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Chairman: Mr. Jiří NOSEK (Czechoslovakia).

AGENDA ITEM 12

Report of the Economic and Social Council (chapters II, III, IV and V) (A/3613, A/3661, A/C.2/L.333/Rev.1) (continued)

DRAFT RESOLUTION ON THE ACTIVITIES OF THE RE-GIONAL ECONOMIC COMMISSIONS (A/C.2/L.333/REV.1) (continued)

1. Mr. PSCOLKA (Czechoslovakia) announced that his delegation intended to circulate a second revised text of its draft resolution on the activities of the regional economic commissions (A/C.2/L.333/Rev.2). The revision dealt mainly with the third operative paragraph and incorporated amendments suggested by the Tunisian delegation (A/C.2/L.345). He hoped that all members of the Committee would be able to support it.

AGENDA ITEM 29

Programmes of technical assistance:
(a) Report of the Economic and Social Council (A/3613, A/3661, A/C.2/196) (continued)

GENERAL DEBATE (continued)

2. Mr. BANNIER (Netherlands) paid a tribute to the constructive work done by the Technical Assistance Board (TAB) and the Technical Assistance Administration (TAA) during the past year. His delegation was seriously concerned, however, about the financial state of the Expanded Programme of Technical Assistance. The Economic and Social Council at its twenty-fourth session had already expressed regret that the programme of operations for 1958 was to be planned on a somewhat lower level than that of 1957. It was now learned that the resources available for 1958 might be considerably less than those available in 1957 and that despite the appeal made to Governments in the Council's resolution 659 B (XXIV), the resources for 1959 would be even lower. He was aware of the difficulties confronting Governments but also realized that the Programme could not for ever be financed in large part by a single country. He therefore urged Governments to reconsider their positions and do their utmost to save the Programme from drastic curtailment. The result of the recent Technical Assistance Conference had been such that the overall increase of 20 per cent in the contributions of countries other than the largest contributor would clearly not be reached in 1958. He hoped that Governments would make special efforts to meet the United States Government's matching condition at the next conference and also that in future years the United States would not reduce its percentage contribution much below the 1958 level and would regard as contributions to be matched not only direct contributions. The Netherlands, for its part, had pledged for 1958 a contribution 25 per cent greater than its contribution for 1957.

- 3. In its report, A Forward Look (E/2885), TAB had offered alternative ways in which the Technical Assistance Programme could be brought to bear more effectively on the basic problems of the under-developed countries, namely, the combating of poverty, hunger, disease and ignorance. His Government favoured the first alternative, that of seeking to increase the Programme's annual resources over the next few years to a level of \$50 million. It was unrealistic, in present conditions, to contemplate a more radical expansion of the Programme through the provision of equipment and supplies as well as expert personnel. Some of the projects listed in chapter III of A Forward Look were within the category of capital assistance rather than of technical assistance and were related ultimately to the question of the financing of economic development generally. That, however, was a separate item on the Committee's agenda and therefore beyond the scope of the present discussion. What the Committee should do was to consider ways of improving the Programme within its present financial resources so that the best possible use could be made of the money available. The same applied to the Programme's technical resources, and in that connexion the Technical Assistance Committee's suggestion, as embodied in resolution 658 B (XXIV), for the provision of assistance on a payment basis was a good one.
- The Director-General of TAA had also mentioned (471st meeting) other methods which in the view of the Netherlands delegation were not contrary to the principles of the Programme but rather offered some hope that the scope of the Programme could be extended. With regard to the local costs that were normally paid for by recipient Governments in accordance with the annex to Council resolution 222 (IX), there was some feeling for abolishing that rule, but he would urge Governments not to pursue such a course since the result would be a loss of some \$2,500,000 from the Programme proper, and the essentially co-operative character of technical assistance would be impaired. He would also warn against the growing tendency to place specific countries in a privileged position with regard to technical assistance, for although there had undoubtedly been some justification for the exceptions

made in the past, the tendency was a dangerous one and might lead to undesirable discrimination. He was not, of course, referring to the general needs of newly independent countries, which should still be given high priority.

- 5. Although many projects would admittedly be fruitless unless maintained for a number of years, the proportion of the available funds absorbed every year by continuing projects was so large that Governments should be urged to assume full responsibility at the earliest possible date for projects already successfully launched under the aegis of technical assistance. In that connexion he supported the suggestion made to the Technical Assistance Committee at its 145th meeting by the representative of Brazil, and hoped that the Board would take it up.
- 6. The Director-General of TAA had drawn the attention of the General Assembly, as the governing body of the United Nations, to its special responsibility towards the work done by TAA. The Netherlands delegation felt that the Assembly was not sufficiently aware of its two separate responsibilities in the matter of technical assistance and that in the future the item, technical assistance, should be divided into two subitems—one for the United Nations Programme of Technical Assistance and the other for the Expanded Programme, as was done in the Technical Assistance Committee.
- 7. He had been glad to learn of the work being done by TAA in the important field of public administration and endorsed the Technical Assistance Committee's decision in that respect (E/3041 par. 48) 1/. Some imaginative suggestions for making the operations of TAA more efficient had been advanced by the Director-General, and in particular that of enlisting the help, on a voluntary basis, of a small number of internationally known experts. Mr. Bannier hoped that that project would prove successful.
- 8. His delegation had been glad to learn from the Secretary-General's report (A/C.2/196) that the outposting of certain programme officers of TAA in Latin America as an experiment had proved successful, but it felt that the experiment should be continued for some years before it was made a permanent feature. Owing in any case to the questions of finance and coordination that were involved, his Government did not at present want to take any stand on a possible extension of that arrangement. Regarding the engagement of experts, he endorsed the Director-General's appeal to Governments not to allow a long period of time to elapse before accepting or refusing the experts offered to them. His Government was in the habit of providing junior or associate experts at its own cost to work on technical assistance projects in the field with senior experts, and their services had been enlisted by some of the specialized agencies. He was glad to learn that TAA had also decided to make use of their services.
- 9. The Netherlands Government had faith in the technical assistance endeavour and believed that temporary financial difficulties would be overcome and that the goal of higher living standards in all the under-developed countries would eventually be reached.

- 10. Mr. BRILEJ (Yugoslavia) said that the Expanded Programme of Technical Assistance had helped to promote economic growth and general welfare and to strengthen international solidarity, and thus also international peace. He congratulated the chief officers of the Programme and all the participating specialized agencies on the unprecedented quantity and quality of the assistance rendered. He could speak at length about Yugoslavia's benefits under the Programme, including the training of construction workers, the establishment of a pilot rural electrification centre, and the increase of productivity through improved methods of work. At present, however, he was concerned with certain vital problems affecting the Programme.
- The most important of those was the financing of the Programme. The Executive Chairman had spoken of the limitations imposed by the financial situation on the Programme for 1958. As had repeatedly been pointed out, the nature of the Programme and its operations were such as to require a steady increase in available resources. In view of the fact that the number of contributors as well as the amounts contributed had been increasing, it might be wondered why the Programme found itself in difficulties, particularly as the actual amount of the United States contribution had remained the same notwithstanding the United States policy of gradually reducing its share of the total cost. While he fully appreciated the significant contribution of the United States to the Programme and the objective of its matching policy, he none the less felt that the Technical Assistance Programme owed its international character, not to the contributions of different countries, but to the fact that it had, and was accountable to, an international administration that operated on the basis of principles adopted by the General Assembly. Nevertheless, since the United States had adopted that policy, the General Assembly must consider how under the United States matching formula the proportion of contributions by other countries could be increased. While the cash contributions of the small and under-developed countries might appear modest, it should be borne in mind that those countries incurred an additional \$77 million annually in counterpart expenditures under the Programme. They would thus find it difficult to increase their financial contributions in response to the matching formula. For that reason, and in view of the fact that the Programme was a co-operative undertaking serving the interests of all countries, it might be desirable to consider the counterpart expenditures as part of the contributions to the Programme. In that way, the United States share of the over-all expenditure would correspondingly decrease, and the aim of the United States to ensure fuller participation of countries in the Programme would be met.
- 12. At the same time, some countries should increase their contributions in accordance with their per capita income. That must also have been the view of the Economic and Social Council at its twenty-fourth session when it had called upon countries to contribute in the light of their economic conditions (resolution 659 B (XXIV)). Some countries were making exceptional efforts to that end. For example, Sweden and Norway contributed, respectively, 1 cent and 1.5 cents per \$100 of their per capita gross national income, whereas the contributions of other countries amounted to only 0.4 cent or less. The disparity in the proportionate contributions of countries was thus quite apparent.

^{1/} Official Records of the Economic and Social Council, Twenty-fourth Session, Annexes, agenda item 9.

- 13. The financial situation gave rise to other serious problems. While planning a more limited scale of activities for 1958, the Board had decided to increase its assistance to countries that had recently obtained their independence. The efforts of the United Nations to help those countries were certainly understandable and praiseworthy, but in the circumstances the unfortunate consequence was that existing programmes in a number of other countries, including Yugoslavia, had to be reduced, with the further result that those countries were placed in a difficult position. He similarly regretted the decision which had been arrived at by TAB on the basis of geographical considerations and under which the Programme in Europe would be limited for the time being to the countries that had newly joined it. While it was true that most of Europe was fully developed, there were a number of countries which were still striving towards industrialization. However much the so-called concentration of efforts might be desirable from an economic point of view, the moral and political implications of the Programme and the extent to which it helped to strengthen peoples' faith in the United Nations should also be considered.
- 14. Another result of the financial situation was the introduction of what was known as the "Burma Plan". While acceptable as a supplement to the Programme's regular activities, the system of rendering assistance on a payment basis must on no account replace them. Economic and Social Council resolution 658 B (XXIV) placed the system in the proper perspective.
- 15. There were still other problems. One was the use of non-convertible currencies, a matter that had been satisfactorily solved by TAB in co-operation with the participating organizations. Another was the co-ordination of the Programme with other bilateral programmes, a matter which the recipient Governments themselves could settle, preferably by adjusting those programmes to TAB's activities. Such matters were, however, insignificant by comparison with the major question of finances. Even an important question like administrative costs took second place, for that would be solved with the further expansion of the Programme.
- 16. After years of pioneer work and study projects, the Programme was at last at the stage where the specific task of training local technical personnel by means of experts and scholarships could be undertaken. Expansion of the Programme along the lines indicated in the important document E/2885 would require increased funds. He hoped that the most successful of the activities carried on by the United Nations would continue to expand so as to meet the ever-growing responsibilities of the United Nations.
- 17. Mr. ASHAR (Iran) expressed his Government's appreciation of the Technical Assistance Programme and in particular of the services of the technical experts who were giving the peoples of the under-developed countries so much help in overcoming their problems. His delegation was glad to note that in 1956 a record had been set, with regard both to the total sum pledged and to the number of Governments contributing. The programme for the past year had therefore been the largest since the inception of the Expanded Programme in 1950. He welcomed the special chapter on evaluation in TAB's report for 1956 (E/2965 and E/TAC/REP/103) and hoped that future reports would give fuller information in that regard. His delegation was gratified that in the matter of ad-

- ministration and operational services costs the increased resources made available in 1956 had enabled several of the specialized agencies to place their headquarters serving arrangements on a sounder footing.
- 18. He could not agree with the French representative about the special help given to certain countries, including Iran. Any country which took such drastic steps as Iran had, in banning the cultivation of the opium poppy, an action which had cost its farmers some \$30 million a year, surely merited special consideration. His Government counted the humanitarian gain well worth the financial loss and hoped that all vigorous actions of that kind would be strongly supported by the United Nations and the Technical Assistance Board.
- 19. Mr. PETERS (Australia) congratulated the Executive Chairman of TAB and the Director-General of TAA on their enlightening statements. As the Executive Chairman had reminded the Committee, the high humanitarian objectives of technical assistance must not be forgotten in spite of all the concern which must be devoted to financial and administrative matters. The increase in contributions over recent years—especially from recipient countries, either in direct contributions or in counterpart expenditures—was an eloquent testimony to the value of the Expanded Programme. He was also pleased to note that recipient countries were using part of their contributions to assist one another and that more than one quarter of the total number of experts provided in 1956 had come from countries and territories which were themselves receiving technical assistance. That showed that an early stage of development did not necessarily imply lack of skill and technical experience. Under-developed countries might sometimes be in a better position, in the light of their own experience, to help other under-developed countries faced with similar problems, than were the most highly industrialized countries.
- The figures cited by the Executive Chairman on the numbers of experts recruited, countries assisted, scholarships awarded and quantity of equipment purchased testified to the truly international character of the Programme and the magnitude of the tasks of co-ordination which were faced by TAB and TAA. These were further complicated by the multiplicity of the currencies in which contributions were received and disbursements made. It was therefore all the more to the credit of TAB and TAA that they had been able to make gratifying progress in their work and, simultaneously, reducing administrative costs. He welcomed the assurance that TAA would continue its efforts to keep administrative costs at a minimum, thus leaving as much of the available funds as possible for operational tasks.
- 21. In connexion with the Executive Chairman's statement concerning the difficult task of resident representatives, he wished to pay a special tribute to Mr. Minter, the retiring head of the joint TAB and United Nations Children's Fund (UNICEF) office in Australia.
- 22. He had been pleased to learn, from the useful evaluation by TAB of the Programme's work, that a number of recipient countries had increased the efficiency of their planning and co-ordinating machinery through the use of the new country programming procedures and that co-ordination between the Programme

and other multilateral and bilateral programmes had been improved with a view to deriving maximum benefits from their respective efforts. It was to be hoped that the current trend would continue.

- 23. In view of past achievements, there was no cause for satisfaction in the prospect that limited funds might prevent further expansion of activities during the years to come. Australia for its part was planning to increase its contribution for 1958 by 25 per cent. He did not however know what Australia's subsequent contributions could be although he thought that they were unlikely to represent considerable increases over the past. He gave some details of the contribution Australia was making to the Expanded Programme and the Colombo Plan, both in provision of experts and scholarships. Australia, which was a developing country, with a small population and limited training facilities was already under some strain in meeting all its existing commitments to international development and assistance activities. He expressed confidence however, that in deciding on its future contributions to the Expanded Programme Australia would give sympathetic, realistic consideration to the situation analysed in the introductory statements.
- 24. Mr. MICKWITZ (Finland) said that his delegation attached particular importance to the Technical Assistance Programme since it helped to provide managerial and technical knowledge, the factor in production which had become more and more important as the mobility of labour and capital had declined. The various technical assistance programmes were also contributing notably to reducing the differences in living standards throughout the world. Moreover, technical assistance had a better practical chance of success than almost any other scheme for international economic co-operation. It was all the more important, therefore, that criticisms should be voiced and reforms suggested where appropriate.
- 25. As the executive Chairman of TAB had indicated, the proposed expansion of the Programme might be hampered by the lack of suitable experts. As one way of reducing the risk of choosing unsuitable persons, he suggested that first contracts should be shorter and that subsequent contracts should be of long duration with a considerably higher remuneration. The additional salaries might be paid by the receiving countries, for they would by that time know that they had chosen a suitable person. In the selection of experts, the main criteria should be skill and merit and not country of origin; it was surely more important that the experts chosen should be of high quality than that they should be drawn from a wide range of countries. There might, too, be some merit in sending working groups rather than individuals. Several experts working together could support and help each other whereas the work of one man alone might become ineffective through lack of support and encouragement.
- 26. The Programme's limited funds should be used as effectively as possible. Assistance should be given only where there was a clear need and where the recipient country could make full use of it; it should not be spread too thinly over too many countries. It was important, too, that the countries receiving assistance should themselves contribute as much as possible, for the more they paid in costs the greater was their interest in making effective use of the assistance provided. Finland agreed with Sweden that

- assistance should continue to be given mainly in the form of fellowships, training facilities and the services of experts so long as the resources for technical assistance remained as limited as they were at present. Fellowships should, however, be generous enough to be worthwhile and to attract the right people. The provision of technical assistance ought to be co-ordinated with the provision of loans from other sources so that the loans would not be misused through lack of the necessary knowledge on how they should be invested.
- 27. His delegation would as a general policy give its support to all practical proposals for the extension of the technical assistance effort.
- 28. Mr. CUEVAS CANCINO (Mexico) said that the United Nations could be justly proud of the solid achievements of the Expanded Programme of Technical Assistance. TAB had overcome the great obstacles involved in carrying out the Programme, and the complex machinery had proved to be flexible to a praiseworthy degree. The annual report of TAB for 1956 showed that the countries with limited resources were constantly striving to increase their contributions and that there had been a steady increase in requests for assistance from all continents.
- 29. His delegation felt that the natural dimensions of the Expanded Programme should be demarcated in view of the trend towards a decline in available funds. Steps should also be taken to determine how the administration of the Programme could be simplified. The Programme was a modest one. It was not a means of bringing about a transformation in all countries, and its main virtue was to have accomplished a great deal with limited resources.
- 30. Ten specialized agencies were now participating in the Programme, and his delegation was interested in the relationship to be established with the International Atomic Energy Agency (IAEA). As article XVI of the Agency's Statute did not specify what that relationship would be, he trusted that the Executive Chairman of TAB would establish close contact with the new Agency and that IAEA, in addition to having a regular programme similar to that of the other specialized agencies, could become a participant in the Expanded Programme.
- 31. His delegation wondered whether the flexibility of the Programme—one of its greatest advantages—might not have been carried too far, since the benefits of technical assistance were lost if spread too thin. It might therefore be appropriate if the specialized agencies could suggest—without interfering with the complete freedom of each State to decide upon its own programme—that Governments should concentrate their requests on one or two well-chosen fields. For example, UNICEF's anti-malaria campaign in Mexico had met with great success because efforts had been restricted to one specific programme.
- 32. Although the work of bilateral and regional programmes paralleled that of the Expanded Programme, his delegation did not feel that sufficient thought had been given by TAB to utilizing the advantages offered by the other systems, and in particular by the Organization of American States. In document E/2885, a number of promising projects that could be carried out by means of technical assistance had been referred to by TAB, but some of those had already been initiated by the Organization of American States on a regional

basis. Brazil, for instance, had a centre for training technicians who could evaluate natural resources. Costa Rica had an agricultural research centre and Colombia a housing centre. Such centres had already solved some of the problems confronting TAB. His delegation did not propose a merger of regional and international programmes but merely wished to draw TAB's attention to the possibility that such centres might be able to offer special fellowships to other regions.

- 33. His delegation felt that the Expanded Programme should become a permanent part of the United Nations. That gave added importance to the task of overcoming the fundamental obstacles to its continuation, the main one being the lack of sufficient funds. The Executive Chairman of TAB had spoken (471st meeting) of a reduction in the Programme in 1958 and 1959, and the problem now was to prevent annual funds from falling below the level of \$30 million. The Second Committee might request the Economic and Social Council and TAB to study ways of stabilizing the Programme and making it a model of efficiency; it might also recommend that Member States should be urged by the Executive Chairman to pledge the same amounts for 1959 and 1960 as they had for 1958.
- 34. The greatest problem was the progressive reduction in the United States contribution. The fact that countries like his own had tried to increase their contributions was of secondary importance and could not compensate for the budgetary loss. Although the reasons which had prompted the action of the United States Government were well known, the point to be borne in mind was that technical assistance was a project which had the support of all Member States and was intended to promote social progress and better standards of life in accordance with the United Nations Charter. Lack of resources rather than lack of good will had been the reason why recipient countries had been unable to increase their contributions. Since the United States Government had been reported as willing to contribute as much as \$300 million to the Colombo Plan, he hoped that it would reconsider the matter of reducing its technical assistance contribution. A temporary stabilization of funds was needed in order to stop the downward trend; after that had been accomplished the problem of financing could be taken up again.
- 35. His delegation agreed with the previous speakers who had said that there was an urgent need to consider what measures could be taken to improve the Expanded Programme. He suggested that TAB should continue to study the possibility of using private institutions as consultants for the Programme. TAB might also see whether the high-level experts engaged by TAA on an experimental basis could serve as a starting point for more general efforts along those lines.
- 36. An even better arrangement might be for each participating agency to concentrate on one or two special projects. Although no change seemed to be called for in the very satisfactory system of allocation on the basis of national requests, each of the participating agencies should study the requests made and the possibility of obtaining the most efficient group of experts. Each agency could then suggest to Governments the field of technical assistance in which it felt it could work most effectively. That would tend

- to reduce the present difficulty in obtaining qualified experts, and also to acquaint the experts with the problems they would encounter and make the Programme more consistent.
- 37. Several delegations had criticized the delays in sending experts in response to requests, and others had complained that insufficient knowledge of local conditions on the part of the expert had sometimes led to the failure of a mission. In one instance, some distinguished experts who had visited Mexico had been unable to help the Government because they had not known what was required of them. It was important, of course, that the Government requesting assistance should submit full details on the project. His delegation felt that TAB could prevent such situations if it refrained from sending experts who were inadequately briefed, experts whose missions had been delayed to such an extent that they could stay only a short time, and experts who were unfamiliar with the work of the assistant temporarily appointed by the Government concerned. In connexion with the last-mentioned point, it might be helpful if the technical assistance expert and the local official corresponded with each other beforehand in order to ensure the success of the mission. Improvements in the administration of the Programme at the local level would also result in savings.
- 38. While each of the specialized agencies participating in the Expanded Programme was understandably anxious to obtain as many projects included in encompassing national programmes as possible, representatives sent by them to facilitate the processing of requests were instead trying to increase the corresponding participation of their agency. Such interagency competition had serious consequences, and often the facilities of the competent Ministry and the presence of the resident representative were ignored. The resulting increases in local staff requirements and maintenance costs made additional claims on technical assistance funds and thus reduced the amounts available for the projects. He hoped that the Executive Chairman of TAB would put an end to internal dissension and ensure that each agency made an effective contribution within the branch of the national programme assigned to it by each Government.
- 39. While he did not mean to criticize the attempts of the Economic Commission for Latin America (ECLA) to decentralize its technical assistance services, that decentralization should be kept from affecting the number of projects carried out by the various specialized agencies, each of which had its own field of competence. The way in which a national programme was formulated was simply the means by which a Government gave priority to certain of its needs at a certain time.
- 40. His delegation had been interested in the possibility of TAB's granting technical assistance on a payment basis and hoped that that project would be kept under review by TAC so that it could be put into effect at an early date. The possibility that Governments which had received technical assistance in the past might grant scholarships covering tuition and part of the subsistence expenses of the students had not been adequately dealt with by TAB. Some countries which had been unable to make financial contributions to the Expanded Programme might find it easier to award scholarships, and the present bilateral arrange-

ments between countries might be extended on an international scale. The scholarship programme of the Danish Government might serve as a useful guide.

- 41. In document E/2885 the possibility of TAB providing documentation had been mentioned, and he hoped that the Executive Chairman would get in touch with countries that could make contributions of that kind. He regretted that the lack of technical assistance funds had frequently forced a curtailment of documentation. In Mexico, for example, a group studying the desert north of the central plateau had requested a library which had not been provided for in the annual grants to his country.
- 42. One of the resolutions on technical assistance that had been adopted by the Economic Conference recently
- held by the Organization of American States at Buenos Aires contained a proposal sponsored by the Brazilian delegation according to which the Organization of American States should request and distribute donations from Governments or private institutions. Such funds would be used to grant universities and special institutes non-interest-bearing loans for acquiring technical equipment and for research purposes. TAC might study how the Executive Chairman of TAB could start such a fund.
- 43. His delegation felt that administrative measures of the kind he had outlined would further the progress of the Programme without increasing the financial contributions of the Member States.

The meeting rose at 5.30 p.m.