

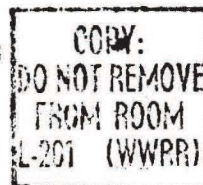
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SECOND COMMITTEE
4th meeting
held on
Thursday, 30 September 1982
at 3 p.m.
NEW YORK

SUMMARY RECORD OF THE 4th MEETING

Chairman: Mr. FAFOWORA (Nigeria)



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The meeting was called to order at 3.25 p.m.

ORGANIZATION OF WORK

1. The CHAIRMAN drew attention to the information provided to delegations concerning the allocation of responsibilities between the two Vice-Chairmen of the Committee with regard to the co-ordination of informal consultations. Drawing the attention of the members of the Committee to paragraph 10 (e) of General Assembly resolution 2538 (XXIV), of 11 December 1969, he said that the cost of reproduction of speeches or statements in the six official languages of the Assembly was \$400 per page. He also drew attention to the decision taken by the General Assembly at the beginning of the current session not to reproduce in extenso statements made in a Main Committee.

AGENDA ITEM 72: OPERATIONAL ACTIVITIES FOR DEVELOPMENT

(b) UNITED NATIONS DEVELOPMENT PROGRAMME

2. Mr. MORSE (Administrator, United Nations Development Programme) stressed the key role, in the context of operational activities for development, of the Second Committee, which had set and guided international development strategy for over two decades. When that strategy and the mechanism created by the General Assembly faltered for lack of support, it was consequently the Committee that had to devise measures to correct the process.

3. Official development assistance had declined significantly in real terms in 1981, as had the share of that assistance disbursed through international institutions. The position of the United Nations Development Programme, entirely dependent upon voluntary contributions, was especially grave. Although a target had been established of 14 per cent annual growth in voluntary contributions to the Programme in its third development co-operation cycle, in 1981 such contributions had actually declined by 6 per cent in nominal terms and significantly more in real terms. By the most optimistic estimates, the resources available would be insufficient to deliver even 60 per cent of the illustrative indicative planning figures which the Governing Council of UNDP had identified for the third programming cycle. If that trend continued, it would result in a reduction in real terms of 25 per cent for the third cycle as compared with the second. As the Minister for Foreign Affairs of Norway, one of the most generous donor countries, had remarked, the repercussions of the decline in resources on the executing agencies of the United Nations system, which recruited expertise for technical co-operation, were enormous.

4. UNDP's financial crisis would also have repercussions on developing countries beyond the cuts in their development programmes. One of the distinctive characteristics of projects financed by UNDP was the major counterpart contribution provided by recipient countries. That contribution, which on average exceeded the value of UNDP's own inputs, necessitated a multiyear resource commitment on the part of developing countries. If UNDP was unable to provide for those countries

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(Mr. Morse, UNDP)

a steady and predictable source of financing, their already strained budgetary and staffing processes were disrupted. Furthermore, the reduction in programme delivery which UNDP was being obliged to make owing to its lack of resources was likely to shatter irreparably the progress made during the two preceding cycles.

5. In that context, he stressed that developing countries were making a relatively greater effort than the principal donors to the Programme in terms of the annual increase in UNDP's resources. Although the amount of their contributions remained small, such an effort by developing countries reeling from domestic inflation and the increased cost of imports increased their value and bore witness to their constant support for UNDP. In that regard, he referred to the statements in the General Assembly of the Minister for Foreign Affairs of Egypt, Sierra Leone and Tunisia, who had stressed the serious repercussions which UNDP's financial situation could have on the implementation of developing countries' programmes and multilateral co-operation. The Secretary-General, in his report on the work of the Organization (A/37/1), had also warned of the crisis in the multilateral approach in international affairs and the concomitant erosion of the authority and status of world and regional intergovernmental institutions.

6. For more than 30 years the General Assembly had moulded, on the basis of the Charter, an international development co-operation system which was for hundreds of millions of people the world over the symbol of economic and social progress and the struggle against hunger, poverty and disease. UNDP, which served 154 developing countries and autonomous territories, enlisted a broad range of international experts, comprised a vast network of development offices, promoted technical co-operation among developing countries and offered its assistance to development organizations of every kind, epitomized, more than any other organization, the multilateral, co-operative dimension of the United Nations and the moral commitment of the international community to development aims.

7. Over the years that same international community had come to see that, as the World Bank had stressed in its latest World Development Report, the developing countries largely depended for growth on the development of their human and institutional resources, a field at the heart of UNDP's technical assistance. Even the return on investment projects, which absorbed 80 per cent or more of official development assistance, was dependent on the human and technical capacities available.

8. UNDP had not been established to compete with bilateral development assistance but rather to be - what it had in fact become - a partnership of equality between developing and developed countries, which, through the expertise of a third group of partners, the specialized agencies, delivered vitally needed technical co-operation in almost every sector to developing countries in their pursuit of self-reliance. Despite its financial difficulties, UNDP remained the world's largest source of multilateral grant technical co-operation. The transfer and adaptation of human and institutional skills was not an easy task but it continued to be of quintessential importance to the development endeavour, as evidenced by the increase in the proportion of World Bank loans for technical assistance.

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(Mr. Morse, UNDP)

Unfortunately, owing to their mounting debts and an unfavourable international economic climate, the developing countries were being forced to cut back on their own investments in the development of human resources.

9. In order to illustrate the effects which the cut-backs in UNDP programmes were having on developing countries, he cited the example of the Sudan. Delivery in that country in 1982 would be 40 per cent lower than in 1981, with zero real growth projected to the end of the third cycle in spite of an illustrative IPF for the Sudan for 1982-1986 that was 71 per cent larger than the second cycle IPF. As a result, no new project would be initiated until the end of 1984 and many projects would be postponed or terminated. The United Nations system was one of the very few providers of technical co-operation in the real sense of the word in the Sudan. The country depended almost totally on UNDP assistance in such sectors as planning and administration, aviation and telecommunications, and relied heavily on it for vocational training, agricultural extension and education planning - all areas in which it was extremely difficult to find alternative assistance on a short-term basis. In addition to the Sudan, other least developed countries like Rwanda, Haiti, Indonesia and Zambia had also suffered from cut-backs in UNDP expenditures.

10. As the Director-General for Development and International Economic Co-operation had emphasized in his statement to the Second Committee, United Nations technical co-operation was brought to bear not only on the sectors which the international community had identified as meriting particular attention but also on the countries most in need, in particular the least developed countries. It followed that the reduction of UNDP resources would adversely affect the implementation of the Substantial New Programme of Action for the Least Developed Countries. Because too many Governments were not keeping their commitments with respect to the financing of multilateral development activities, the needs of hundreds of thousands of people in the developing countries would go unmet between now and the end of the third cycle. And yet the developing countries as a group were going through a painful period of adjustment to the current global economic situation, which required better management of increasingly scarce resources and, consequently, an increase in technical co-operation. That could not, however, become a reality unless Governments reaffirmed their commitment to the aims and purposes of multilateral technical co-operation.

11. As noted in the report of the World Bank on world development, there was no disputing the worth of investment in human resources development. The quality of results obtained by UNDP-supported technical co-operation in that respect was certainly no less impressive than that obtained in any other parallel endeavour. The quality of UNDP-supported technical co-operation had advanced steadily with accumulated experience, which the Programme now systematically evaluated for application in future projects. He was confident that, given adequate financial support, UNDP could perform the central funding and co-ordinating role which the Second Committee had assigned to it.

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(Mr. Morse, UNDP)

12. In that connection, he noted the statement made in the Second Committee by the French Minister for Co-operation and Development, to the effect that the central role of UNDP should be strengthened because co-ordination and effectiveness of bilateral assistance programmes required the presence of a strong and cohesive multilateral interlocutor. He noted with satisfaction that France intended to increase its contribution to UNDP and to contribute to the Special Measures Fund for Least Developed Countries, which UNDP administered. He also welcomed the statements made by the Minister for Foreign Affairs of Denmark, on behalf of the European Economic Community, and by the Minister for Foreign Affairs of Finland, in which they had expressed their support for UNDP. It was to be hoped that many more Governments would also express their confidence in UNDP during the weeks ahead.

13. One of the advances made by UNDP had been the establishment by the Governing Council of an Intersessional Committee of the Whole to study options and recommendations to strengthen the effectiveness of the Governing Council itself. The first meeting of the Committee of the Whole, which had also addressed itself to the immediate short-term resource requirements for UNDP, gave indications that progress was being made toward achieving the predictable, assured and continuous basis of financing which had so long been the object of the Second Committee's concern. Recalling that in paragraph 4 of section I of its decision 82/5, the Governing Council had invited the General Assembly at its thirty-seventh session to consider the financial situation of UNDP, he expressed the hope that the Committee would make every effort to obtain additional supplementary pledges to meet short-term needs and the full payment of regular and supplementary pledges as early as possible.

14. UNDP and its staff had always worked diligently to keep abreast of ever-changing circumstances in the international development effort but there came a time when the most critical problems had to be dealt with by Governments. It was wholly inappropriate to place bilateral development assistance on one side and the unique machinery for world co-operation which was UNDP on the other side of the same scales, since they complemented, rather than competed with, each other. The United Nations Development Programme must indeed meet - and set - the highest standards of effective and impartial co-operation. It could not be tolerated that a unique programme like UNDP, the establishment of which had been envisaged in the Charter, should, in a period of economic difficulty, be the first to be neglected and the last to be protected. Bilateral co-operation by its nature could absorb cyclical adjustments but the same was not the case with a multilateral co-operation system such as UNDP. The present generation had a duty to hand on to those which would succeed it constructive and lasting machinery for implementing the provisions of the Charter of the United Nations.

15. The CHAIRMAN thanked the Administrator of UNDP for his eloquent statement and expressed the hope that Governments would respond to the urgent appeal he had made.

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AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

16. Mr. ADEDEJI (Executive Secretary, Economic Commission for Africa) said that, at its current session, the Second Committee had the difficult task of finding solutions to a range of issues of vital significance for Africa, the developing countries and the world community of nations as a whole. Its work would have a bearing on the stability of the world economic order and hence on the establishment of lasting peace.

17. It was regrettable that, far from improving, economic and social conditions had rapidly worsened in the world at large and in Africa in particular. Leaders of the industrialized countries were struggling to pull their economies out of a slump by accelerating economic growth, increasing levels of employment and combating inflation and high interest rates. Leaders of African countries, whose economies were increasingly dependent on those of the industrialized market-economy countries, were trying to do likewise. That was why most of them were still beset by a crisis that was the product of four major factors: a chronic food deficit aggravated by serious drought; the energy crisis; deteriorating terms of trade with consequential balance-of-payment deficits; and mounting external debt burdens.

18. It was, therefore, no wonder that the Economic and Social Council had recommended that the General Assembly should, at its current session, add 5 more African countries to the 21 already officially classified as least developed. If that recommendation was adopted, 52 per cent of the membership of ECA would officially be classified among the wretched of the earth, and, unless the international community moved fast to assist Africa in arresting the rapidly deteriorating economic and social situation, that percentage would perforce increase in the years ahead.

19. Africa was now faced more than ever before with survival problems of great magnitude: how to save the lives of those threatened by famine in a chronic food shortage situation; how to pay the external creditors when large quantities of food had to be imported; how to pay the high price of crude oil and petroleum products which were vital to the nascent industrial efforts and how to overcome the refugee problem which was becoming critical to some countries in Africa. At the same time, Africa must lay the foundation for long-term transformation of its economy, based on the twin principles of collective self-reliance and an internally generated endogenous process of development.

20. In that connection the African Heads of State and Government were committed to implementing the Lagos Plan of Action and Final Act which provided a basis for restructuring the economy of Africa in such a way as to weaken its external dependence. That meant that African countries must shift from complete reliance on earnings from one or two export crops; must make serious efforts to feed their people with indigenous foodstuffs and must lay a sound industrial foundation to produce products which Africans desired to consume and which might be produced for trade within Africa. The establishment of such a base was conditional upon the ability of those countries to exploit their abundant natural resources and that, in itself, presupposed development of the human resource skills required for that purpose. It also meant that domestic as well as intra-African trade must be

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(Mr. Adedeji, ECA)

developed, that the transport and communications infrastructure must be established - since that was essential for the development of trade - and that technocrats must be made to realize fully the importance of subregional and regional economic groupings.

21. Africa's food output continued to suffer each year through a combination of factors such as the persistent drought which was spreading to several regions, the high level of post-harvest losses, the erosion of soils through torrential rains and poor reafforestation practices, insufficient investment and inadequate attention to the needs of women who produced most of Africa's food.

22. It was in recognition of that fact that the Regional Food Plan for Africa had been prepared jointly by FAO and ECA. The Plan proposed policies and programmes for food development at the national and intergovernmental level. The Lagos Plan of Action also accorded top priority to food self-sufficiency which could only be realized if member States increased their food availability through increased food production, reduction of post-harvest losses and through mass media campaigns and food security programmes. The Commission had decided to assess the activities undertaken by 40 African intergovernmental organizations directly or indirectly involved in food development. The assessment covered the following fields: land and water resources development; development and distribution of improved seeds; control of pests and diseases affecting crops and livestock; marketing, food storage and processing; food-oriented research and training; integrated rural development and food trade. The Commission also continued to advise Governments on actions required to implement the Lagos Plan of Action as it pertained to the field of agriculture.

23. The Second Committee had recognized the crisis situation in that field and, at its initiative, the General Assembly had adopted resolutions 35/69 and 36/186. In accordance with those resolutions, the Secretary-General had submitted a report on the latest position of food problems in Africa. The report made it clear that, while some significant progress had been made, Africa was not yet out of the food crisis and that the prospects were not particularly encouraging.

24. The industrialization of the continent was one of the main pillars of African economic development and, in resolution 35/66 B, the General Assembly had recognized the importance of that issue and had proclaimed the 1980s as the Industrial Development Decade for Africa.

25. In furtherance of that resolution, the secretariats of ECA, UNIDO and OAU had helped African countries to draw up the Decade Programme which had been modified and adopted by the Sixth Conference of African Ministers of Industry, in November 1981, and submitted to the eighth meeting of the ECA Conference of Ministers, held in Tripoli, in April 1982. The Ministers had endorsed the Programme which had also been approved by the Industrial Development Board of UNIDO.

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(Mr. Adedeji, ECA)

26. In furtherance of the objectives of the Decade, the three organizations had asked UNDP to finance a project estimated to cost \$3,896,000 over four years. Unless regular budget resources were provided to both ECA and UNIDO, they would be unable to discharge effectively their responsibilities under the Decade. The Economic and Social Council had strongly endorsed that view in resolution 1982/66 B.

27. In the area of subregional co-operation, the Commission had been intimately involved in all the negotiations and preparations that had led to the establishment of a Preferential Trade Area for Eastern and Southern Africa. The Heads of State and Government of the countries of those regions had met in Lusaka, Zambia, on 21 December 1981, to consider, adopt and sign the Treaty for the establishment of that area. So far, 12 countries had signed the Treaty and the remaining 6 were expected to do so sooner or later. ECA, which had been requested to serve as the interim secretariat until the end of 1982, had organized and serviced the first meeting of the Council of Ministers held in June 1982 and would act similarly in respect of the meetings of the subsidiary bodies of the Preferential Trade Area scheduled to be held in October and November 1982. In December, the Heads of State and Government of the countries of the Preferential Trade Area were expected to meet again to appoint the Secretary-General of the organization and to take other necessary steps for the Treaty for the establishment of a Preferential Trade Area to come fully into force on 1 January 1983.

28. Buoyed by that experience the 11 Heads of State and Government of the countries of Central Africa had committed themselves, in the Libreville Declaration of 19 December 1981, to the creation of a Central African Economic Community. It was hoped that the Council of Ministers, which had been entrusted with the conduct of negotiations, would soon agree upon the creation of such a community.

29. The prime instruments available to ECA in its efforts to promote socio-economic integration in Africa through subregional and regional co-operation were the Multinational Programming and Operational Centres (MULPOC) which had been established pursuant to the Conference of Ministers resolution 311 (XIII) of 1 March 1977. The contribution of those centres to subregional economic integration had been consistently recognized, in particular, by joint UNDP/ECA evaluation missions and by the Joint Inspection Unit. Unfortunately, effective implementation of the MULPOCs' work programmes had been hampered by the inadequacy of the resources made available to them. It was in recognition of that fact that a report on the financing of the MULPOCs on an established basis had been submitted to the Economic and Social Council and, in resolution 1982/62, the Council had invited the General Assembly to examine the proposals contained in that report. It was the expectation of African Governments that the Second Committee would give its full support to the proposals for financing of the activities of the MULPOCs under the regular budget for it was clear that ECA could not finance those centres alone. Moreover, to deny them such resources would seriously jeopardize the future of the MULPOCs which were so necessary to Africa and would render implementation of the Final Act of Lagos and of the International Development Strategy for the Third United Nations Development Decade impossible. While extrabudgetary resources would continue to be mobilized, they were no substitute for regular budgetary support and what the Secretary-General had requested was the basic requirement.

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(Mr. Adedeji, ECA)

30. Additional efforts had been made by the Commission in assisting African Governments to build a network of regional, subregional and intergovernmental institutions, dealing with such disciplines as economic planning, technological training, engineering design, business management, demography and banking and finance, the common objective of which was to further the economic integration of the continent. In that connection, he referred to the Regional Institute for Population Studies and the Institut de formation et de recherche démographique situated at Accra, Ghana, and Yaoundé, United Republic of Cameroon, respectively, adding that their statutes had been devised by the ECA Conference of Ministers and would be submitted to the General Assembly for approval during the current session.

31. In its efforts to promote economic growth and development, ECA had provided Governments with advisory services for training purposes, through seminars and workshops and the award of fellowships; it devoted special attention to the training of trainers, non-formal education and the creation of income-generating skills.

32. The physical integration of the continent through the building of a sound transport and communications infrastructure was the adhesive needed to bind together the efforts being made in agriculture, industry and trade. In recognition of that fact, the General Assembly had, in resolution 32/160, proclaimed the United Nations Transport and Communications Decade in Africa, which had laid the foundations for the development of a rational transport and communications system in Africa.

33. The initial programme under the Decade consisted of some 771 projects together costing approximately \$8.9 billion. As a result of the General Assembly's financial support, four consultative technical meetings had been organized in search of funds to finance the first phase of the programme. The ECA Conference of Ministers had recommended holding another such meeting in 1983; that recommendation had been supported by the Economic and Social Council in resolution 1982/54. He hoped, therefore, that the members of the Committee would support the Council resolution.

34. It was gratifying to note that a large part of the resources for the first phase of the programme had come from African Governments together with many industrialized countries and financial institutions, and it was to be hoped that the developed countries that had not yet contributed would do so. The programme for the Decade was a vast undertaking, but all African and several developed countries were fully committed to the achievement of its objectives. In that connection, he drew attention to Economic and Social Council resolution 1982/57 on the establishment of a Europe-Africa permanent link through the Strait of Gibraltar. Work on the second phase of the Decade programme was well in hand, and a report on it would be submitted to the General Assembly at the following session.

35. Mention also needed to be made in that context of Economic and Social Council resolution 1982/61, dealing with the particular problems facing Zaire with regard to transport, transit and access to foreign markets. It was essential that the

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Committee should adopt that resolution and also make the necessary budgetary resources available for the organization of the round-table meeting mentioned in the resolution.

36. The Joint Inspection Unit had completed its in-depth study of the Economic Commission for Africa, concentrating particularly on such issues as regional programming, operations, restructuring and decentralization. Having considered the study, the Economic and Social Council had adopted resolution 1982/63, requesting the General Assembly to consider appropriate measures to ensure the effective and efficient implementation of the JIU recommendations, as modified by the Secretary-General. He urged the Committee to support those recommendations.

37. Finally, the need for a decision on the expansion of the conference facilities at ECA was more urgent than ever. The existing conference facilities had been provided by the Ethiopian Government in 1958, when the membership of the Commission had been less than 30. ECA's current membership stood at 50 and, given the constantly increasing scope of its activities, he hoped that the Committee would support the Economic and Social Council's recommendations on the subject so that a favourable decision could be taken on that very important matter at the thirty-seventh session of the General Assembly.

38. In the coming months the Committee would be called upon to consider the issues having a direct bearing on the work of ECA that he had referred to in his statement; he hoped that in its deliberations the Committee would remember not only his comments but the fact that Africa had made a late start on the development process, that it was the most backward of all the developing regions, that it suffered cruel endemic diseases, had the highest rate of illiteracy, the highest number of countries designated as least developed and of refugees, a large number of disabled persons and a population stricken with poverty and famine. He also hoped the Committee would recognize that Africa needed special assistance and support to ameliorate its economic and social situation so that it could devote its attention to pursuing the goals of the Lagos Plan of Action which, in the words of the Tripoli Declaration adopted by the ECA Conference of Ministers, were the only "authentic and authoritative goals and objectives for Africa".

39. Mr. DIOP (Senegal) said that the picture painted by the Administrator of UNDP and the Executive Secretary of ECA, and the alarming figures cited by them should open the international community's eyes. UNDP was the bedrock underlying operational activities for development, while ECA had the sad distinction of having some 85 per cent of the world's least developed countries among its members. When the Committee took decisions on the two agencies, it should remember the moving statements made by Mr. Morse and Mr. Adedeji.

40. Mr. WORKU (Ethiopia) said that the multilateral technical assistance provided by UNDP for developing countries was one of the prime causes for such progress as those countries had made during the previous 20 years. It was sad to find that the Programme was having to cut back its assistance because of inadequate financial support. He hoped that the international community would face up to its responsibilities and provide UNDP with the necessary resources.

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(Mr. Worku, Ethiopia)

41. He pointed out, with regard to ECA and the enormous development problems of its member countries, that over 90 per cent of the world's least developed countries were on the African continent. It was tragic to note that the very survival of the vast majority of the peoples of Africa was threatened by agricultural and food deficits. The international community must heed the appeal of the Executive Secretary of ECA and take concrete and effective steps to avoid what might turn out to be one of the greatest disasters of all time. Africa, facing the gravest problems, was in fact the continent least equipped to tackle and overcome them under current international economic conditions.

42. Mr. TUAN (Liberia) urged the industrialized countries to heed Mr. Morse's warning and help UNDP to overcome its financial difficulties. He also urged the developed countries to come to the aid of ECA and Africa.

43. Mr. SALLU (Sierra Leone) associated himself with the appeals made by the representatives of two agencies whose activities were extremely important not only for Africa but for the third world in general. In 1982 the Executive Secretary of ECA was once again asking for aid in order to strengthen the MULPOCs: his appeal must be heeded. Mr. Morse had stressed the gravity of the economic and social situation in Africa, which was deteriorating rapidly: it was incumbent on the international community to reverse that trend.

44. Mr. KITIKITI (Zimbabwe) said that unless the international community changed its attitude towards UNDP and gave it concrete support, the ideals set out in the Lagos Plan of Action and the International Development Strategy could not be achieved. ECA's responsibility in that regard was immense, in view of the catalytic role the Commission was called upon to play in implementing the Lagos Plan of Action. It was vital, therefore that the Committee and the United Nations as a whole should respond favourably to the recommendations made in the report of the Economic and Social Council.

The meeting rose at 5 p.m.