



SECOND COMMITTEE
35th meeting
held on
Monday, 15 November 1982
at 10.30 a.m.
New York

SUMMARY RECORD OF THE 35th MEETING

Chairman: Mr. FAFOWORA (Nigeria)

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The meeting was called to order at 10.55 a.m.

AGENDA ITEM 72: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (continued) (A/37/333, 445 and Add.1, 3 (Part II); E/1982/16/Rev.1, 17; DP/1982/9 and Add.1, 37, 40)

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1. Mr. GRECU (Romania) said that his delegation was gratified by the noteworthy achievements of the United Nations Development Programme (UNDP). UNDP had fully demonstrated its effectiveness and its capacity to support the efforts of developing countries to accelerate their economic and social progress, and was proof of the importance of multilateral economic co-operation in the development process.

2. Given the current world economic situation, it was more imperative than ever that the role of UNDP as the central United Nations agency for financing technical assistance should be constantly strengthened. Unfortunately, what was happening was quite different. The Pledging Conference for Development Activities had been held only a few days earlier. The anxiety and concern expressed by the UNDP Administrator at the steady decline in the Programme's resources were still fresh in his memory. His delegation shared that concern at the extremely adverse effect that that situation would have on recipient countries.

3. His delegation also shared the view expressed by the Secretary-General at the Pledging Conference that stagnation or, even worse, a reduction in technical assistance were jeopardizing the very credibility of the Organization.

4. More than ever before, attention must be paid to those concerns; his delegation felt that the resources required to implement technical assistance programmes must be guaranteed. It was quite feasible for developed States to increase contributions to those programmes, even in the prevailing economic crisis.

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(Mr. Grecu, Romania)

5. As for ways of securing increased funds for UNDP, his delegation had considered carefully all the mechanisms proposed to ensure the availability of those resources on a continuous and predictable basis (DP/1982/35). Voluntary contributions should continue to be the principal source of support for UNDP. His delegation felt that the introduction of a system of assessed contributions was impractical and that such a system would run counter to the principle of voluntary participation in the Programme. It supported the idea of multi-year pledging, and for that reason had informed the UNDP Governing Council of its contribution for the period 1982-1986.

6. As a developing country, Romania had benefited from UNDP assistance in the implementation of a number of projects having special importance for the national economy. The plans for its future participation in the Programme's activities took into account its desire to benefit from UNDP technical assistance. His country was also prepared to continue supporting, to the extent of its ability, the economic growth efforts of other developing countries.

7. In that spirit, and taking into account the fact that better use might be made of Romania's experience in United Nations technical co-operation activities, he reiterated his delegation's hope that UNDP and other technical co-operation programmes would increasingly solicit Romania's participation in the execution of technical assistance programmes.

8. The co-operation existing between Romania and other United Nations technical co-operation programmes and funds, particularly the United Nations Fund for Population Activities was a source of satisfaction to his delegation. His country wished to make a direct and specific input to the fund for activities organized under the auspices of the United Nations/Romania Centre for Population Studies.

9. Mr. SILWAL (Nepal) said that the annual report of the Director-General for Development and International Economic Co-operation should stimulate meaningful consideration of all aspects of United Nations development activities and enable the international community to find ways to strengthen the basis and scope of the various programmes and funds.

10. His delegation was concerned about the fact that all operational activities of the United Nations were facing serious resource constraints as a result of an increasing tendency, particularly among the major donor countries, to emphasize bilateral rather than multilateral assistance. Commendable though bilateral assistance was, it should not reduce multilateral assistance or erode the effectiveness of aid provided by international agencies.

11. UNDP, which was the principal operational agency of the system of development activities, had rendered invaluable service in assisting developing countries to accelerate their economic development. His country had found UNDP to be a trusted organization and an ally willing to co-operate in development efforts.

(Mr. Silwal, Nepal)

12. The Intersessional Committee of the Whole had at its meeting in September 1982 considered several options for contributions and securing long-term resources. His delegation hoped that the process would continue and be concluded successfully at the following session. That Committee would also have to deal with the immediate resource problem. He appealed to those donor countries that had traditionally made generous contributions to the Programme but whose interest had apparently diminished to reconsider their position and resume their contributions to UNDP.

13. Among the many funds from which his country had benefited, he wanted to mention first the United Nations Capital Development Fund. Its assistance in irrigation, rural electrification and water supply had been important. Together with the Special Measures Fund for the Least Developed Countries, the United Nations Capital Development Fund was expected to increase the scope of its activities and to concentrate them in the least developed countries. However, the contribution of resources had not been commensurate with the world community's commitment to alleviating the suffering of the people of the least developed countries.

14. The United Nations Special Fund for Land-locked Developing Countries had an important contribution to make in helping to offset the peculiar handicaps of those countries. The Fund, established by a decision of the General Assembly, had received a very poor response from donor countries. If Member States believed that alternative means should be devised to fulfil that global responsibility, his delegation would be grateful to hear such views when a draft resolution on the Special Fund came before the Committee.

15. His delegation attached great importance to the United Nations Fund for Population Activities and to its participation in population projects in Nepal, including family planning.

16. His delegation had supported the convening of the International Conference on Population in 1984 and it welcomed the preparatory work being done. In Nepal disturbing phenomena of migration and population growth had occurred since the 1981 census. Consequently, his delegation looked forward to the examination of that and other critical issues, and ways of solving them, at the International Conference on Population.

17. Another agency whose activities had relevance to the day-to-day lives of millions of people was UNICEF. The fact that its resource position was relatively comfortable even in such difficult times was a measure of the interest of the international community in its activities. His delegation welcomed the enlargement of UNICEF early in 1982 and considered it a positive development in increasing the representation of the developing countries.

18. He praised the work done by the United Nations Volunteers programme which had rendered valuable services in the developing countries, especially through technical co-operation in relation to youth and development services.

(Mr. Silwal, Nepal)

19. Finally, he thanked the Administrator of UNDP for his statements in the Committee and other United Nations forums on operational activities for development, particularly his appeals for increased contributions to UNDP.

20. Mr. BRODODININGRAT (Indonesia) said that cynics sometimes said that the United Nations was a paper factory. That accusation was unjustified, particularly with respect to United Nations operational activities which greatly contributed towards strengthening the capacity of the developing countries to make full use of their potential in promoting economic and social development.

21. United Nations operational activities represented not only an essential component of international economic co-operation for development but also a vital element for translating into reality the Charter principle of employing international machinery for the economic and social advancement of all peoples.

22. Unfortunately, the operational activities could become paralysed for lack of adequate support. In his annual report (A/37/445) the Director-General for Development and International Economic Co-operation stated that the development activities of the United Nations system were facing a funding crisis. The results of the Pledging Conference for 1982, regrettably, confirmed that assessment. Instead of giving hope for an improved situation, the Conference had led to deeper despair.

23. The deterioration in the resource base of operational activities and its concomitant uncertainty and unpredictability had a wide impact on the development process of developing countries. It translated into the denial of jobs, skills, schooling and much more for hundreds of thousands, even millions, of people.

24. Regrettably, the first meeting of the Intersessional Committee of the Whole of UNDP had witnessed unfavourable responses from many developed countries on financial resources and the mode of operation of the Programme. Those attitudes were unfortunate and were causing deep concern with regard to the prospects for multilateral co-operation.

25. The discouraging resource situation had a negative impact not only on the development efforts of the developing countries but also on the United Nations system itself. The system was losing its credibility and, moreover, in view of the close interrelationship among the components of the United Nations system, difficulties experienced by some parts, or even one part, could disrupt the whole system. That was particularly true if grave difficulties were suffered by agencies as important as UNDP.

26. Indonesia had consistently supported United Nations operational activities for development. Despite its unfavourable financial situation, it had increased its contribution to UNICEF and UNFPA by 20 per cent, while its contribution to UNDP had amounted to \$1 million, excluding programme costs. Although its export earnings had decreased, at the recent Pledging Conference his country had increased its contribution to UNDP by another \$100,000.

(Mr. Brotodiningrat, Indonesia)

27. His Government was also mindful that efficient and rational planning was needed for better utilization of resources, particularly in a time of scarcity. At the national level, therefore, it was trying together with the Resident Co-ordinator and the representatives of the United Nations specialized agencies, to work out joint programming of the United Nations resources at its disposal.

28. His Government and the UNDP Administration had recently signed a memorandum of understanding on joint programme funding. That arrangement showed that the Government was ready to offset shortfalls in UNDP funds needed to ensure the implementation of important projects within the framework of its country programme.

29. Indonesia, like other developing countries, was willing to do its share to bolster the machinery of multilateral co-operation, but hoped that developed donor countries that were in a better position to do so would bear their share of responsibility. In an age of economic interdependence, in which no nation was immune from the difficulties faced by others and co-operative endeavours had become not only common but also mutually advantageous features, it would be paradoxical to let a unique partnership for development grind to a halt. Indonesia therefore sincerely urged the donor countries to reassess the situation and to translate their commitment into real support.

30. His delegation wished to state as forcefully as possible that United Nations operational activities for development were indispensable to the developing countries and that it was incumbent upon the international community to save them from faltering.

31. Mr. BRUNI (Italy) said that as far as his delegation was concerned, operational activities for development were perhaps the most important item that the Committee had to discuss during the current session, in view of their importance to developing countries, the crisis which had begun a few years ago and was now affecting operational co-operation activities, and the changes in over-all policy in that sector that would have to be discussed by the Economic and Social Council in 1983 and the General Assembly at its thirty-eighth session.

32. The report of the Director-General for Development and International Economic Co-operation (A/37/445) described a number of problems that had to be dealt with during the current session and - more importantly - the following session, when the item on the policy review of operational activities was discussed. Leaving aside the problems faced by the specialized agencies involved in providing technical assistance to developing countries, whose reports only heightened the prevailing anxiety, he would refer to a number of questions on operational activities as a whole that were raised in the report of the Director-General but could perhaps have been dealt with more thoroughly.

33. The current economic crisis; the fluctuations in exchange rates; the recently growing, if hardly new, tendency to favour a bilateral approach over a multilateral one; and the diminishing confidence of donor countries in the United Nations

(Mr. Bruni, Italy)

system, due in part to the Organization's lack of efficiency, were among the reasons for the falling off in resources that was primarily responsible for the crisis confronting the United Nations system.

34. Various solutions had been suggested, both in the Director-General's report and in statements by various delegations. They included longer-term planning for resource mobilization and a negotiated replenishment system, but in his view those would not be enough to make up for the shortage of resources. A true political commitment by all Member States to a multilateral approach, enabling a greater proportion of resources to be channelled through the United Nations system, was the only solution. Greater efficiency, rationalization and co-ordination where operational activities for development were concerned would also help to encourage the trend towards multilateralism.

35. Encouraging supplementary contributions would also be appropriate, provided that it did not impair the principle of multilateralism. His Government had undertaken to allocate 0.7 per cent of GNP to official development assistance (ODA) by the end of the decade and, in total, the multilateral aid it provided exceeded its bilateral aid, amounting to almost 60 per cent of ODA.

36. The recent Pledging Conference had confirmed whatever doubts might have been entertained as to the desirability of holding such a conference every year. The present system should be changed: it did not seem the most appropriate one, partly because it conflicted with the various budgetary procedures of Member States.

37. The second part of the Director-General's report was concerned with improving efficiency and reducing the administrative costs of operational activities. In view of their interest, those points could have been dealt with more fully and in greater depth, as other delegations had suggested. Despite progress in reducing administrative costs and increasing the degree of harmonization and co-ordination, much remained to be done both at the centralized level and in individual countries. General Assembly resolution 32/197 gave the Secretariat precise instructions on how to enhance co-ordination and harmonization, a point that Member States should bear in mind when active in the framework of the various United Nations agencies concerned with development assistance. In that regard, he stressed the importance of UNDP and its resident representatives as the co-ordinators of the United Nations technical assistance system.

38. He wished to raise a number of basic issues concerning the review of overall policy applicable to operational activities that was to take place the following year, such as the need for such activities to adapt to change and new situations in developing countries, the importance of ascertaining the reason for the erosion of the central role of such bodies as UNDP, the proliferation of funds and programmes with the resulting duplication of work, and the urgency of emphasizing the important role to be played by the developing countries themselves, and determining what steps could be taken by both United Nations bodies and individual countries.

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39. Mr. RINGNALDA (Netherlands) said that delegations should try not to succumb to excessive pessimism when reviewing the operational activities of the United Nations system. Although there were serious problems to be dealt with, it was important to recall the considerable flow of resources to third world countries. The many dedicated men and women at Headquarters and in offices in the field who were responsible for directing resources to those most in need should also not be forgotten. His Government's active involvement in United Nations operational activities for development derived from its belief in the specific and valuable part that the Organization could play in enhancing the living conditions of people in the developing countries.

40. His delegation commended the Director-General for Development and International Economic Co-operation for his second annual report on operational activities for development (A/37/445). Given the bleak results of the Pledging Conference held in early November 1982, serious attention had to be given to the first subject dealt with in the report, which was the mobilization of resources for operational activities. The rate of growth of voluntary contributions to United Nations funds had stagnated in nominal terms and fallen in real terms. The report, however, provided no explanation for that situation. The difficult economic circumstances of many countries were often cited as the main reason, but his delegation was loath to accept that explanation. One measure which many industrialized countries were obliged to take in their fight against inflation and unemployment and in their efforts to stimulate national economic production was to cut back on public spending, but it should be noted that development assistance was less affected by such a policy than other national government programmes. His country, despite its general policy of reducing public spending, had specifically decided that the financial resources set aside for aid should remain at 1.5 per cent of the GNP. While other Western countries had adopted the same attitude, it was disappointing to note that some industrialized countries, including the industrialized socialist countries, had not increased their official development assistance to the internationally accepted target of 1 per cent of the GNP. The fact that the standard of 1 per cent was being disregarded could have serious consequences for voluntary contributions to the United Nations system. In that regard, he pointed out that the report seemed to take an over-optimistic view of the value of setting targets; targets should be used sparingly and with caution.

41. Regarding the reasons for the decline in contributions, his delegation fully subscribed to the statement made in the Committee by the representative of Sweden on behalf of the Nordic States. In order to remedy the situation, the UNDP Governing Council had decided in June 1982 to set up an Intersessional Committee of the Whole to deal with that question, among others. One of the issues currently under study was the possible introduction of a replenishment system in the framework of UNDP.

42. Reading section III of the Director-General's report (A/37/445), which dealt with measures to improve the efficiency and effectiveness of operational activities, it occurred to him that it would be worth while presenting the report not only to the General Assembly but also to the governing bodies of other relevant United Nations organizations for discussion.

(Mr. Ringnalda, Netherlands)

43. Given the strategies and sectoral action programmes adopted in the past, there was a clear need for co-ordination on both donor and recipient sides. The resident co-ordinator had an important role to play in that respect.

44. His delegation had noted with interest that agreement had been reached in the Administrative Committee on Co-ordination on a reporting system for administrative and support costs. His Government had noted with great concern that it was difficult, if not impossible, to obtain information from the specialized agencies on how they had used UNDP funds. A number of them had been unable to specify the precise amount of administrative and support costs incurred by the projects or programmes they were requested to execute. He requested the Director-General to give a more complete picture of the problem in his next report, with an indication of the possibilities for further clarifying the specific responsibilities associated with specific costs. His delegation had read with approval the paragraph on evaluation and looked forward to the study that UNDP was making on an independent evaluation unit. Improving the quality of the services that the United Nations system delivered to the third world depended to a large extent on the effectiveness of the field system, on which his delegation would appreciate more information. For example, did field offices respond adequately to the needs of recipient countries and agencies, and was there a need to improve the co-ordinating role of the resident co-ordinator?

45. A new and important task entrusted to UNDP was the organization of round-table conferences for the least developed countries. Recipient Governments and interested donor countries should both participate in the preparations for such meetings. As the lead agency in such activities, UNDP had an important role to play in co-ordinating the various inputs at the programme implementation stage. Round-table conferences might be the beginning of a more effective co-ordination between the Governments of the countries concerned, the donor countries and the United Nations system. In working out a development programme, together with the recipient countries, the need for small-scale investment should be assessed. There, the United Nations Capital Development Fund should be brought in. He also suggested that the energy assessment studies which UNDP carried out with the World Bank should, as far as possible, be made in the least developed countries. Those studies might prove to be a valuable contribution to the country programming of the least developed countries. His Government strongly favoured the sectoral approach, which might be more effective than global action programmes, and at the recent Pledging Conference had pledged \$1 million for the UNDP Energy Account to be used for that purpose.

46. The World Food Programme would shortly be celebrating its 20th anniversary. His delegation congratulated the Executive Director, who should have all the authority and flexibility he needed to manage the Programme, which responded to one of the most urgent problems of the day.

47. He appreciated his country's re-election to the Executive Board of UNICEF. The Netherlands would be an active participant in UNICEF's work and would continue to stress the need for the Fund to concentrate on self-help projects at the local

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(Mr. Ringnalda, Netherlands)

level in rural and urban communities. As an observer to the Executive Board, his delegation had expressed its concern about problems that could arise if the practice of supplementary funding were allowed to spread unchecked. The problem was at present under study.

48. The Voluntary Fund for the United Nations Decade for Women should co-operate closely with UNDP if it was to carry out its terms of reference effectively, in order to influence UNDP's policy and make the greatest possible use of UNDP facilities at headquarters and in the field. The Fund should therefore be situated in New York.

49. His Government strongly believed that multilateral aid had a valuable role to play. As the central United Nations fund for technical assistance, UNDP provided all countries with assistance when requested. Universality was and should remain the cornerstone of UNDP policy. Capital inputs would never yield the desired results without sound technical guidance. The role of technical assistance was therefore crucial, as was the work of UNDP and other specialized agencies.

The meeting rose at 12.05 p.m.