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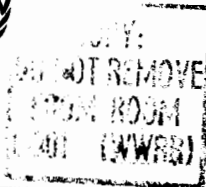
THIRTY-SIXTH SESSION

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SECOND COMMITTEE

38th meeting

held on

Friday, 13 November 1981

at 10.30 a.m.

New York

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SUMMARY RECORD OF THE 38th MEETING

Chairman: Mr. VERCELES (Philippines)

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AGENDA ITEM 70: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (continued)

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The meeting was called to order at 10.50 a.m.

AGENDA ITEM 70: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (continued) (A/36/3/Add.12 and Corr.1 and Part II and Add.29; A/36/101 and Corr.1 and Add.1, A/36/478 and Corr.1; E/1981/48, E/1931/61)

1. Mr. TURJANSKY (Ukrainian Soviet Socialist Republic) said that his delegation wished to review the results achieved by UNDP, the main body responsible for operational activities for development, in the light of the report of the Governing Council of UNDP on its twenty-eighth session (E/1981/61/Rev.1) and the note by the Secretary-General (A/36/478) which contained useful information and statistics to supplement the presentation made on 9 November by the Director-General for Development and International Economic Co-operation and the Administrator of UNDP. The purpose of that review was to determine the progress made in solving the problems of development and in restructuring international, economic and social relations on a just and democratic basis.

2. An analysis of the documents showed that UNDP was providing useful assistance to the developing countries and that there had been an increase in the operational activities and humanitarian assistance provided to the countries in critical situations and in rendering assistance to the Palestinian people and the colonial peoples struggling for their national liberation. It was necessary for the Administrator of UNDP to continue increasing his assistance in those areas. It was apparent from document A/36/478 that the operational activities of the United Nations system were being carried out in more than 160 countries and territories, and he wondered whether their efficiency would be commensurate with their remarkable expansion. Unfortunately, the data available seemed to indicate the contrary if efficiency were taken to mean adapting UNDP resources to the needs of countries.

3. In order to improve their efficiency, it was essential to eliminate the defects noticeable in geographical distribution whenever the services of experts were hired for field operations and vacancies in UNDP were filled. Although his delegation had repeatedly drawn attention to that situation, experts from the Western countries continued to be hired and the human resources of the socialist countries were not being utilized; it was therefore necessary for the Administrator of UNDP to take steps to remedy that intolerable situation and to prevent UNDP from serving as a channel for the infiltration of transnational corporations and foreign private capital into the economies of the developing countries.

4. He then referred to the technical assistance provided by the Ukrainian SSR to the developing countries of Africa, Asia and Latin America, the effectiveness of which had been recognized by the recipients and which consisted in the exchange of scientific and technical information, the admission of fellowship-holders and students from the developing countries to educational institutions in the Ukrainian SSR, the assignment of Ukrainian teachers, experts and scientists to those countries and the holding of international seminars and symposia which had

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(Mr. Turyansky, Ukrainian SSR)

earned the gratitude not only of the participants themselves but also of the United Nations Secretariat. Of the 15,000 foreign students in the Ukrainian SSR, 9,000 came from developing countries; in the course of 30 years the Ukraine had provided training for 30,000 specialists from 114 countries. In conclusion, he emphasized the universality of UNDP, the voluntary nature of the contributions to its activities, adding that the decision to contribute to the Programme was a prerogative and an internal matter for each of the countries concerned and that no one had the right to interfere in those decisions.

5. Mr. BHANDARI (Bhutan) said that operational activities for development were an expression of the international community's desire to promote the economic and social development of the developing countries. While the General Assembly had recognized the important role of those activities, Bhutan was deeply concerned at the lack of adequate financial resources made available to organizations such as UNDP, UNFPA, UNICEF, UNCDF and WFP for assisting the developing countries. Document A/36/478 indicated that, in recent years, almost all funds dependent upon voluntary contributions had been experiencing a slow-down and even a decline in real terms in the growth of contributions.

6. It was disturbing to note, as confirmed at the recent Pledging Conference for Development Activities, that the great majority of developed countries, which had sufficient economic capacity, had failed to reach the agreed targets for contributions, whereas the developing countries had gradually increased their voluntary contributions despite the absence of any significant improvement in their economic situation. The developing countries had also stepped out their contributions for the implementation of programmes and projects through local cost-sharing and increased responsibility in national project management.

7. The Secretary-General's report also indicated a trend towards erosion of multilateral economic co-operation within the United Nations development system although that co-operation had proved highly effective. Member States should not move away from such co-operation or fail to provide adequate support for the United Nations development system, and his delegation urged all countries to reaffirm their full support of the system and to provide it with adequate financial resources.

8. Continued efforts were required on the part of Member States and the organizations concerned to make the system more efficient and, in particular, to prevent duplication of functions, to reduce administrative and support costs and to co-ordinate the activities carried out by the various organizations. Further efforts were also needed to improve the present system of review and monitoring of programmes and projects at the field level in order to achieve optimum use of the limited resources available and improve the over-all quality of multilateral assistance. At the same time, he shared the concerns expressed in the Committee concerning the dangers affecting the quality of programmes and projects due to excessive emphasis on the reduction of administrative and support costs and underlined the necessity for operational activities to concentrate on the development of human resources since most developing countries suffered from a lack of trained manpower.

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(Mr. Bhandari, Bhutan)

9. He was impressed by the quality of service provided by the Volunteers Programme in Bhutan, adding that, although the Programme had been in operation in his country for less than two years, it was already proving to be one of the important avenues for meeting short-term requirements for skilled manpower. In 1981 the governing bodies of UNDP, UNFPA, UNICEF, UNCDF and WFP had approved a number of programmes and projects for Bhutan which formed an integral part of its fifth five-year social and economic development plan. Hence any disruption in the implementation of those programmes and projects due to a lack of financial resources would have serious effects on Bhutan's development process.

10. Mr. BA-ISSA (Democratic Yemen) said that operational activities for development were particularly important because they constituted real and tangible evidence of multilateral economic co-operation. Given the critical international economic situation and the deterioration in economic and political relations, those activities should contribute towards the establishment of the new international economic order. Because of its abundant experience and resources, UNDP had a key responsibility, among the funds, organs and organizations of the United Nations, for promoting the self-sufficiency and consolidating the development of the developing countries and ensuring their balanced and steady evolution.

11. Obviously it was necessary to improve the capacity and efficiency, and reduce the costs, of the operational bodies in order to enhance their function; close co-operation among them must also be ensured to obviate duplication. The main need, however, was to make sure that they had the resources necessary for their operation at a time when a dangerous trend to reduce them was emerging. Without sufficient resources some activities would have to be interrupted and others would totally disappear. Moreover, resources must be provided in such a way that the programmes benefiting the developing countries could be planned over the medium and long terms. Whatever the excuses of the developed countries which benefited from the current situation, failure to increase contributions would inevitably affect the international co-operation required to enable the developing countries to deal with their critical situations and was contrary to the provisions of the International Development Strategy.

12. The assistance rendered must be in line with the real needs of the recipient countries and with their national priorities so that they could achieve self-sufficiency, build their infrastructures, develop their resources, realize their manpower potential and improve the living conditions of their citizens. It was unacceptable that aid should constitute a form of extortion or threat or a means of laying down conditions, as some countries were trying to do, however much they tried to cover up their intentions by vague affirmations. National and international pressures were a real danger and market forces were no solution to the current crisis which they themselves had created; hence generous aid was necessary to solve the crisis. In conclusion he referred to the constructive role played by UNDP, UNICEF and WFP and expressed thanks for the assistance given to liberation movements struggling against colonialism, racism and zionism.

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13. Mr. QUINLAN (Australia) welcomed the report of the Director-General for Development and International Economic Co-operation (A/36/478, annex), which contained a considerable body of statistical data and facilitated the task of donor and recipient countries in evaluating the current situation in respect of operational activities for development. The Director-General's statement of 9 November had been equally informative in that respect.

14. His delegation had two observations to make concerning the Director-General's report. First, it welcomed the Director-General's intention to use future annual statistical reports as a means of alerting the General Assembly to significant developments affecting the system's operational activities that appeared to warrant being given attention in advance of the comprehensive policy review of operational activities for development called for in resolution 35/81. Second, the information provided on the measures taken by the executive heads of relevant organizations was helpful in reminding the Committee of the different perspectives brought to bear on development activities by the organizations concerned.

15. The report indicated the problems that arose in seeking to co-ordinate and streamline operational activities, and underlined the need for redoubled efforts to overcome structural or systematic difficulties so as to assure the maximum flow of resources to actual projects and away from administrative and service support areas. It was imperative that all members of the United Nations family should contribute to the attainment of the goal of development and that resources should not be wasted by duplication of effort or competition between the different organizations. The role of the resident co-ordinators was particularly important in that regard.

16. The statistics given in the report did not present a complete picture of resources being devoted to development activities, for that would require including official development assistance figures as a whole. Of the \$800 million which Australia devoted to official development assistance, only about \$20 million was provided through the New York-based United Nations agencies, although its contributions were higher in the area of food aid, especially the World Food Programme, and in the case of the World Bank and the International Monetary Fund.

17. However, Australia's assistance was mainly provided bilaterally or regionally. It was fashionable to argue that multilateral aid was more productive and effective, but Australia did not support that view; in fact, it could say that many recipient countries seemed to prefer bilateral assistance. Australia's bilateral assistance was always given in response to specific and defined needs of recipient countries, there were no strings attached, and it was concentrated mainly on the countries of the region. Australia was convinced of the complementarity between bilateral and multilateral aid in pursuit of the common goal of self-sustaining development.

18. Australia, which in any case was increasingly supportive of United Nations agencies, recognized UNDP as the major organization for the delivery of technical assistance and had raised its 1981 contribution to \$10 million, which represented an increase of 36 per cent over the preceding year. It also supported UNDP's

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(Mr. Quinlan, Australia)

efforts in support of technical co-operation among developing countries, and shared the general concern at the difficult situation confronting the Programme with respect to resources. Australia had also increased its 1982 contribution to UNFPA by almost 70 per cent, and regarded UNFPA as the leading international organization in the field of population programmes. Australia believed that there was a continuing need to co-ordinate family planning activities with social and economic development and was pleased to note that UNFPA was continuing to involve other United Nations in regional and country programmes.

19. With regard to UNICEF, Australia had increased its contribution for 1982 by 46 per cent as compared with the previous year. The budgetary difficulties of the Fund were well known, but he was confident that the decisions taken by the Executive Board at its October session would provide a sound basis for planning. The question of enlarging the Executive Board was still pending and Australia hoped that there would be progress towards an early settlement of that matter.

20. In recent debates in the Committee much emphasis had been placed on the universality of operational activities, and it had been argued that that was a basic principle by which the functioning of United Nations bodies should be guided. However, those who so stoutly defended that principle should take stock of their own commitment to that principle, for genuine universality required a real contribution to the financing of development activities, and to date the greater part of that contribution had been made by a limited number of donor countries, which did not include the developed socialist countries despite the fact that they had sufficient resources to enable them to increase considerably their contribution to development assistance.

21. Mr. MARDOVICH (Byelorussian Soviet Socialist Republic) said that the purpose of operational activities should be to overcome as quickly as possible the relative backwardness of the developing countries and to establish equitable and just international economic relations on the basis of the progressive decisions adopted by the United Nations, such as the Charter of Economic Rights and Duties of States and the Declaration and Programme of Action on the Establishment of a New International Economic Order.

22. It was cause for satisfaction that UNDP had succeeded in making more efficient use of the resources at its disposal, including contributions in national currencies, that more attention was being given to monitoring the execution and cost of projects, and that the number of regional and interregional programmes had increased. However, UNDP still had problems to solve; in particular it should increase its efficiency still further and reduce its administrative costs, which were still high, especially in some executing agencies. Increasing the efficiency of UNDP would depend on the extent to which the principles of universality and of the voluntary character of contributions were respected, on providing assistance to all countries, regardless of their economic and social system, and on making use of the resources existing in all of them.

23. In that connexion, his delegation rejected the baseless statements made concerning the contributions of certain countries, contributions which were made

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(Mr. Mardovich, Byelorussian SSR)

in full conformity with the financial regulations in force. The experience of the United Nations Industrial Development Organization and of UNICEF showed that the supposed difficulties created by contributions in national currencies had been groundlessly exaggerated. Also, the fact could not be overlooked that the great possibilities to be found in the socialist countries for providing assistance to developing countries had not yet been exploited to the full.

24. The attempts to use the activities of UNDP and other assistance bodies as a means of exerting pressure on certain countries were inadmissible, and there was no justification whatever for interrupting the execution of projects in certain developing countries, in violation of decisions of the relevant governing bodies. The Byelorussian SSR noted with satisfaction that UNDP and other aid programmes had provided assistance to the national liberation movements recognized by the Organization of African Unity, to the Palestinian people and to Lebanon, and UNDP had also co-operated with various countries despite the opposition manifested in that regard by some Western countries and China.

25. The Byelorussian SSR was in favour of establishing close co-operation between UNDP and other organizations within the United Nations system in order to ensure greater efficiency in the conduct of their activities and greater co-ordination and to avoid duplication of effort. However, it thought that caution should be exercised in regard to the establishment of relations of co-operation with certain bodies, such as the World Bank, where one group of countries clearly predominated and was able to ensure that those bodies defended its interests. Also, UNDP should exercise strict control over the use of its funds in order to prevent the transnational corporations and foreign private capital from pretending that they were operating in the developing countries on behalf of the United Nations.

26. Staff should be recruited locally for the execution of projects, and the objective of training the human resources of countries receiving assistance should be pursued in all cases. UNDP assistance should be in keeping with the economic and social development priorities of the recipient countries and should be aimed at helping them to make use of all their resources.

27. The performance of UNICEF's activities continued to be satisfactory, and it was especially gratifying to note the assistance the Fund had provided to the peoples of Kampuchea and other Asian and African countries. More energetic action should now be taken to reduce UNICEF's administrative costs, and both UNICEF and UNDP should seek to achieve a better balance in recruiting experts from various countries, especially the socialist countries, for work both at Headquarters and in the field.

28. The fact that operational activities were intrinsically linked to the general international situation must be kept in mind. The acceleration of the arms race as a result of actions taken by the imperialist forces in response to the trend of national economies reduced the availability of assistance. In view of the relationship between disarmament and development, the General Assembly must therefore reiterate the call it had made, in the last preambular paragraph of its

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(Mr. Mardovich, Byelorussian SSR)

resolution 35/81, for Governments to take effective measures in the field of real disarmament that would increase the possibility of allocation of resources now being used for military purposes to economic and social development, especially the development of developing countries.

29. Mr. DE LA TORRE (Argentina) said that in recent years there had been a reduction in real resources available for operational activities, showing the effects of the international economic crisis on United Nations assistance agencies. In 1982, available resources would again fall short of the levels of financing established by the General Assembly. However, since neither a country's stage of development nor its internal economic situation was the decisive factor governing pledges for the financing of operational activities, it must be assumed that the reason for the lack of resources was the dubious notion that co-operation for development was an activity in which some gained while others lost - a notion which completely overlooked the indisputable fact that the fate of the whole depended on the fate of each of its parts.

30. For the above reasons, his delegation believed that decision 80/30 of the UNDP Governing Council must continue to be the basic instrument governing the pledges of all countries to UNDP. In 1981, Argentina had increased its contribution to UNDP by 14 per cent. In addition to solving the problem of contributions, the discriminatory manner in which UNDP resources were now allocated must also be corrected. The impact of the reduction of available funds seemed to fall almost entirely on the countries of Latin America; any distinction between developing countries which led to a reduction in international co-operation funds for the countries that were considered most developed should be eliminated.

31. His delegation reiterated its opposition to the reduction of budgets for field programmes, which were UNDP's principal activity. That reduction was accompanied by increases in administrative staff at headquarters, who were responsible only for secondary activities. Argentina was also opposed to the use of resources by specialized agencies to finance sectoral offices separate from the offices of the resident co-ordinators, which had the effect of creating an unnecessary administrative bureaucracy that in some cases served as a haven for staff not wanted at headquarters.

32. Argentina attached great importance to pre-investment activities and consequently supported Governing Council decision 81/22, which dealt with the establishment of criteria and definitions for identifying projects which could be viewed as pre-investment activities in order to assist Governments in obtaining the funds they required for subsequent investments. Argentina also particularly welcomed the fact that the High-level Committee on the Review of Technical Co-operation among Developing Countries and the Governing Council had more precisely defined policies and procedures applicable to TCDC activities which, by facilitating the achievement of collective self-reliance would allow the development objectives of developing countries to be reached.

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33. Miss COURSON (France) said that her country attached great importance to international technical co-operation, whether bilateral or multilateral, which it regarded as a manifestation of solidarity with third world countries. The report of the Director-General for Development and International Economic Co-operation (A/36/478, annex) indicated that in recent years the rate of increase of resources for operational activities had decreased considerably and that the level of those resources was now tending to decline in real terms. That situation had forced such agencies as UNDP and UNICEF to limit their activities.

34. Judging from the partial results of the latest Pledging Conference, that trend might continue, making the future of operational assistance programmes uncertain. The reduction in resources had three main causes: the excessive rise in the value of the dollar, the decrease in real terms of the contributions of the principal donor countries, and lack of interest on the part of a group of countries whose contributions to operational activities had for many years been very small and largely unusable because they were made in non-convertible currencies. In that connexion, tribute was due to those developing countries which had substantially increased their contributions.

35. At the Conference on the Least Developed Countries, her Government had undertaken to achieve by 1988 the target of 0.7 per cent of gross national product for official development assistance, excluding the French overseas departments. That undertaking meant a doubling of French assistance in real terms. In addition, her delegation had just announced large increases in France's contributions to the various operational programmes.

36. In his report, the Director-General stressed the need to ensure the availability of predictable and stable resources for programmes. Predictability and continuity were undoubtedly important, but it was not easy to meet those requirements, especially since budgets were adopted annually. In any event, it might be possible, in the medium term, and through increased co-ordination, to achieve a reasonable degree of predictability. Despite the difficulties involved, her Government would do all it could to find means of overcoming the obstacles.

37. In paragraph 32 of his report, the Director-General expressed concern at the movement of some major donors away from multilateral and towards bilateral aid and voiced the fear that a shift away from multilateralism would mark a break in the gradual evolution of international co-operation for development. Her delegation did not share that concern; it believed that development assistance was indivisible and that bilateral co-operation and multilateral co-operation were complementary, not mutually exclusive.

38. The vitality of assistance organizations did not depend solely on the donor countries. Their administrations should do everything possible to reduce administrative costs to the minimum and intensify their efforts to prevent inefficient use of resources and duplication of work, eliminate marginal or obsolete activities and harmonize procedures for action. Rigorous management of the funds allocated to development was essential if Governments were to retain confidence in the organizations of the United Nations system. It was unfortunate that chapter III of the Director-General's report gave little information about

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(Miss Courson, France)

the measures taken by the organizations in that connexion, and her delegation hoped that, the next time operational activities were discussed, fuller information would be available. The Canadian proposal that the executive heads of agencies should report on how they had implemented the recommendations of the General Assembly was useful and should be given due consideration by the Second Committee.

39. The French Government had reaffirmed its confidence in UNDP by increasing its contribution for 1982 by 29 per cent. It now hoped that the principal donors would also increase their contributions or at least maintain their level in real terms. It also hoped that the Eastern countries would fully participate in a programme to which developing countries attached the greatest importance by contributing more generously and in convertible currency. It trusted that the States members of the Organization of Petroleum Exporting Countries, which had made significant contributions to UNICEF, would express their interest in UNDP in the same manner. In short, the attitude of 29 developing countries which had increased their contributions by at least 14 per cent should be imitated by others so that UNDP could recover its vitality as the central financing and co-ordinating body for technical co-operation activities.

40. Her delegation was confident that UNDP would continue to be efficiently managed and reaffirmed that it did not favour the establishment of new funds, which only resulted in greater administrative costs and did not mean that additional resources would be available. In any case, if new funds were established, the lesser evil would be to entrust the management of them to UNDP.

41. France had recently demonstrated its support for UNICEF by increasing its contribution for 1982 by 63.8 per cent. It also intended to make similar substantial efforts in the future, and the people of France, through the National Committee for UNICEF, had contributed more than \$8 million to the Fund's general resources in 1981. Moreover, her Government was willing to consider specific projects in the execution of which it might participate. It would be unrealistic to suppose that the rate of increase in resources over the next few years would be very different from what it had been recently. In view of that, and in order to preserve UNICEF's excellent reputation, the creation of new posts, particularly high-level posts, would have to be done very cautiously and gradually.

42. Her country supported the activities of UNFPA in solving population problems and had demonstrated its interest in those activities by increasing its contribution by 104 per cent.

43. Mr. SICHONE (Zambia) said he recognized that economic difficulties were being experienced by all countries, but it was essential that those in decision-making positions of countries with sufficient capacities to contribute should be mindful of the acute needs of the developing countries. They should respect the central role of the United Nations system in providing assistance, and his delegation hoped that countries which were lagging behind in contributions to United Nations operational activities would do their utmost to meet their international obligations.

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(Mr. Sichone, Zambia)

44. The universality of UNDP's programmes gave it flexibility to assist in many areas of development, and that flexibility should be exploited to the fullest for the benefit of developing countries. It was gratifying that the new system of resident co-ordinators was progressing satisfactorily; that system must be consolidated so as not only to lessen the proliferation of United Nations activities but also to reduce the problem of setting up parallel offices.

45. The report on operational activities for development (A/36/478) provided very valuable information, in that it gave a clear perception of the trends in the level of contribution. That information should be used to encourage Governments to increase their contributions to United Nations agencies and to reassure the contributors, especially the major donors, that funds made available by them were being usefully employed.

46. The participation of UNICEF in development programmes in Zambia was very much appreciated by the Zambian people, and it was essential that adequate and assured resources should be made available to the Fund in order to strengthen its delivery system. Concerning UNFPA, whose assistance to Zambia had been quite substantial in recent years, his delegation reaffirmed its support for the World Population Conference to be held in 1984. Finally, he urged all Member States to contribute to the United Nations Special Fund for Land-locked Developing Countries, so as to enable the Fund to function as initially envisaged.

47. Mr. OULD SID'AHMED (Mauritania) said that his delegation considered United Nations operational activities a very important component of development assistance; they were an indispensable complement to the efforts made by developing countries themselves. Document A/36/478 made a valuable contribution in that field because it brought together for the first time statistics and general considerations relating to the financing and implementation of United Nations operational programmes.

48. From an examination of the document, it appeared that contributions to multisectoral programmes, for which developing countries had been seeking larger financial contributions for a number of years, had for the most part not increased as quickly as contributions to other funds. Moreover, some low-income developing countries were making proportionately greater efforts than some developed countries and other, middle-income developing countries. That had been apparent at the recent Pledging Conference, when the contributions showing an increase over the previous year had come from developing countries.

49. Table 2 in document A/36/478 showed that, in 1979 and 1980, Kuwait, Qatar and Saudi Arabia had been among the major contributors to operational activities if the per capita contribution in dollars and its relation to GNP were taken as indicators. Moreover, Saudi Arabia was the seventh largest contributor in absolute terms. Thus, everything pointed to the conclusion that the gap between political declarations and real action was widening.

50. The activities of UNICEF were of fundamental importance for the developing countries as a whole. In Mauritania, those activities focused on the provision

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(Mr. Ould Sid'Ahmed, Mauritania)

of material assistance to maternal and child welfare centres and other key sectors. UNFPA gave Mauritania priority status in its programme, and in 1979 it had assisted Mauritania in carrying out a national census. UNCDF, despite the limited resources it had thus far been able to command, was a very useful complement to development efforts. In Mauritania, the Fund had pledged financial assistance in the form of grants for the construction of secondary roads and dams, and his delegation welcomed the special role assigned to UNCDF at the Paris Conference on the Least Developed Countries. It was to be hoped that the Fund's problems, especially its administrative problems, would soon be solved so that it could apply itself to the important task entrusted to it by the international community.

51. Mr. AYUBI (Afghanistan) expressed concern over the failure of the international community to meet its obligations in providing adequate resources for development. Such resources were essential to enable United Nations agencies to effectively carry out their activities. He was pleased to note that, in the Director-General's report on operational activities for development of the United Nations system (A/36/478, annex), consideration was given to the special needs and problems of the least developed countries; in that connexion, he drew attention in particular to the contents of paragraph 25. He also expressed appreciation that, at the Conference on the Least Developed Countries held in Paris, UNDP had announced that it would grant 37 per cent of its resources during its third programme cycle to the least developed countries.

52. Many important decisions and measures had been adopted by the United Nations and related agencies, such as UNCTAD, in order to ameliorate the ever-increasing economic problems and difficulties of land-locked developing countries. One example was the establishment of the Special Fund for Land-locked Developing Countries. However, it was regrettable that the Fund had not yet become fully operational. As the representative of a land-locked least developed country, he wished to draw the attention of the Committee to the disappointing results of the recent Pledging Conference so far as contributions to the Fund were concerned. Consequently, he once again urged all those countries which had not yet contributed to do so, in order to enable the land-locked developing countries to overcome, at least partially, their acute development difficulties.

53. His delegation was fully aware of the importance of technical co-operation among developing countries as a means of strengthening their collective self-reliance and accelerating their development. In that connexion, the Caracas Declaration needed the full support of all developing countries. His delegation was of the view that UNIDO's system of consultations should be given a central role in industrial programmes. To strengthen UNIDO's central role in promoting and co-ordinating activities in the field of industrialization within the United Nations system, the organization should be supported financially. His delegation hoped that the developed countries would contribute or increase their contribution to the Industrial Development Fund with a view to achieving the annual target of \$50 million.

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54. Mr. BRODODININGRAT (Indonesia) said that the constraints on United Nations operational activities for development during the past year reflected in part the difficult situation in the world economy, and were also due to the diminishing interest of some developed countries in multilateral co-operation for development. His delegation therefore welcomed the first annual report of the Director-General for Development and International Economic Co-operation on operational activities for development (A/36/478, annex). The statistical data in the report could serve as a basis for assessing the situation and adopting objective decisions. They showed, however, that the major trends in contributions to the system's operational activities were very discouraging, being characterized by a vast disparity between targets and actual results and by a decline in growth.

55. While the international community recognized the crucial role of operational activities for sustaining and enhancing economic and social development, it was paradoxical that such recognition was being reflected to a decreasing extent in contributions on a continuous, predictable and assured basis. That was a serious threat to the activities themselves, and an added danger that multilateral co-operation would decline even further. He expressed his delegation's deep concern at the disconcerting and discouraging results of the 1981 Pledging Conference. It was to be hoped that those trends were not a signal of a change of heart on the part of the international community with regard to development assistance, but were rather a sign of the times when uncertainty and domestic economic concerns had overshadowed the sense of international responsibility. It was therefore also to be hoped that that serious threat to the life-blood of technical co-operation was transitory and short-lived.

56. If the international community wished to redress the contradiction between repeatedly professed aspirations and its failure to give material support, there was no option for it but to face the great challenge of increasing its awareness of the fundamental role played by United Nations operational activities in the crucial process of international development. His delegation therefore urged developed donor countries, particularly those whose levels of contribution were still far below their real capacity, to increase their contributions to a more commensurate level. There was also scope for increasing the small proportion of their official development assistance provided through multilateral channels.

57. With regard to the alternative of bilateral and private assistance to offset the diminution of multilateral resources, while such assistance might be useful in some cases, it could not, by its nature, replace operational activities for development or facilitate comprehensive and balanced development. With respect to the question of increasing the effectiveness of operational activities, there was a threshold beyond which reduction in administrative and support costs could prejudice the effectiveness of the delivery of assistance. As indicated in paragraph 9 of General Assembly resolution 35/81, the purpose of such a reduction was to enhance over-all efficiency in programme and project execution. As the UNDP Governing Council had recognized, the key to greater efficiency in operational activities was increased participation by Governments in project and programme execution. It was also apparent, however, that there were procedural, administrative and financial constraints that inhibited host Governments from

(Mr. Brotodiningrat, Indonesia)

assuming greater responsibility in project execution, and his delegation hoped that recommendations would be made with a view to solving those problems.

58. It was to be hoped that implementation of the system of resident co-ordinators, which was a step forward in the restructuring of the economic and social sectors of the United Nations, would enhance the coherence and effectiveness of operational activities throughout the system without weakening the 1970 consensus as far as the sovereign responsibility of recipient countries at the national level was concerned.

59. It was unfortunate that UNDP's important place in the United Nations development system had not immunized it against the prevailing international economic difficulties, and that its considerable shortfall in resources prevented it from meeting its requirements adequately during its third programming cycle. He welcomed the current year's decision by the Governing Council with respect to the intercountry programme for Asia and the Pacific and hoped that adequate resources would be available for that programme's implementation. His delegation also welcomed the encouraging results of the Administrator's consultations with countries for the adjustment of the IPFs of recipient countries according to their needs and capacities.

60. With respect to technical co-operation among developing countries, it was encouraging to note that the spirit and momentum generated at the Buenos Aires Conference on the subject had been maintained, and even augmented, in the activities of the High-Level Committee. With regard to UNICEF's operational activities, more determined support should be given to the Fund's general policy of assisting developing countries to achieve the minimum goals and objectives identified in the International Development Strategy for the 1980s, which included the reduction of infant mortality and mass illiteracy and the provision of primary health care.

61. Mr. KAFANDO (Upper Volta) observed that, without being alarmist, it could be said that the report on operational activities for development (A/36/478) clearly showed that, despite United Nations efforts to help in solving the problems still afflicting two thirds of mankind, the means for solving them were increasingly precarious and inadequate. The reason lay, however, not in the United Nations development system itself but in the attitude of those States which obstinately declined to support international co-operation when it came to providing resources. That trend had just been confirmed by the, as yet, partial results of the latest Pledging Conference.

62. The situation made the work of UNDP and of the United Nations Capital Development Fund (UNCDF), which was a highly effective instrument for assisting the least developed countries, all the more meritorious. His Government therefore hoped that UNCDF would have more resources to enable it to contribute substantially to the implementation of the new Programme of Action for the least developed countries, as decided at the Paris Conference.

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(Mr. Kafando, Upper Volta)

63. With respect to the financing of UNCDF's administrative costs, his Government, while recognizing the need for ensuring that the Fund's resources were largely used for implementing the priority projects and programmes of States, considered that the Fund should henceforth defray its administrative costs from its own resources. Taking account, above all, of the difficulties faced by UNDP, it was preferable for UNCDF to be able to determine its staffing needs on the basis of a programme derived from the over-all financial resources provided to the Fund by the international community, rather than to do so, as hitherto, on the basis of the financial resources of UNDP. That would make it possible for UNCDF to increase its capacity to respond effectively to the applications of Governments.

64. In his Government's view, UNCDF should maintain its characteristic flexibility and give greater attention to strengthening the training, transport and energy infrastructures which, in the subregion to which Upper Volta belonged, were real economic and social development bottle-necks. In that way, the Fund would help to provide countries with the essential infrastructures to enable full use to be made of the various types of assistance provided by the international community and to derive maximum advantage from the efforts made by the respective peoples to achieve development based on their own resources. In that respect, UNCDF's contributions must be supplemented by those coming from other funds administered by UNDP.

65. In Upper Volta, UNCDF was participating in two programmes that were considered essential for national development. The first project, for the enlargement of the University of Ouagadougou arose from the need to train specialized national personnel in Upper Volta in the light of national requirements, which necessitated an expansion of the existing educational infrastructure. The project would make it possible to increase the University's capacity and to effect economies in the national budget by considerably reducing expenditure on training Upper Volta students abroad and hence also the brain drain. In May 1981, a project amounting to \$5,583,280, whose implementation would make it possible to construct and equip an academy of health sciences, a higher polytechnic institute and a law academy, had been submitted to UNCDF. The Fund had agreed to participate in that project with a contribution of \$4.262 million, the balance to be provided from a national contribution of 291.595 million CFA francs and a UNDP contribution of \$155,000.

66. The second project, on the Ouagadougou-Tambao-Tin-Hrassan railway, was among the priority goals of the Government of Upper Volta; it would make it possible to exploit the mineral and other resources of the northern part of the country, and would also help to rescue the region most affected by the drought from its isolation. Tambao had important manganese deposits, and the limestone rock at Tin-Hrassan would make possible the construction of a cement factory with a capacity of 150,000 tons.

67. The activities of UNCDF and UNDP in Upper Volta in sectors as important as those referred to were a further argument in favour of providing both those bodies with the necessary funds. The recent Pledging Conference had shown the imperative

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(Mr. Kafando, Upper Volta)

need for Member States to help to mobilize those resources. The delegation of Upper Volta was pleased to announce that its Government had decided to make a voluntary contribution of 1 million CFA francs to the activities of UNCDF in 1982.

68. Mr. VILLA (Philippines) said that the debate on operational activities was taking place at a time when it had become clear that there was a need to review the ground rules on direct support from the United Nations system to the economic and social programmes of the developing countries and when there was a risk that the existing framework for multilateral co-operation was being undermined. The General Assembly was reviewing operational activities for development in response to the need to improve management procedures with a view to increasing general effectiveness.

69. His delegation shared the general concern over the increasing contradiction between the commitments undertaken and what was actually being done at present to provide resources for operational activities. The detailed information provided by the Director-General for Development and International Co-operation in his report (A/36/478, annex) confirmed the decline in real terms of the level of concessional aid, and the results of the recent Pledging Conference had clearly reflected that trend. However, it was to be hoped that the decline in the funds made available for operational activities was a passing trend resulting from budgetary restrictions. Otherwise, serious damage would be caused to the many agencies set up over the years with responsibility for operational activities, whose purpose was to increase the capacity of countries to take autonomous decisions.

70. The Committee's task was to ensure that Governments understood the role of operational activities. One significant area of agreement was that operational activities of the system should be carried out without prejudice to private investment. In the Philippines and in the ASEAN region, for example, there was no basic conflict between increased flows of resources to development aid and the encouragement of private investments. In fact the two activities were closely linked and complemented each other. Thus the creative link between development aid and investments should be taken into account by the governing bodies and executive heads of the agencies, by Member States, and by the Director-General, when he prepared his next comprehensive policy review in 1983.

71. As to improving management procedures, reducing administrative and other support costs, and increasing general efficiency in the execution of programmes and projects, his delegation welcomed the commitment of executive heads and governing bodies of the United Nations system to make concerted efforts to use funds with due regard for cost-effectiveness. However, in standardizing procedures it would be desirable to seek measures of cost-effectiveness that would allow greater comparability between the widely varied United Nations operational activities. In the same connexion, his delegation considered that the synthesis of information on measures reported by executive heads and referred to in document ACC/1981/27 (see A/36/478, annex, para. 56) was too general, although it provided useful information about the specific measures requested in resolution 35/81 in the light of section V of the annex to General Assembly

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(Mr. Villa, Philippines)

resolution 32/197. Moreover, it was important to establish a limit beyond which further lowering of support costs began to have an adverse effect on the effectiveness or quality of the aid provided. There must be substantial evidence of those threshold levels, and it would be very useful if the comprehensive review in 1983 provided estimates of those levels.

72. An increasingly continuous, predictable and assured flow of resources was needed, and perhaps the time had come to look more closely at the various proposals made in the United Nations and other forums with that aim. They included a flow of development assistance from assessments of arms sales, international taxation on the exploitation of ocean resources, a brain-drain tax, and the linking of Special Drawing Rights to development aid. Another important means of augmenting resources would be increased expenditures financed by developing countries for programmes and projects within their own territories. The Philippines, for example, had mobilized significant resources as counterpart funds to support United Nations operational activities, with the result that between 1979 and 1980 it had been possible to show a growth in contributions of over 30 per cent and an increment in expenditures of 25 per cent.

73. The Philippines supported the system of resident co-ordinators designed to achieve a multidisciplinary and integrated approach to development. Their key function was to facilitate the integration of United Nations assistance into the Government's own development programmes, thus ensuring that aid was geared to the priorities in each country. It seemed better to adopt an experimental approach rather than rigid guidelines, so that experience could show the type of specific measures that should be taken.

74. The CHAIRMAN said that, at the request of a number of delegations, if there were no objections the deadline for the submission of proposals on agenda item 70 would be extended to 6 p.m. on Tuesday, 17 November.

75. It was so agreed.

The meeting rose at 1 p.m.