance and programme development activities.

68. Paragraphs 18 and 19 of the report also contained proposals for overprogramming by 15 per cent in some SPR categories. Such overprogramming was justified on several grounds. First, since allocations were issued over a period of several years, those for the final year of a cycle were unlikely to be committed in full. In addition, various SPR projects dealt with complex issues and thus required longer lead time for formulation and implementation. Finally, the implementation rates for SPR activities were generally lower than those for IPF projects. Overprogramming by 5 per cent was generally accorded to IPF programme managers to offset slippage. By authorizing a selective overprogramming of 15 per cent for SPR projects, programme delivery levels would be increased.

69. Mr. MISSARY (Observer for Democratic Yemen) said that his delegation wished to express its gratitude to UNDP for its allocation out of Special Programme Resources (SPR) under Governing Council decision 89/37 (DP/1990/7, para. 20). In view of the widespread damage caused by flooding in Democratic Yemen and its adverse implications for long-term development projects, his delegation hoped that UNDP would provide additional assistance. His delegation fully endorsed the recommendations contained in paragraph 19 of document DP/1990/7.

70. Ms. AL AWADI (Observer for Kuwait) thanked the Administrator for his decision to implement Governing Council decision 89/37. The great amount of flood damage in Democratic Yemen would seriously affect its long-term development plans. Her delegation therefore supported the request made by Democratic Yemen for additional assistance.
71. Mr. ALMABROUK (Libyan Arab Jamahiriya) commended the efforts made by UNDP to respond to the flood disaster in Democratic Yemen, and supported that country's request for additional assistance.
72. Mrs. MAUALA (Observer for Samoa) said that, as both a least developed and an island developing country, Samoa received assistance from UNDP, which had contributed greatly to its development efforts. One important aspect of the Programme was the immediate relief and longer-term rehabilitation assistance which it could provide to developing countries in the wake of natural disasters. In that regard, the SPR allocation had been of great importance to many developing countries.
73. Her delegation hoped that the continued funding of the SPR disaster relief and rehabilitation allocation for the remainder of the fourth programming cycle would permit the restoration of allocation levels for immediate relief and longer-term rehabilitation from their current very low levels to something closer to those which had existed for most of the fourth cycle.
74. Samoa had noted with interest the decision of the Administrator to provide additional assistance to Democratic Yemen following the natural disaster which had struck it last year. Samoa and its neighbours had just been the victims of an extremely destructive natural disaster. From 2 to 6 February 1990, Cyclone Ofa had raged through Western Samoa, American Samoa, Niue, Tokelau, Tonga, Tuvalu and Wallis and Futuna. In Samoa, it had left 25,000 people homeless, destroyed 60 per cent of all housing and had severely damaged public buildings. It had totally destroyed Samoa's staple crops, as well as 90 per cent of its export crops. Essential services had been severely affected. A preliminary report indicated that at least \$200 million in damage had been done to Samoa's infrastructure, and it was obvious that a great deal of immediate relief and longer-term assistance would be required. Samoa's neighbours would also need substantial rehabilitation. Samoa wished to thank all those countries which had come to its assistance during that crisis, as well as the Office of the United Nations Disaster Relief Co-ordinator (UNDRO) and UNDP. Her delegation was also grateful to the Economic and Social Council for its adoption of its resolution 1990/1 of 9 February 1990.
75. Mr. BABINGTON (Australia) said that his delegation shared the Administrator's concern that the current level of commitment of SPR, as indicated in paragraph 13 of document DP/1990/7, might result in a curtailment of some programmes funded under the SPR heading. Australia was especially concerned at the situation for the funding of disaster relief activities in the remainder of the fourth programming cycle, and agreed that, given the level of demand, an attempt to distribute available funds would clearly be unrealistic. In view of the likelihood that

(Mr. Babington, Australia)

natural disasters would continue for the remainder of the current cycle, it did not appear that the remaining funds would adequately cover the new demands placed on SPR, and the Governing Council should consider the level of UNDP resources available in the run-up to the fifth programming cycle for disaster relief assistance.

76. Cyclone Ofa had caused widespread devastation in the South Pacific region, and another tropical cyclone - Cyclone Peni - had been wreaking havoc in the region of the northern Cook Islands. The small island developing country of Samoa had been particularly hard hit.

77. The Governing Council should determine the adequate level of SPR allocation for disaster relief. According to paragraph 16, the average annual allocation for natural disasters had been \$8 million during each of the first three years of the current cycle whereas only \$6 million per annum had been allocated for the remaining two years. The \$8 million of expenditure clearly indicated a very considerable demand on that part of SPR, and his delegation requested the Administrator to provide details on what amount of additional funds would be released to that type of SPR activity by his decision to release the last tranche of 25 per cent of additional funds. His delegation wondered whether the Administrator's proposed increase of \$3 million in the remainder of the fourth programming cycle was adequate, given the recent levels of funds committed to disaster relief activities, and suggested that the Governing Council should consider raising the level above the proposed \$3 million.

78. Mr. KRSTAJIĆ (Yugoslavia) said that the Administrator's proposed approach to the planning of programme expenditure for the remainder of the fourth programming cycle seemed reasonable. Since the November 1989 forecast of the total amount of voluntary contributions for the fourth programming cycle was \$77 million lower than had been anticipated, the proposal of the Administrator to defer any decision on the release of the remaining 25 per cent authorized under Governing Council decision 88/31 A until the 1991 pledging conference in November 1990 seemed justified.

79. With regard to the annual expenditure targets for the remaining years of the fourth programming cycle, Yugoslavia supported the proposal contained in paragraph 8. His delegation was greatly in favour of the introduction of the borrowing arrangements proposed in paragraph 11; that mechanism could facilitate a smooth transition to the fifth programming cycle, given the necessary lead-time required for project formulation and approval.

80. With regard to the status of SPR, Yugoslavia could, in general, go along with the Administrator's proposals contained in paragraph 19, which included an increase of the SPR allocation for the remainder of the fourth programming cycle and the overprogramming of 15 per cent of the SPR.

81. Miss HASSAN (Observer for Egypt) said that her delegation wished to associate itself with the statement made by the representative of Democratic Yemen. The work of UNDP in the field of disaster relief was commendable. Such assistance should be universal and not confined to certain countries. UNDP should take account of the specific conditions prevailing in some countries which, in addition to being prone to natural disasters, suffered from acute economic and social problems.

82. Mr. PAYTON (Observer for New Zealand) welcomed the Administrator's authorization of the release of the remaining 25 per cent of the additional resources, as set forth in Governing Council decision 88/31 A. It was encouraging that, during the latter part of the fourth programming cycle, UNDP would be able to plan with those resources in mind. At the same time, New Zealand was aware that demands on UNDP resources were virtually limitless, and it had always supported the idea of using central funding, such as SPR. His delegation supported the Project Development Facility drawing on SPR, and was pleased to see that it had been used so effectively. New Zealand was particularly grateful for the assistance which UNDP had been able to provide to countries stricken by natural disasters, through allocations for immediate relief and for longer-term rehabilitation.

83. His delegation wished to place on record its support for the statement by the representative of Samoa. His delegation had been pleased to be able to join with others at the recent organizational session of the Economic and Social Council in the submission of what had become Council resolution 1990/1. New Zealand would consider the advisability of recommending to the current special session a resolution which drew attention to the devastation of a very significant number of countries which received assistance from the Programme.

84. Document DP/1990/7 was based on information which had ceased to be particularly pertinent, since the proposals and calculations which it contained were somewhat academic. His delegation agreed with the representative of Australia that the Programme's commitment to the allocation of relief and rehabilitation resources through SPR or other modalities on an annual basis should be no less for the remaining two years of the fourth programming cycle than they had been for the first three years of the cycle. New Zealand was concerned at the proposal to scale back the level of UNDP assistance to developing countries stricken by natural disasters and hoped that, by the end of the special session, the Administrator, with the full support of the members of the Governing Council and of the Programme, would provide reassurances that the commitment which UNDP was rightly renowned for would be maintained at the existing level of expenditure.

85. Mr. MAHMOUD (Mauritania) asked whether the release of the remaining 25 per cent of the resources authorized by Governing Council decision 88/31 A would take place immediately or, in accordance with paragraph 6 of document DP/1990/7, after the 1991 pledging conference. Mauritania supported the Administrator's recommendation in paragraph 11 (d) of that document. With regard to paragraph 17, Mauritania did not favour the use of the Special Measures Fund for LDCs to finance national technical co-operation assessment and programmes (NaTCAPs) and round-table meetings. That had become a regular expenditure and must be financed out of the traditional regular expenditure resources of UNDP.

(Mr. Mahmoud, Mauritania)

86. Mauritania supported the statement made by the representative of Democratic Yemen, and supported that country's request for additional assistance.

87. With regard to SPR, his delegation would have preferred the Administrator to be given the \$4 million he had requested rather than the \$3 million mentioned in paragraph 19 (a). With regard to the activities of the past decade, Mauritania had hoped that certain resources would have been made available not only to UNDP but to other bodies, such as UNDR0, and wished to know whether any donations or pledges for the decade had been made.

88. His delegation recognized that special resources were needed for Oceania, and endorsed the comments made by the representative of Samoa and sympathized with the hardship inflicted on that country and the region.

The meeting rose at 6.10 p.m.