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SUMMARY RECORD OF THE 7th MEETING

Held at Headquarters, New York, on Thursday, 22 February 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.

PREPARATIONS FOR THE FIFTH PROGRAMMING CYCLE (continued) (DP/1990/8)

- 1. Mr. HAMADZIRIPI (Zimbabwe) said that, given the magnitude of the needs of developing countries, the various scenarios presented in DP/1990/8 for resources during the fifth programming cycle should not be viewed merely in terms of percentages. Simple prudence dictated a substantial real increase in resources. Increasing resources available for African development was a priority for the United Nations and the international community generally. The principle of universality in UNDP did not preclude special assistance for countries most in need of it, and Africa clearly needed some special attention.
- 2. His delegation welcomed the idea of increasing the share of IPF resources made available to least developed countries by applying revised supplementary criteria. He favoured the retention of a five-year base for the programming cycle, and the allocation of more resources to country IPFs. The proposed increased in special programme resources (SPRs) required further elaboration. For example, the Administrator was proposing an SPR allocation of \$55 million for programmes addressing environmental and poverty issues, although the environmental programmes had not yet been worked out. That being so, it must be wondered how the figure of \$55 million had been arrived at.
- 3. Mrs. SERES de STEIN (Venezuela) expressed wholehearted support for the position of the Latin American and Caribbean group of countries as voiced by the observer for Trinidad and Tobago. She emphasized the need to increase support for the Latin American and Caribbean region. Chronic debt and an increasing technological lag behind other countries were having a marked adverse effect on social and economic conditions. The countries of the region needed adequate resources for development. She affirmed her delegation's support for the 1970 consensus contained in General Assembly resolution 2688 (XXV), and was of the view that for the fifth cycle a minimum real annual increase in resources of 8 per cent was needed. The share of resources allocated to least developed countries and countries with low per capita income should be maintained at the fourth cycle level, and the Administration should make every effort to secure external sources of funding for projects in the region which had been identified as deserving priority.
- 4. Mr. CABACTULAN (Philippines) said he hoped that negotiations on the subject would continue in the period leading up to the Council's thirty-seventh session so that a course of action of benefit to all could be adopted swiftly when the session began. Among the resource scenario options for the fifth cycle presented in document DP/1990/8, his delegation found alternative 2 more realistic than alternatives 3 and 4. Assumed annual growth of 6 per cent was on the conservative side, since growth in voluntary contributions during the first three years of the fourth cycle had been roughly 8 per cent.
- 5. Any shift of resources towards SPR programmes should be based on the impact that such programmes could be expected to produce. Otherwise, the activities

(Mr. Cabactulan, Philippines)

concerned should fall under country or inter-country IPF programmes. Within the SPR allocation for disaster relief, his country believed that the emphasis should be placed on rehabilitation and disaster management. The idea of an environmental SPR programme needed to be studied more carefully. Environmental protection and poverty alleviation were among the policy concerns of his Government, but such activities should, he felt, be undertaken in the context of country IPF programmes. It might be useful to determine what might be classified as unforeseen needs, in order to determine what resources should be allocated to the contingency SPR; resources available under "umbrella" country projects could also be tapped for specific contingency needs. More generally, support should be given to the areas of project training, local-level implementation and evaluation in order to improve future project performance.

- 6. Any change in the portion of resources allocated to country IPFs should depend on whether country programmes had had a significant impact on national circumstances. UNDP should determine what mode of funding was most effective.
- 7. The question of supplementary criteria for IPF allocations would need to be studied more carefully before the thirty-seventh session. The criteria listed in document DP/1990/8 seemed to have been selected largely for ease of application, and he wondered how far they actually reflected countries' needs for assistance. The current basic criteria should form the corner-stone for operations during the fifth cycle, although some of the supplementary criteria were of evident intrinsic interest. The human development indicator, in particular, would have to be looked at very carefully in so far as it related to the need for assistance in training and institution-building. Scenarios B and C might be taken as the basis for consultations before the start of the thirty-seventh session; however, the result should not be to overturn the 1970 consensus. Further negotiations on the subject should be based on the 1970 consensus and more recent General Assembly decisions on operational activities for development, notably resolution 44/211.
- Mr. AL-FATHANI (Observer for Bahrain) commented that the proposed new supplementary criterion of more than 40 per cent decline in per capita GNP between cycles (1983-1989) would be likely to exclude most developing countries, where the decline had averaged between 30 and 35 per cent. The supplementary criteria made no mention of industrialization and technology levels in recipient countries, nor of their reliance on depletable resources. Nor was there any reference to countries put at a disadvantage by their geographical situation. criteria for determining net contributor status were unjust to some countries, and appeared to have been put forward without taking account of their objections. net contributor status requirement should not be used as a punishment against countries whose per capita income had reached specified limits: they were still developing countries, after all, and needed UNDP assistance to increase their income. It was to be hoped that the fifth cycle would not bring additional difficulties over net contributor status, especially for island developing countries which had seen little increase in the assistance afforded them despite severe economic decline. In particular, his delegation would like decisions on the assignment of net contributor status to be taken in conjunction with field offices,

(Mr. Al-Fathani, Observer, Bahrain)

not by headquarters alone. The suggestion made by the Swiss representative in that regard merited careful study.

- 9. Mr. AL-SAMEEN (Observer for Oman) referred the Council to the statement made by his delegation during the February 1989 session. He reaffirmed his Government's commitment to Council resolution 89/5, and applauded the decision to send a group of experts to his country to investigate the true economic and social situation there.
- 10. Mr. DUHALT (Observer for Mexico) endorsed the statement made by the Observer for Trinidad and Tobago on behalf of the Latin American and Caribbean Group. His delegation was concerned that the various scenarios for allocation of resources to country IPFs outlined in document DP/1990/8 all implied a significant real decline in resources for the Latin American and Caribbean region. That was the discouraging outcome of a decline in voluntary contributions and of efforts in some quarters to restrict access to the benefits of UNDP programmes, a move that ran counter to the principle of universality which was central to UNDP and indeed the entire United Nations. The costs of development in the worst-off developing countries should not have to be borne by other developing countries while more affluent countries stood aside.
- 11. His delegation attached importance to a significant real increase in resources for the fifth cycle, and called for the retention of the "floor" principle. It entertained serious doubts about the amounts proposed for allocation to SPR programmes and their distribution, but would reserve detailed comments for a later stage.
- 12. Mr. BORG OLIVIER (Observer for Malta) agreed that a relatively bigger share of the resources available ought to be devoted to those in most need, particularly the least developed countries and countries with populations living in absolute poverty. Nevertheless, the needs of countries stricken by natural disasters or severe external debt problems and those which had decided to move from centrally planned to market-oriented economies must also be considered, and in conformity with the principle of universality, UNDP should also continue to cater for other groups, including the island developing countries.
- 13. His delegation had repeatedly argued that per capita GNP was not a very realistic measure of levels of development in island developing countries.

 Ostensibly high per capita GNP figures were sometimes misleading, and anyway capable of declining radically in a brief period. It would be ironic if UNDP were to stop providing assistance to island developing countries which appeared to be making efficient use of the resources allocated to them. UNDP must take into account the multiplier effect of its contribution, and give due consideration to the disproportionate effects which withdrawing its assistance could have.
- 14. More flexibility was needed in the application of supplementary criteria. His country had a mixed economy, but had embarked on a programme of structural and institutional adjustment to make it more market-oriented. It was thus an "economy

(Mr. Borg Olivier, Observer, Malta)

in transition" as mentioned in paragraph 36 of document DP/1990/8. UNDP would do well to give due consideration to that and similar cases.

- 15. His delegation had noted with interest the publication <u>UNDP</u>: A bridge across the <u>Mediterranean</u>. His Government was eager to continue to be a component of that bridge, and counted on receiving a fair share of UNDP assistance in order to achieve its national goals and make a positive contribution at the international level.
- 16. Mr. ZHANG Guanghui (China) said that UNDP, as the largest United Nations funding agency for technical assistance, should find ways to provide more efficient technical assistance for developing countries in the 1990s, and seek to develop multiple financing channels in order to ensure that resources were available for development assistance.
- 17. To arrive at the proper rate of resource increase for the fifth cycle, UNDP should take the fourth cycle as its starting point, evaluate countries' actual needs and then set its targets, making due allowance for inflation. In any event, there should be a substantial and progressive increase in resources in order to help developing countries increase their self-reliance. Assistance during the fifth cycle should concentrate on country programmes, and the basic criterion for allocating resources to IPFs should be per capita GNP, the emphasis being put on assistance to countries with per capita GNP of under \$750.
- 18. It would not be proper to deny extra weighting to countries with populations of over 100 million: to do so would be to ignore the development needs of large parts of their population. Special consideration should be given to least developed countries. As for the division of resources among country programmes, inter-country programmes, global programmes and SPR activities, he hoped it would be possible to follow the pattern established in the fourth cycle.
- 19. Mr. WARD (Canada) said that the first of the three principles which shaped his delegation's approach to the fifth cycle discussion was that the universality of participation in the programme should be preserved. That principle did not preclude differential forms of participation for countries at different stages of development, and in that regard the Swiss representative's proposals deserved careful consideration. Secondly, his delegation believed in the principle of graduation; the concept of net contributor status represented a significant effort to reconcile that principle with the principle of universality. Lastly, his delegation believed that greater emphasis should be placed on the poorest countries, especially the least developed, in country allocation.
- 20. Those principles implied that his delegation would welcome some fundamental changes in fifth-cycle planning. It favoured the removal of the floor principle because it believed that allocations should be based on the application of agreed criteria to current realities rather than on historical entitlements. It agreed that a larger share of resources should be allocated to centrally managed programmes, including interregional and global programmes, as well as the Special Programme Resources.

(Mr. Ward, Canada)

- 21. With regard to the SPRs, it should be borne in mind that the overall level could not be established in a vacuum; it was closely related to other elements of the cycle negotiation and could, for example, be an instrument for maintaining the universality of the programme. Further, the criteria for allocating centrally managed resources among alternative categories of use should be more fully developed. His delegation was deeply interested in the proposals relating to sustainable development and poverty alleviation, and hoped that the Administration would further develop its thinking on those subjects.
- 22. His delegation had been surprised to find the profile of the Management Development Programme so sharply reduced so early in its life and hoped that, with a view to the June discussion, the Administration would set out the reasoning underlying the overall pattern of allocations as well as that for specific items.
- 23. On the question of total resource scenarios, his delegation would find it difficult to envisage overall contribution growth above 6 per cent annually.
- 24. The Administrator had made proposals concerning the application of net contribution status obligations. Regardless of the precise mechanism used, however, his delegation favoured a more rather than less restrictive policy. It agreed, however, that Government local office cost obligations could be separated from the net contributor obligations.
- 25. Mr. KHAN (Pakistan) emphasized the importance his delegation attached to the thirty-seventh session of the Council, which would decide on the shape of the fifth programming cycle. It was in that light that he wished to comment on some of the points raised in the Administrator's note (DP/1990/8). Of the scenario options presented in the note, his delegation would prefer alternative 3, which seemed the most realistic. With respect to the percentage share of total fifth cycle resources to be allocated to the SPR-financed programmes, his delegation would not support an increase beyond the present level, and in fact would suggest that the level be reduced to 3 per cent in the fifth cycle. He also welcomed the proposed increase in the level of support for SPR-financed programmes of technical co-operation among developing countries.
- 26. Mr. BABINGTON (Australia) agreed that it was important for the Council to reach a decision on the fifth cycle at its June meeting. In view of the development challenges that would face the world in the 1990s, it was also important that UNDP should have a clearer picture of its goals when that decision was taken. From that point of view, his delegation considered that UNDP should concentrate its efforts on those areas of expertise where it had a comparative advantage over other international organizations and agencies. It also felt that UNDP should direct more of its attention in the fifth cycle to the problems of the poorest countries, including the poorest among non-LDCs, and therefore to poverty alleviation, and to the role of women in development. The proposal made by the Swiss representative in connection with poverty alleviation deserved very careful attention.

(Mr. Babington, Australia)

- 27. Turning to more specific questions, he said his delegation agreed with Japan that it would be over-optimistic to anticipate an increase of much more than 6 per cent in the level of resources during the fifth cycle. He supported the Administrator's proposal for a substantial increase in the percentage share of the SPR-financed programmes, and expressed the hope that more of those funds would be used for successful aid co-ordination activities such as the round-table meetings held in the South Pacific region. His delegation also supported an increase in funding for disaster management activities, and wished to express its concern at the prospect of a reduction in the funds allocated to management programmes.
- 28. Mr. SALAZAR SANCISI (Observer for Ecuador) said his delegation supported all the concepts put forward by the observer for Trinidad and Tobago on behalf of the Latin American and Caribbean group of countries, and also endorsed the statements made by other representatives of Latin American countries. If present development trends continued over half the population of the world would be living in extreme poverty by the beginning of the twenty-first century. Co-ordinated action by the world community was needed to avoid the chaos such a situation would lead to.
- 29. In approaching the question of fifth cycle programming, his delegation attached special importance to four considerations. Special attention should be given to technical co-operation. The floor principle was also particularly important and should be maintained. It was essential to include in the supplementary criteria the proportion of foreign debt to GNP, and the ratio of debt service payments to the debt, exports and net capital transfer. Lastly, his delegation felt that the scenarios presented in the Administrator's note (DP/1990/8) did not correspond to the needs of the Latin American and Caribbean region, which needed broader access to international resources because the well-being of hundreds of millions of people was at stake.
- 30. Mr. Hamadziripi (Zimbabwe) took the Chair.
- 31. Mr. HUSSEIN (Malaysia) said his delegation felt that the projection of anything less than an annual growth rate of 8 per cent in fifth cycle resource levels might not be realistic. It also considered that the allocation for SPRs should be maintained at fourth cycle levels, that the share of fifth cycle IPF resources to be allocated to intercountry IPF programmes should be maintained at 19 per cent, and that the floor principle should be retained.
- 32. Mr. PAULINICH (Peru) emphasized that the principles of flexibility, universality and neutrality must be retained in the allocation of resources to recipient countries and that the needs of some groups of countries should not be allowed to prejudice the aid extended to others. The focus of the fifth cycle should be on aid for that part of the world's population which most urgently needed help in meeting their basic needs. Other principles guiding his delegation's approach to the question of fifth cycle programming were that available resources in real terms should be increased, that the floor principle should be retained, that the supplementary criteria, including those relating to foreign debt and social indicators, must be maintained, and that the present ratio between global,

(Mr. Paulinich, Peru)

interregional and country IPF allocations should be kept. On the subject of the thematic SPRs, he thought that the theme of narcotic drugs, and in particular of projects directed towards the substitution of other crops for illicit coca crops, should be added to the UNDP agenda for the 1990s.

- 33. Mr. EL GHAOUTH (Mauritania) expressed support of the statement made by the representative of Zimbabwe on behalf of the African Group. In approaching the question of fifth cycle programming, his delegation was guided by the following principles. The present funding ratio between IPFs and SPRs must be maintained, and the percentage allocated to the latter should be kept at 3.6. Room should be found for increased aid on the basis of criteria which did not lend themselves to rigid classification, such as aid for Palestinian refugees. His delegation was open to the retention of the current balance between country and multilateral IPF projects, and in that connection favoured the scenario B presented in paragraph 28 of the Administrator's note (DP/1990/8). It was to be hoped that greater attention would be paid to the least developed countries; in that connection, the proposals made by the Swiss representative contained a number of useful elements. It would be helpful if the Administration could provide the Council with the latest figures on per capita gross national product, population and adult literacy rates, the size of the manufacturing sector and life expectancy in the least developed countries. The supplementary criteria should be retained, especially as they made it possible to aid countries with small populations. Attention should be given also to two additional supplementary criteria, those of transitional economies and of human development indicators; the former might be broken down into the two separate criteria of transitional economies and economies undergoing structural changes.
- 34. Mr. PETRONE (Italy) advocated the utmost caution in projecting fifth cycle resource increases, as development budgets were subject to competing demands, and Governments provided technical co-operation through many agencies other than UNDP. That was another reason to link any decision on the fifth cycle to those to be reached on successor arrangements to agency support costs. His delegation recommended adoption of Alternative 1 (para. 6, DP/1990/8). It also believed that UNDP must adopt a more stable unit of account, such as Special Drawing Rights, because of dollar fluctuation. It agreed with the proposal to raise the share of Special Programme Resources (SPRs) to 5 per cent during the fifth cycle. Specially designated SPRs should be sufficient to enable UNDP to respond with flexibility to needs for special emergency assistance programmes not financed through IPFs. However, the SPR breakdown provided in table 2 of DP/1990/2 was not sufficiently detailed to provide a basis for a decision. Moreover, his delegation could not agree to the doubling or tripling of some SPR budget lines without a thorough review and streamlining within UNDP. Separate consideration of NaTCAPs, round-tables and country programmes caused duplication of effort and cost. Rational allocation of SPRs for disaster relief assistance could be undertaken only after the UNDP role in that area had been re-examined.
- 35. Regarding the Management Development Programme, his delegation was not convinced that table 2 of document DP/1990/8 was consistent with the requests made at the 1988 Governing Council. The justification given for reducing the MDP budget

(Mr. Petrone, Italy)

was its status as a mature programme that could be IPF-financed. However, his delegation would like a detailed examination of MDP performance thus far before accepting a reduction of MDP budget requirements for the fifth cycle.

- 36. In distributing fifth cycle country IPFs, weight should be given to an external debt indicator for low- and middle-income countries. Increased poverty orientation could perhaps be achieved by strengthening the supplementary criteria based on LDC status. He was concerned that the many options at the Council's disposal for a decision on IPF resource distribution might further complicate negotiations. The goal might be more easily achieved by giving poverty orientation heavier weight in the context of decision 85/16.
- 37. The Council should be careful to preserve the universality of UNDP, which should have a significant IPF programme in middle-income developing countries as well as least developed countries. There was a functional limit to how small an IPF could be to justify a UNDP field office and headquarters unit. However, some small IPFs had great importance for the developing country concerned since they provided "venture capital" that attracted much larger resources from governments and other donors.
- 38. In conclusion, his delegation felt that further informal consultations should take place before the June session, and recommended concentration on refining and updating decision Governing Council 85/16.
- 39. Mr. Popescu, Romania, resumed the Chair.
- 40. Mr. AMAZIANE (Observer for Morocco) reaffirmed his delegation's attachment to the principles of universality and neutrality of UNDP. Projections of growth rates for resources in the fifth cycle should be realistic, so as to avoid problems such as those encountered during the third cycle, when IPFs had been lowered. An 8 per cent growth rate appeared realistic, and he called on donor countries to increase their level of contribution in order to ensure resource flows to developing countries and avoid the negative flows which persisted because of external debt and falling exchange rates.
- 41. His delegation preferred scenario E for calculation of fifth-cycle country IPFs. IPF floors should be maintained in order to provide the resources needed by the least developed countries. He supported supplementary criteria for transitional economies such as those of Eastern Europe, and for countries undergoing structural adjustment.
- 42. Turning to table 2, his delegation supported the proposed increase of 3.5 to 5 per cent in SPR-financed programmes, and noted that no budgetary provision had been made for natural disaster prevention, although the General Assembly had just adopted the International Decade for Natural Disaster Reduction. The Decade was designed to fight fatalism in the face of natural disasters and to facilitate the distribution of information and modern technology for their prevention. Further discussion of that matter should take place at the June session.

- 43. Mr. TAL (Director, Planning and Co-ordination Office) said that the most important aspects of the debate had been the discussion of resource levels and the scenarios, whose purpose was to show the outcomes of decisions to be taken. The debate on resource levels reflected the expectations of countries and the tradeoffs that were necessary regarding conceptual issues. The more resources were available, the easier the decisions regarding such tradeoffs would be. Some delegations had called for 8 per cent growth, but 8 per cent was a minimum needed to allow real growth. Documentation on SPRs would be provided in much greater detail before the June session.
- 44. The Management Development Programme was an area of SPRs which had provoked much comment. When the Administrator had proposed that Programme in 1988, it was expected that IPF resources and commitments from Governments would help to raise its activity level. MDP had not been entirely successful in gaining new commitments from Governments as of yet, but reactions were most encouraging. Project funding approved to date amounted to \$17 million. Twelve million dollars in programme funding was awaiting final approval, for a total of \$29 million out of the \$45 million released. An additional \$15 million would be available upon release of the remaining 25 per cent under decision 88/31.
- 45. In reply to the representative of Egypt, the proposed human development indicator was mentioned in the report with the intention of fostering preliminary debate. The human development report would be issued in May, in time to assist the Council in determining at the June session whether the human development indicator was a valid measure for IPF calculation or as a supplementary criterion.
- 46. The representative of Austria had suggested that successor arrangements to agency support costs be decided along with fifth cycle arrangements, but the Administration had addressed those issues separately. The fifth cycle was of major importance and should not be made conditional on the decision on successor arrangements.
- 47. Many delegations had supported supplementary criteria for economies in transition, while others felt those criteria were subjective. The Administration did not use supplementary criteria unless data were readily available and objective. In the case of transitional economies, World Bank data were available. Thirty-two countries could qualify for a supplementary point either as undergoing structural adjustment or transition.
- 48. Concern had been expressed about an apparent reduction of fifth cycle resources to the Latin American countries as a group, but in fact, only the resource scenario assigning a greater portion to the LDCs (Scenario B) would result in a nominal reduction. The other scenarios would show nominal and real increases in resources for Latin America. It appeared that consensus had not yet been achieved regarding the 75 per cent ceiling on resource carryover to the next programming cycle; thus, the item had not been included in the report.
- 49. The Governing Council must decide whether to use World Bank or Department of International Economic and Social Affairs figures as its sources for data for basic

(Mr. Tal)

criteria. UNDP could not dispute that matter, though Governments could. World Bank data had been used rather than national data to eliminate the possibility of a certain margin of error resulting from subjective data issued by individual Governments.

- 50. The representative of Algeria had expressed concern that the human development index would penalize countries with longstanding progressive social policies and resulting low mortality and high literacy rates. The whole programme of technical co-operation gave recognition to existing economic or social deficiencies and the human development index would simply reflect conditions in that area. The 1989 data would be used for final IPF calculations when they became available, but 1988 data must be used until that time. The representative of Bulgaria had raised the point that by the middle of the programming cycle, the data on which it had been based were no longer current. A possible solution would be to retain 10 per cent of the funds for distribution later in the cycle after correction for new data. That was a matter for the Governing Council to decide.
- 51. The UNDP role in disaster assistance had three main elements. First was immediate financial relief after a natural disaster. Next, UNDP resident representatives provided leadership and co-ordination in relief efforts, and thus needed funds available. Finally, UNDP assisted in long-term reconstruction and rehabilitation. The issue would be discussed further at the June session. A disaster management training programme had been instituted with two consultants, who were formulating a master plan for disaster management training of national staff.
- 52. Regarding the question of the United States representative on partial funding arrangements, resources in the past few years had been adequate for future commitments, but those conditions would not continue.
- 53. The discussion of field co-ordination activities would be expanded at the June session. General Assembly resolution 44/211 had been central to increased support for resident representatives, and some funds would be reserved for that purpose.
- 54. Mr. DRAPER (Administrator), in clarification of the remarks on the proposed growth rate of contributions, said that, in the light of the importance of the programme and the high demand for its services, he firmly supported a 16 per cent increase. With a projected 6 per cent inflation rate, such an increase would result in 10 per cent net growth over the next five years. There had been clear growth in delivery rates, but the programme was not able to do all that was demanded of it because it was not properly funded. Even a 16 per cent increase would slow the pace of growth. An 8 per cent increase would translate into flat growth in nominal terms and, in real terms, into a 6 per cent cut each year due to inflation. Thus, UNDP would become a declining organization. He urged recipient Governments to convey more forcefully the message of the value of UNDP programmes.

- 55. The PRESIDENT said it was clear that a draft decision on the preparations for the fifth programming cycle issue would have to be elaborated in informal consultations. He suggested that such consultations should begin on 22 February 1990, under the chairmanship of the first Vice-President.
- 56. Mr. EL GAOUTHE (Mauritania) said that the Director of the Planning and Co-ordination Office had agreed to provide information on all assistance to least developed countries from all UNDP sources. As yet, that information had not been supplied in full.
- 57. Mr. TAL (Director, Planning and Co-ordination Office) said that a brief table of all such assistance would be included in the documentation for the June session of the Governing Council.
- 58. Mr. AL-FAIHANI (Observer for Bahrain) said that informal consultations on the subject of the fifth programming cycle should be restricted to procedural matters, thus leaving matters of substance to be decided on at the June session, as indicated in Governing Council decision 89/45. He hoped that costs could be contained by keeping the consultations brief and by holding them at the regional offices rather than at Headquarters.
- 59. The PRESIDENT confirmed that the informal consultations which he had suggested were for discussion of procedural matters only.
- 60. Mr. EL GAOUTHE (Mauritania) said that the table he had requested must be comprehensive, covering the overall distribution of resources, while highlighting the information requested by member States with regard to the least developed countries.
- 61. Mr. OSELLA (Observer for Argentina) said that the scenarios whereby the allocation of resources to the Latin American region would be reduced from the level of the fourth programming cycle ran counter to paragraph 20 of document DP/1990/7, which requested that the level of resources in the fifth cycle should be the same as in the fourth cycle.

THE ROLE OF UNDP IN COMBATING THE HUMAN IMMUNE DEFICIENCY VIRUS INFECTION AND AIDS (DP/1990/31)

- 62. Mr. DRAPER (Administrator) said that document DP/1990/31 described the steady progression of the HIV/AIDS epidemic. No region or social class had been spared. The epidemic particularly affected developing countries, adding to the burdens created by other diseases, debt, poverty, and illiteracy. AIDS was also on the rise among women and children. The spread of the epidemic throughout the world was raising economic, social, humanitarian, political and cultural issues which had to be addressed as soon as possible.
- 63. In response to that serious situation, the Governing Council had noted with approval in February 1988 the plans to create the WHO/UNDP Alliance to Combat AIDS. That Alliance sought to combine the strengths of WHO in health policy with

(Mr. Draper)

those of UNDP in economic and social development, especially at the country level. At the same time, the Governing Council had also approved a financing facility to assist in speeding the flow of resources to support national AIDS strategies in developing countries, as well as the Global Blood Safety Initiative.

- 64. An analysis conducted by UNDP during the last quarter of 1989 had indicated that the Alliance had been generally effective in integrating national AIDS plans into overall development priorities; in resource mobilization and co-ordination activities; in programme monitoring and evaluation; and in providing support to Governments for their AIDS control efforts. A steadily increasing amount of IPF funding had been devoted to supporting HIV efforts at the national and intercountry levels. Both the financing facility and the Global Blood Safety Initiative had proved to be effective, although the latter needed further development. UNDP also played an active role in intergovernmental, governmental and non-governmental activities associated with HIV and AIDS.
- 65. Despite its active role, UNDP needed to contribute even more to the struggle against the global epidemic. He was therefore implementing new initiatives, including training and sensitization of UNDP staff, increased utilization of the United Nations Volunteers and the United Nations Capital Development Fund in HIV/AIDS-related activities and the provision of better information to UNDP staff about the development implications of the epidemic. In addition, UNDP had commissioned a publication which would contain reflections on the consequences of the epidemic for various societies and the implications of those consequences for development.
- 66. Mr. MANN (World Health Organization) said that UNDP had been providing assistance to global AIDS prevention and control activities for a number of years. The establishment of the WHO/UNDP Alliance to combat AIDS in March 1988 represented a fundamental advance in that endeavour. In addition to its responsibilities under the Alliance, UNDP actively participated in other United Nations system efforts to combat AIDS.
- 67. One of the most positive aspects of those efforts was the development and implementation of a global strategy. In every country in the world, without exception, there were activities against AIDS. The WHO Global Programme on AIDS was collaborating with more than 160 countries in providing technical and financial support for the development of comprehensive national AIDS programmes. There was unmistakeable evidence of the slowing of the pace of the epidemic in areas where the strategy had been thoroughly applied.
- 68. Several key elements in the application of the global strategy were important for the future. The first element was the inter-sectoral nature of the fight against AIDS, which involved the educational, health, judicial and information sectors in a common effort. The second element was the critical importance of non-governmental organizations (NGOs) at the national level. Without strong and community-based NGOs, the struggle against AIDS at the national level tended to be weak. The third element was the discovery in the 1980s that the fight against AIDS

(Mr. Mann, WHO)

implied a fight for human rights. Only those strategies which incorporated elements of protection for the rights and dignity of infected people had shown evidence of effectiveness. Strategies based on coercion or punishment did not work. The very existence of discrimination created an increased vulnerability to HIV infection. Thus, the link between the fight for human rights and the fight against a global disease had become firmly established.

- 69. Solidarity was another positive development in the effort to combat AIDS. Solidarity was manifested in the sharing of technical and financial resources and in the unparalleled international scientific co-operation, resulting in the rapid development of effective drugs and increased possibilities for a vaccine against AIDS. Those shows of solidarity reflected the fact that AIDS was a global issue, which had taken its place beside other global issues such as degradation of the environment.
- 70. On the negative side, the epidemic was continuing to gain momentum. In 1980, it was estimated that 100,000 people in the world had been infected with the HIV virus; at present, at least six million people were infected, of whom two million were women. The virus was not only increasing in already affected areas but was also moving into new regions of the world where until recently there had been little evidence of infection. The spread of the epidemic into South-East Asia, West Africa, the eastern Mediterranean region and Eastern Europe proved that no part of the world could consider itself immune to AIDS. It was clear that rapid social, political and economic changes were creating increased vulnerability.
- 71. The barriers to more effective action at the national and international levels had not yet been overcome. There was still a large gap between social myth and social reality. Societies still seemed reluctant to learn the facts about sexual and drug-injecting behaviour, facts which were essential to targeting AIDS intervention and prevention programmes.
- 72. Although effective drugs had been developed, they were expensive and not widely available. Developing a vaccine was only part of the challenge the question was whether that vaccine could be provided to all those in need or whether it would be restricted to the wealthy.
- 73. There was in many societies a reluctance to face the underlying problems that created and sustained a vulnerability to AIDS, including intravenous drug use, prostitution, lack of sexual education, lack of access to health and social services and problems of discrimination. Complacency and denial had been part of the epidemic from the beginning. Such attitudes threatened the ability to continue existing efforts and to develop more activities in the 1990s. Yet, during the coming decade, the challenge of AIDS would overshadow what had been faced so far. By a conservative estimate, the number of cases of AIDS would increase tenfold during the 1990s.

(Mr. Mann, WHO)

- 74. The global epidemic called for a strong UNDP commitment at the country, regional and global level. It was encouraging that Governments were increasingly using their national IPFs, an indication that, in a growing number of countries, AIDS was seen as a development issue. It was also gratifying to note the increasing awareness of the social and economic dimensions of the epidemic.
- 75. He wished to thank the Administrator for his personal commitment to the fight against AIDS, for the efforts to sensitize Governments, to train UNDP staff and to encourage the increasing use of funds for AIDS at the national and inter-country level.
- 76. Ms. ANSTEE (Director-General, United Nations Office at Vienna) said that she wished to bring to the attention of the Governing Council some of the work the United Nations Office at Vienna had been doing in close collaboration with WHO. A number of the Office's programmes including its activities related to drug-abuse control, were directly related to the problem of AIDS. It was also dealing with broad social programmes and with specific programmes concerning the problems of women, youth, crime and crime prevention. Its co-operation with WHO, which had initially begun in the area of drugs, had now expanded to other areas as well because AIDS was having a devastating economic and social impact, particularly in the developing countries. The Vienna Office had set up a multi-disciplinary task-force to examine all the aspects of the problem falling within the Office's competence and to propose impact assessment schemes, programmes and community education and prevention and social welfare plans.
- 77. Women and children were often the most severely affected by AIDS. In 1989, in close co-operation with WHO, her Office had presented a paper to the Commission on the Status of Women on the economic and social impact of AIDS on women. That was an area to which increasing attention was being given. It was noteworthy that at the recent session of the Committee on the Elimination of Discrimination against Women, strong recommendations had been made for steps to prevent the spread of AIDS to women and children.
- 78. The Vienna Office was using its network of women's and youth organizations to disseminate information on high-risk sexual practices and to provide care, support and treatment for affected individuals. It had been demonstrated that the spread of the epidemic could be slowed down by preventive education programmes. The challenge was to make such programmes available to all of those in need.
- 79. The Office was co-operating with WHO and UNDP in developing pilot schemes in a number of key countries, including the organization of a workshop for women's organizations in West Africa, and was also working with WHO on the difficult problem of AIDS in prisons. A manual on how to deal with the problem of AIDS in prisons, prepared jointly by WHO and UNOV, would be presented at the Eighth United Nations Congress on the Prevention of Crime and the Treatment of Offenders, to be held in August and September 1990.

(Ms. Anstee)

80. She fully agreed with the Administrator that much remained to be done in the struggle against AIDS, particularly in terms of co-operating with developing countries. For that task, it was important to take advantage of all the institutions and organizations working in related fields. She strongly supported the observation by Dr. Mann that the role of NGOs, especially in community-based projects, was vital. UNDP was in a very good position at the country level to co-ordinate the enterprise of assisting developing countries in integrating community-based AIDS programmes into national development plans. The Vienna Office stood ready to co-operate in that enterprise.

The meeting rose at 12.55 p.m.