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GOVERNING COUNCIL

Thirty-seventh session

SUMMARY RECORD OF THE 39th MEETING

Held at the Palais des Nations, Geneva,  
on Saturday, 23 June 1990, at 6.30 p.m.

President: Mr. POPESCU (Romania)

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The meeting was called to order at 6.35 p.m.

REPORT OF THE DRAFTING GROUP (continued) (DP/1990/L.16/Rev.1 and L.17/Rev.1)

1. THE PRESIDENT invited the Governing Council to decide on the draft decisions submitted by the Drafting Group in documents DP/1990/L.16/Rev.1 and DP/1990/L.17/Rev.1. As a result of informal consultations, it had been possible to achieve a consensus on the texts of the two documents and he said that, unless he heard any objections, he would take it that the Governing Council wished to approve the two draft decisions as contained in DP/1990/L.16/Rev.1 and DP/1990/L.17/Rev.1.
2. It was so decided.
3. Mr. DE BEER (Netherlands), having reiterated his delegation's support for the consensus decision that had just been taken after the arduous negotiations over the fifth programming cycle, said that one of the areas left largely unresolved was that of the SPRs, and the call made by his delegation for more structured programming of the SPRs was all the more valid in view of the increase in those resources. His delegation noted that, although time had not permitted consideration of that issue at the current session, it would be addressed at the special session of the Governing Council in February 1991.
4. He urged the Administrator to take his delegation's concern into account when submitting proposals for the allocation of the SPRs and recommended the adoption of sound priority-setting and programming procedures. It looked forward to receiving the Administrator's proposals in the coming months so that it could analyse them comprehensively before the February session.
5. Mr. LIMA (Brazil), speaking on behalf of the Latin American and Caribbean Group, said that, while the Group was pleased to join the consensus on the draft decision on the fifth programming cycle, it wished to emphasize the importance of the link between paragraph 7 of that decision and paragraphs 4 and 5.
6. Ms. DUDIK-GAYOSO (United States of America) said that the Council had just adopted the fourth in a series of key decisions which had set the direction of UNDP for the next decade. The process, which had begun with the adoption by consensus of decision 89/20 and continued with the recent decision on new arrangements for support costs, had just been completed by the decisions on governance and the fifth programming cycle.
7. Between 1992 and 1997, UNDP would spend almost \$5 billion in support of countries' development efforts. Despite its size, that figure was only a small fraction of total official development assistance and the amounts invested by the States themselves for development. Her delegation hoped that the decision finally taken, which like most decisions was a necessary compromise, would sufficiently sharpen UNDP's profile to enable it to attract the planned resources.
8. She wished to stress that the 8 per cent annual growth rate was a planning figure and a hope, not a commitment. It was, in fact, by no means certain that United States contributions would attain that annual level of increase. She underscored the realistic nature of the decision, which included arrangements to permit upward and downward adjustments as necessary,

and the assurances given by the Administrator regarding monitoring of UNDP's resource projections to ensure realistic programme planning and implementation.

9. Her delegation welcomed the increased resources available to the least developed countries as a result of the modifications, albeit limited, to the floor provisions. However, it remained firmly committed to a total elimination of the floor concept and was convinced of the need to reduce the weight accorded to large populations in determining IPFs.

10. A further means of achieving equity in the system was a clear decision on net contributor status, and her delegation had joined the consensus on that issue in the expectation that it would receive serious consideration in February 1991. In that connection, she reiterated her Government's support for UNDP and its commitment to building a credible organization to which it and others would be willing to contribute.

11. Turning to the issue of the SPRs, she repeated the view expressed by her delegation in the high-level segment of the debate that substantial improvements in the planning and programming of resources allocated to the SPRs was both possible and necessary, a view that had been confirmed by the recently completed mid-term review of the global and interregional programme. She noted that the decision just taken made provision for a future decision on the allocation of the SPRs which, together with the global and interregional programme, represented an increasingly important part of UNDP's programme.

12. In view of that importance, sound management up to the standards expected by the Council of its country programmes was essential, and she urged the Secretariat to prepare guidelines for the programming of the SPRs and global programmes for the fifth cycle for submission to the Council in February 1991. The guidelines in question, which should include a two-year programme planning document for each category of the SPRs and for the global programmes as a whole, should be reviewed and approved by the Council before final funding allocations for those activities were adopted.

13. On the issue of governance, a better structure would perhaps have made it possible to reach a more satisfactory decision more easily. Many delegations recognized the critical importance of better governmental oversight in programme matters, which the working group and the establishment of a Standing Committee for Programme Matters had gone a long way to achieving. Nevertheless, the issue of improving UNDP's governance should remain in the forefront as the new mechanism was put into place, so as to find a more effective form of decision-making.

14. Mr. EL GHAOUTH (Mauritania) said that his delegation commended the decision on the fifth programming cycle and appreciated the difficulties that had been involved in reaching it. He welcomed the decision to allocate a higher percentage to the least developed countries, although he regretted that the promise of fulfilment for the world's hopes for peace had not made it possible to allocate a slightly higher level of resources.

15. His delegation was concerned at the lack of a precise percentage figure for low-income countries but it was confident that the interests of that group would be preserved by the Administrator in his calculations to define the relevant figure.

16. He regretted the failure of draft decision DP/1990/L.17/R.1 to include human development among the supplementary criteria mentioned in paragraph 21 and the absence from paragraph 38 of any provision to protect the interests of the least developed countries should UNDP's resources prove insufficient. He hoped, however, that the Administrator would protect the interests of the LDCs in that area also.

17. His delegation appreciated the decision on the working methods of the Governing Council and was confident that every effort would be made to enhance its effectiveness, from which countries had everything to gain. He hoped that the Secretariat would ensure that the Standing Committee for Programme Matters would not meet at the same time as the Budgetary and Finance Committee, in order to allow all delegations fully to participate therein.

18. Mr. BABINGTON (Australia), speaking on behalf of the Group of Western European and other States, commended the manner in which the debates on the fifth programming cycle and governance had been conducted and thanked the Secretariat for its tireless support.

19. Mr. GOPINATHAN (India) said his delegation was satisfied that the decision on the fifth programming cycle had been adopted, though it was regrettable that the criteria adopted for the distribution of resources for country IPFs did only partial justice to the provisions of both its decision 89/20 and General Assembly resolution 44/211. The 25 non-LDC low-income countries in the \$US 0-750 GNP per capita grouping, and particularly the 10 countries in the \$US 0-375 grouping, had suffered a reduction in both absolute and percentage terms. They appeared to have been the victims of deliberate and calculated attempts on the part of some of their partners to deny them the benefits of the three positive features of the decision, namely, the continuation of 8 per cent growth in voluntary contributions, the shifting of the break point for the low-income grouping and the increase in the dedication of field programme resources to country IPFs. That feature was at total variance with the resounding calls for poverty-orientation heard over the previous four weeks.

20. His delegation believed that the themes mentioned in paragraphs 7 and 8 of decision DP/1990/L.17/Rev.1 in no way detracted from the sovereign prerogative of the recipient country to seek UNDP assistance in areas of its choice or from UNDP's ability to respond flexibly to such requests in accordance with its traditional characteristics of universality, neutrality and non-ideology. His delegation regretted the lost opportunity for a serious negotiation on the so-called "themes" and on the wording of the paragraphs, which it understood as merely complementing Council decision 89/20 and General Assembly resolution 44/211.

21. With regard to the issue of governance, his delegation was disappointed by the Council's failure to engage in a self-critical evaluation of its working methods and had joined the consensus on the establishment of a Standing Committee for Programme Matters on the understanding that the Committee's mandate would be exactly the same as those contained in Council decisions 83/5 and 85/17 and that it would make no attempt at micro-management of programmes and projects in the field that would infringe either the sovereignty of the recipient countries or the tripartite framework underpinned by the 1970 consensus.

22. His delegation deeply regretted that it had been unable to participate actively in the deliberations of the Budgetary and Financing Committee as it would have done its utmost to prevent the taking of a decision such as that contained in document DP/1990/BFC/L.3/Add.2, which could only be described as extraordinary. The decision on the senior management structure constituted excessive intervention in the management of UNDP operations, and went far beyond the general role of policy guidance. It was to be hoped that it did not portend the kind of "governance" to which the recipient countries and UNDP's administration were to be subjected in the future.

23. Mr. UR-RASHID (Observer for Bangladesh) said that the issues of governance, agency support costs and resource distribution during the fifth programming cycle were crucial ones that would determine the future of UNDP as an organization. The Council had proved equal to the task of dealing with those highly complex issues and could be rightly proud of a job well done. Speaking on behalf of the 42 least developed countries, he thanked the President and Vice-Presidents for having succeeded in reconciling seemingly incompatible positions.

24. Mr. SAHLMANN (Federal Republic of Germany) said he endorsed the remarks made by the delegation of Australia and welcomed the consensus reached on the fifth programming cycle and on governance. He thanked all those who had helped to reach that consensus, which his delegation had joined in order to strengthen UNDP's future work. He noted, however, that the new growth rate for voluntary contributions appeared rather high and hoped that the package on the future profile of UNDP would attract sufficient resources to reach the target.

25. The current session had revealed the need to rationalize the work of the Governing Council and it was to be hoped that the future decision on rules and procedure for the Standing Committee for Programme Matters would be conducive to further rationalization.

26. In respect of the SPRs, he endorsed the remarks made by the delegations of the Netherlands and the United States and suggested adding two new thematic activities to the list annexed to decision DP/1990/L.17/Rev.1, namely, women in development and domestic development services.

27. Mr. URRUELA PRADO (Guatemala) said, with reference to paragraph 36 of document DP/1990/L.17/Rev.1, and the annexed list of programmes, that he wished to express the sincere thanks of the five Central American countries for the broad support given to the peace process in that region by the current session of the Governing Council. He hoped that the support would be maintained in the future in order to underpin the process of peace and social justice in Central America.

28. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that his delegation had supported draft decision DP/1990/L.16/Rev.1 on the basis of the explanations provided by the President during the informal consultations, as it understood that the Standing Committee for Programme Matters would be open to all members of UNDP.

29. Mr. JASINSKI (Poland) said he wished to stress the importance of the decision adopted on the fifth programming cycle, for which credit was due to all delegations. Although the decision dealt with financial matters only, and

a number of countries, including his own, would suffer reductions, it was above all an incentive to enhanced technical co-operation between donors and recipients in the spirit of the 1970 consensus and would be facilitated by a number of important decisions taken by the Governing Council. The activities listed in the annex to decision DP/1990/L.17/Rev.1 should not be considered exhaustive, and further items could be added thereto as necessary.

30. Mr. AL-SAMEEN (Observer for Oman) said he welcomed the consensus achieved at the current session, despite the undeniable complexity of the issues under study. He had already set out his delegation's position on the issue of net contributor status and hoped that the current session would reflect the peculiar situation of Oman, and in particular its exclusive dependence on oil, which was to be examined shortly by a group of experts due to visit the country. He hoped that the conclusions of those experts would be placed before the the Council at its next session, so that it could objectively appreciate the special circumstances.

31. Mr. LI Zhimin (China) said he welcomed the successful conclusion of the work of the thirty-seventh session of the Council after a series of arduous and complex negotiations, and commended the efforts made by all participants to ensure that the session would be crowned with success.

32. Mr. ABDEL-NASSER (Observer for Egypt) said he welcomed the adoption of draft decision DP/1990/L.16/Rev.1 and endorsed the remarks made earlier by the delegation of the Republic of Yemen concerning net contributor status. His delegation's interpretation of paragraph 35 (b) of draft decision DP/1990/L.17/Rev.1 was based on the figure of 100 million mentioned in the documents on which that paragraph was based. He hoped that the special session in February 1991, mentioned in paragraph 36, would lead to the maintenance of the level of resources that had been supplied in the fourth programming cycle.

33. Miss COURSON (France) said her delegation which endorsed the remarks made by the representative of Australia on behalf of the Group of Western European and other States, was satisfied with the results achieved by the thirty-seventh session. She recognized that, while it was not perfect, the decision taken in respect of the fifth programming cycle met her Government's essential concerns in that it concentrated the activities of the Programme on the poorest countries and, in particular, on the least developed among them.

#### MATTERS RELATING TO THE WORK OF THE COUNCIL IN 1991 (agenda item 11)

34. Mr. KIRDAR (Secretary of the Council) informed the Council that, after consultations with the Conference Services Department of the United Nations, it had been decided to hold the organizational meeting and special session at United Nations Headquarters in New York from 19 to 22 February 1991 and the thirty-eighth session at the same venue from 3 to 28 June 1991.

35. Ms. DUDIK-GAYOSO (United States of America) said that a number of important items had been postponed to the February session and that, in recent years, time had been short at that session. Accordingly, her delegation formally requested that consultations should be held between the Secretariat and the Bureau in order to organize the agenda for the future meetings, and to allocate time in February and June to ensure that they completed their work.

36. The PRESIDENT said that he had noted the request by the United States delegation. If he heard no objection, he would take it that the Governing Council agreed to hold its organizational meeting and special session at United Nations Headquarters, New York, from 19 to 22 February 1991.

37. It was so decided.

38. The PRESIDENT said that, if he heard no objections, he would take it that the Council agreed to hold its thirty-eighth session at United Nations Headquarters, New York, from 3 to 28 June 1991.

39. It was so decided.

#### PROVISIONAL AGENDA

40. The PRESIDENT said that, by its decision 81/37, the Governing Council had established the structure of its provisional agenda. He invited the Secretary to remind the Council of the items it comprised.

41. Mr. KIRDAR (Secretary of the Council) said that the provisional agenda for the Council's next session would be:

1. Opening of the session;
2. Adoption of the agenda and organization of work;
3. High-level segment;
4. Programme implementation;
5. Programme planning;
6. United Nations Population Fund;
7. United Nations technical co-operation activities;
8. Other funds and programmes;
9. Financial, budgetary and administrative matters;
10. Other matters;
11. Date and provisional agenda for the thirty-ninth session.

42. He said that sub-items for inclusion under the headings he had mentioned would be worked out in detail and presented to the Council at its organizational session in February 1991. The timetable would be carefully prepared in accordance with the suggestion made by the United States delegation.

43. The PRESIDENT said that, if he heard no objection, he would take it that the Council agreed to the provisional agenda for its thirty-eighth session, as recalled by the Secretary.

44. It was so decided.

CLOSURE OF THE SESSION

45. Mr. DRAPER (Administrator, United Nations Development Programme) said that the Council had set itself the ambitious task of rethinking its development objectives and beginning the process of radically changing the operational activities of the United Nations system. Those aims were essentially intertwined and issues such as national execution, agency support costs, the allocation of resources for the fifth cycle and the governance of the Council were not ends in themselves but means of achieving increased self-reliance in developing countries. That, in its turn, was dependent on national capacity building and economic growth. However, the current session had added a new component in the form of a demand for a more human development, an improvement in the quality of people's lives.
46. A consensus had emerged that UNDP had an important role to play in the search for conceptual linkages between human development and the institutional restructuring of the United Nations system. If increased self-reliance and development efficiency were to be achieved, it was essential to establish a system which was transparent, in which accountability was safeguarded and which was also technically effective and managerially efficient. The Council had clearly stated those linkages in its decisions. He was confident that UNDP's heavy programme of work in the coming year would be undertaken in a spirit of partnership so as to give a new lease of life to the tripartite relationship which had always existed between recipient Governments, specialized agencies and UNDP.
47. The discussions on the restructuring of the United Nations system had coincided with a taxing battle over resource allocation. The outcome of that battle had been deftly negotiated and graciously received. It had allowed the principle of universality to be maintained and a balance between donor and recipient countries to be reached by consensus.
48. The issues of the governance of the Council and the management of UNDP had also been of central concern, and there had been a widespread recognition of the complex nature of UNDP's operations and acceptance of the need for flexibility in organizational and managerial matters. The constructive comments made in the course of the session would be taken into consideration in the future work to improve administrative and financial arrangements. Lastly, he thanked the Bureau for the skills of diplomacy and tact it had demonstrated in resolving complex and sensitive issues and expressed his gratification at the extent to which the delegations themselves had demonstrated those same skills and thus allowed the required decisions to be reached.
49. The PRESIDENT said that, during the four weeks of the session, all the Council's organs had marked out the path for UNDP's future.
50. Multilateral technical co-operation should continue to unite donors and recipients in a spirit of true solidarity to combat underdevelopment, and all of those who had helped to ensure the success of the session could be proud of having done their duty as unknown soldiers in the service of development.
51. He declared the session closed.

The meeting rose at 8.30 p.m.