

United Nations
**GENERAL
ASSEMBLY**
THIRTY-SEVENTH SESSION
*Official Records**



COPY:
DO NOT REMOVE
FROM ROOM
1.201 (WWRP)

SECOND COMMITTEE
39th meeting
held on
Wednesday, 17 November 1982
at 3 p.m.
New York

SUMMARY RECORD OF THE 39th MEETING

Chairman: Mr. FAFOWORA (Nigeria)

later: Mr. PAPADATOS (Greece)

CONTENTS

AGENDA ITEM 72: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (continued)

- (a) OPERATIONAL ACTIVITIES FOR DEVELOPMENT OF THE UNITED NATIONS SYSTEM:
REPORT OF THE SECRETARY-GENERAL
- (b) UNITED NATIONS DEVELOPMENT PROGRAMME: REPORT OF THE SECRETARY-GENERAL
- (c) UNITED NATIONS CAPITAL DEVELOPMENT FUND
- (d) UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION
- (e) UNITED NATIONS FUND FOR POPULATION ACTIVITIES
- (f) UNITED NATIONS VOLUNTEERS PROGRAMME
- (g) UNITED NATIONS SPECIAL FUND FOR LAND-LOCKED DEVELOPING COUNTRIES
- (h) UNITED NATIONS CHILDREN'S FUND
- (i) WORLD FOOD PROGRAMME
- (j) TECHNICAL CO-OPERATION ACTIVITIES UNDERTAKEN BY THE SECRETARY-GENERAL

* This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room A-3550, 866 United Nations Plaza (Alcoa Building), and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate fascicle for each Committee.

Distr. GENERAL
A/C.2/37/SR.39
23 November 1982

ORIGINAL: ENGLISH

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

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

- (a) OPERATIONAL ACTIVITIES FOR DEVELOPMENT OF THE UNITED NATIONS SYSTEM: REPORT OF THE SECRETARY-GENERAL
- (b) UNITED NATIONS DEVELOPMENT PROGRAMME: REPORT OF THE SECRETARY-GENERAL
- (c) UNITED NATIONS CAPITAL DEVELOPMENT FUND
- (d) UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION
- (e) UNITED NATIONS FUND FOR POPULATION ACTIVITIES
- (f) UNITED NATIONS VOLUNTEERS PROGRAMME
- (g) UNITED NATIONS SPECIAL FUND FOR LAND-LOCKED DEVELOPING COUNTRIES
- (h) UNITED NATIONS CHILDREN'S FUND
- (i) WORLD FOOD PROGRAMME
- (j) TECHNICAL CO-OPERATION ACTIVITIES UNDERTAKEN BY THE SECRETARY-GENERAL

1. Mr. PRADO (Cuba) said that the global economic situation had deteriorated further and the developing countries had been obliged to reduce the scope of their economic and social development plans, to trim their investment and to discontinue projects. Moreover, the disequilibrium in the world food system had become more marked and the developing countries' terms of trade had continued to deteriorate. The downward trend in the international prices of most of the developing countries' exportable commodities had continued, and a higher debt-servicing burden was combined with difficulties in achieving real growth in exports. In absolute terms, Latin America's external debt had doubled between 1978 and 1981.

2. It was therefore necessary to examine the International Development Strategy and international co-operation. The real value of official development assistance and the volume of resources channelled through international organizations had dropped considerably, and the current financial crisis of the United Nations Development Programme (UNDP) was eroding the foundation of multilateral development assistance as a result of a lack of reliable long-term financing. UNDP was a valuable instrument for international co-operation that complemented bilateral assistance. His delegation rejected the concepts of conditional bilateralism, graduation and selectivity.

(Mr. Prado, Cuba)

3. The international agencies' activities should be integrated more effectively into national development plans, and greater attention must be paid to evaluation of the effectiveness of the structures that had been established. Furthermore, operational activities for development must make an effective contribution to implementation of the International Development Strategy. There was therefore a need for a substantial real increase in resources for operational activities, which must be evaluated regularly by the General Assembly. Moreover, the principles of voluntariness and universality governing the activities of UNDP must be preserved; his delegation opposed the establishment of special funds for tied contributions to UNDP. He urged Member States to make contributions of the appropriate size, including an annual increase of 14 per cent.

4. The United Nations Volunteers programme was a valuable instrument for multilateral technical assistance. Furthermore, his delegation wished to reaffirm the role of the United Nations Children's Fund (UNICEF) as the body chiefly responsible for co-ordinating follow-up activities to the International Year of the Child relating to the goals set forth in the International Development Strategy. It also supported that Fund's activities aimed at alleviating the situation of children in the least developed countries, as well as the activities of the United Nations Fund for Population Activities (UNFPA).

5. As a result of 22 years of economic, financial and trade blockade, by the United States, Cuba's economy had suffered losses of over \$9 billion. Particularly in the past year the United States had done its utmost to hamper the economic and social development of the Cuban people. His country therefore particularly appreciated the work of such international organizations as UNDP, UNICEF and UNFPA.

6. Mr. ESAN (Nigeria) said that, since Nigeria still had a low per capita income and required a high volume of investment to meet its development needs, his Government continued to welcome external assistance.

7. The organizations and agencies of the United Nations system were to be commended for their contributions to the social and economic development of the countries in which they operated. However, further effort was required on the part of a number of organizations in order to meet Africa's special needs. Africa's current share of concessional resources channelled through the United Nations system should therefore be regarded as a minimum. The declining level, in real terms, of contributions to the organizations in question was alarming, and there was cause for concern with respect to the future of the multilateral development institutions of the United Nations system. It was particularly disturbing that the field activities of those organizations had stagnated or been curtailed at a time when the international economic situation was deteriorating.

8. The financing of UNDP and other United Nations programmes and funds should be made more secure, in the short term, through substantial increases in voluntary contributions by Member States, particularly by the major developed donor countries, and those contributions needed to be paid early in the financial year. The targets set by intergovernmental bodies in respect of the rate of growth of voluntary contributions could be met if the creditable performance of the Nordic

/...

(Mr. Esan, Nigeria)

countries, for instance, were imitated by other developed countries. His delegation noted the reference made by the Director-General for Development and International Economic Co-operation in his annual report (A/37/445, annex) to the efforts being made by a number of developing countries, including oil-exporting countries, with regard to voluntary contributions. He wished to point out, in that connection, that his country had raised its contribution to the International Fund for Agricultural Development to \$42 million in the recent replenishment of that Fund. Furthermore, the Intersessional Committee of the UNDP Governing Council had embarked upon a timely exploratory exercise in considering various proposals concerning alternative approaches for mobilizing financial resources.

9. The crucial test of the efficiency and effectiveness of the operational activities for development of the United Nations system was the degree of their responsiveness to the needs of developing countries. For example, his Government's decision to increase its 1983 contribution to UNICEF had been prompted by that Fund's work in his country over the past year. His delegation had therefore noted with interest the information provided in the Director-General's report concerning measures being taken by organizations of the United Nations system to achieve optimum efficiency and to reduce administrative costs. The effectiveness and relevance of operational activities could be improved, inter alia, through the timely recruitment of qualified staff, better project-design and increased efforts to enable the developing countries to accelerate the acquisition of technical know-how by their national personnel.

10. Mr. BENHASSINE (Algeria) said that the various views expressed in the Committee showed that bilateral and multilateral assistance was seen in terms of the world economic situation. The annual report of the Director-General for Development and International Economic Co-operation revealed great concern for the future of the assistance that many countries were entitled to expect from the international community.

11. The developing countries were subject to constant heavy pressure on their balances of payments, resulting from the fact that the financial resources of the foreign companies operating in those countries, in the framework of the rich countries' development assistance to poor countries, had been systematically transferred to the developed countries' banking systems for reinvestment. If the developed countries were genuinely concerned at the developing countries' balance-of-payments situation, they would be prepared to pay a fair price for the developing world's commodities. The developing countries' legitimate interests should be taken into consideration and efforts should be made to work towards co-operation for development. The developed countries should not regard the developing countries as being on the periphery of the world economic system. In deteriorating economic situations the developed countries used their trade and monetary machinery to ensure that only the developing countries were affected. With the right approach, multilateral development assistance could be in keeping with the spirit of the Charter of the United Nations and the Charter of Economic Rights and Duties of States. What was needed was the necessary political will on the part of the developed countries.

(Mr. Benhassine, Algeria)

12. His delegation shared the Director-General's concern about the mobilization of resources for the operational activities for development of the United Nations system. Although the developed countries' contributions should be in proportion to their rising GNP, the opposite continued to be the case, as demonstrated by the outcome of the recent United Nations Pledging Conference for Development Activities. There was a danger that the developing world would become an enormous ghetto, shut off from the developed world. While the latter would be bent on maintaining its standard of living, the former would be fighting for survival. Moreover, with regard to tied development assistance, he wished to stress that foreign trade should not be made a prerequisite for co-operation for development.

13. In view of the serious financial situation of the bodies of the United Nations system responsible for carrying out operational activities for development, voluntary contributions should no longer be regarded as the sole answer. The question of whether the United Nations had a legal obligation to provide financial assistance to the bodies in question would soon arise, and an advisory opinion of the International Court of Justice would be welcome.

14. With regard to the section of the Director-General's report on enhancing the impact and relevance of operational activities (A/37/445, annex, paras. 77-80), his delegation had had difficulty in following the analysis of the many obstacles encountered by United Nations bodies in carrying out operational activities for development. The fact that the recipient countries could not be held solely responsible in that connection had been clearly recognized by a round-table meeting of development partners held in Cape Verde in June 1982. The unpredictability of development assistance was an obstacle to coherent planning by the recipient countries. That round-table meeting should stand as an example for such meetings in the future, and the effectiveness of the operational activities for development of the United Nations system could be enhanced if its conclusions were taken into consideration. Moreover, it was important that the development efforts of the international community should be in keeping with the economic, cultural and social situation in each developing country.

15. Sir John THOMSON (United Kingdom) said that his remarks should be seen in the context of his delegation's earlier statement on United Kingdom aid policy in which it had described what it saw as the required response of the international community to current economic difficulties.

16. His delegation, too, was concerned at the difficulties facing UNDP; however, it believed that they could be overcome. That confidence was based on the presumption that Member States and those entrusted with the management of United Nations resources for development were all prepared to play their part. As had been pointed out, the future development of United Nations operational activities rested not only on mobilization of resources but also on their efficient and effective use.

17. The considerable difficulties facing the various funds did not reflect a collapse of donor will but were the result of the world economic situation. His Government had been trying to contribute to the resumption of growth in the world

(Sir John Thomson, United Kingdom)

economy and the expansion of international trade. While its policy had involved close control of all aspects of public expenditure as well as a contribution to multilateral aid institutions reflecting more accurately than in the past its relative economic strength, its official development assistance remained substantial.

18. One source of difficulty for the United Nations operational activities was the narrow base of present financial support. The fact that UNDP resources had more than doubled during the second programming cycle had been almost entirely due to the efforts of a small group of traditional donors. It was unrealistic, given the economic difficulties, to expect the same few to continue increasing their contributions at the previous rate. That fact had been pointed out to the UNDP Governing Council when it had adopted an assumed overall average annual growth of resources of at least 14 per cent. Moreover, that had been a planning figure which, by Governing Council decision 80/30, had been made subject to review by the Administrator, and to interpret it as a requirement was inaccurate.

19. If more funding was to be generated a much greater effort would have to come from those countries whose contributions were far below their capacity, however measured. If those countries were prepared to assume their fair share of the funding responsibility and to provide funds in a readily usable form there would be no resource crisis. At the same time some of the richer recipients might consider becoming net contributors.

20. It was also indispensable to ensure that resources were put to the best use. His delegation hoped that the important questions concerning the relationship between effectiveness and mobilization of resources, identified by the representative of Sweden, would receive full consideration in the major policy review to be undertaken in 1983.

21. Given its attachment to the central role of UNDP in United Nations technical co-operation activities, his delegation was deeply concerned about developments that tended to weaken it. Recently contributions to UNDP had declined while flows to other parts of the system had increased. It would have been useful to see a more detailed analysis of that trend in the Director-General's report (A/37/445). His delegation intended to continue channelling the bulk of its voluntary contributions through UNDP. It opposed the proliferation of funds, which rarely generated truly additional resources and introduced rigidity into the system and into its ability to respond efficiently to changing needs and priorities. Similarly, it opposed the attachment of special provisions to UNDP contributions or to the extrabudgetary financing of other technical assistance agencies since that practice might undermine central programmes and distort priorities.

22. It was equally disturbed by the growth in technical co-operation funded from United Nations agency regular budgets. That ran counter to the principle of voluntary funding of such activities and to the central role of UNDP as well as to the spirit of UNDP Governing Council decision 80/44, which called on agencies not to increase their regular budgets to compensate for lower reimbursement of support costs by UNDP. Moreover, increases by agencies in their assessed contributions for technical co-operation were likely to have an adverse effect on other aid channels.

/...

(Sir John Thomson, United Kingdom)

23. Turning to the question of predictability, he said that his delegation had welcomed the decision of the UNDP Governing Council to set up an Intersessional Committee of the Whole and had been encouraged by the progress that Committee had made at its first meeting. Consideration might be given not only to multi-year pledging or replenishment systems but also to improved economic forecasting and to rolling rather than five-year plans. His delegation looked forward to seeing a detailed study of the possible options and was prepared to consider any practical means of improving the predictability of UNDP's resources that was consistent with the principle of voluntary funding and with its own domestic financial procedures. However, it must be accepted that bigger contributions and better predictability were not necessarily the same thing.

24. Since there was an obvious complementarity between the technical co-operation capacity of the United Nations agencies and the capital financing provided by the World Bank and the regional development banks, the links which had been established with those institutions should be developed further. Moreover, there was scope for the agencies to offer technical expertise on a contractual basis for projects funded by a variety of sources.

25. Similarly, he welcomed the stress on effective use and hoped that efforts to achieve value for money would continue, both in UNDP and elsewhere. His delegation would have welcomed more information on the operating costs of other agencies and it endorsed the comments made by the representative of the Netherlands concerning the need to be better informed on how the agencies were using their funds. If developing countries were to get the maximum possible benefits from United Nations technical co-operation programmes, then the issue of effectiveness would have to remain a touchstone. His delegation looked forward to the report on the subject.

26. He said that the difficulties, though real, were not insurmountable. They must be faced with realism and in a spirit of co-operation. In trying to tackle problems, the system must not compromise the fundamental principles of voluntarism and universality.

27. Mr. AL-HADDAD (Democratic Yemen) expressed dissatisfaction at the apparent general inability to take action. Multilateral co-operation was one of the most important factors in the development process. The credibility of the United Nations could be ensured only by consolidating the co-operation machinery and providing it with increased financial resources. His delegation was not convinced that the stagnation in donor contributions was attributable entirely to the catastrophic international situation, as had been claimed. Another very important reason for that stagnation was the lack of political will on the part of the industrialized capitalist countries. As the Administrator of UNDP had pointed out at the recent Pledging Conference, the developing countries had made a greater effort in relative terms to increase their annual pledges to UNDP than had the major donors.

/...

(Mr. Al-Haddad, Democratic Yemen)

28. Multilateral co-operation would face further setbacks unless there was an effort to go beyond the diagnosis of the ills to prescription of the necessary treatment. In the view of his delegation such treatment should take the form of consolidating and expanding co-operation in the various development fields and imparting renewed impetus to the United Nations system so that it might achieve the objectives it had set itself.

29. Democratic Yemen co-operated with many developing countries in accordance with the principle of collective self-reliance. It also co-operated on an extensive basis with the United Nations system and, despite its special economic situation, had committed itself to increasing its contribution to UNDP annually. At the recent Pledging Conference it had raised its contribution by more than 18 per cent. He expressed his appreciation for the very effective contribution made by that Programme in his country. His delegation would like to see greater effectiveness in the assistance activities of the United Nations Capital Development Fund, especially in the least developed countries and particularly since the Fund's resources had increased. His Government had also increased its contribution to UNFPA and would like to see that Fund do more to implement the programme agreed upon. The efforts of UNICEF and the World Food Programme were also greatly appreciated.

30. His delegation welcomed the efforts being made to improve the operational activities for development. The question of how to increase their efficiency and effectiveness (A/37/445, annex, part III) was most important. His delegation supported the request the report should be submitted annually and should contain more detailed information, particularly with regard to administrative and budgetary co-ordination. It also supported the proposal regarding multi-year pledging so that projects being implemented by UNDP should not be jeopardized.

31. The industrialized capitalist countries should take sincere steps to overcome the difficulties arising from the international economic crisis, and to support the efforts of the developing countries. the strengthening of multilateral co-operation and the mobilization of financial resources for operational activities, on the one hand, and enhancement of the efficiency and effectiveness of activities, on the other, would create a climate conducive to development and to the alleviation of the effects of the international economic crisis.

32. Mr. Papadatos (Greece) took the Chair.

33. Mr. HOSKINS (United States of America) said that his Government was not insensitive to the dilemmas facing all countries. However, the fact was that no more resources were currently available. Accordingly, as some delegations had noted, the question to be answered was how to do more with less. A related question was how resources should be used. Some speakers had attributed the cause for the decline in resources to increasing scepticism about the effectiveness of past assistance. However, there had unquestionably been successes in providing basic health, population and education services and disaster relief assistance. However, specific examples were needed of the successful impact of multilateral assistance in terms of the establishment of institutions capable of designing,

(Mr. Hoskins, United States)

implementing and evaluating specific development programmes and projects. Examples were also needed of how activities had expanded employment and productivity, education opportunities, basic health services and opportunities for public participation in the political and social processes.

34. Those were the basic purposes of development assistance. They were essential for promoting the self-sustaining capacity necessary to free developing countries from excessive dependency on foreign assistance. He expressed the hope that delegations from the developing countries would be able to provide such examples, perhaps at the next session of the General Assembly, so that the lessons learned might be applied to other situations. His delegation therefore strongly supported the establishment of an effective evaluation system in all multilateral agencies.

35. Regarding the question of how to do more with less, he said that there must be more effective co-ordination among the various development agencies. UNDP's specific role in that regard should be accepted by all; competition wasted time and resources. His delegation therefore strongly supported the Canadian proposal to request the Director-General to prepare a comprehensive review and analysis of improvements in co-ordination at both international and country levels and to provide recommendations for future action. Secondly, serious efforts were needed to make multilateral organizations more effective. The United Nations, like many other bureaucracies, had too many people operating at less than full efficiency. His delegation supported the observations made by the representative of Austria regarding the "remuneration crisis", for in some cases it had been found that United Nations Volunteers could provide the same advice as outside experts at a fraction of the cost. Thirdly, there should be fewer conferences, and the paperwork for those conferences that were held must be more concise and better organized. Fourthly, unproductive functions and old programmes that were no longer necessary must be eliminated. A study should be undertaken to identify them. Fifthly, missions to developing countries should be sent every other year or every third year instead of yearly. He welcomed the initiative taken by some countries in that respect.

36. Sixthly, while recognizing the necessity for resource transfers to developing countries, he stressed the need to mobilize all the resources already available in such countries, particularly the human talent. How many countries locked one half or two thirds of their educated people out of the political process or the administrative structure because of those people's different ideas and values? Could any country afford not to permit all its people to participate fully in the development process, including the decision-making process? How many countries systematically excluded half of their population - the female half - solely on the basis of their sex?

37. His Government, like many others, was concerned about the future prospects of UNDP. It continued to support UNDP and was committed to maintaining it as the central funding and co-ordination mechanism for technical assistance within the United Nations system. It was unfortunate that UNDP had based its programme planning on an annual increase in resources of 14 per cent. The unrealistic

/...

(Mr. Hoskins, United States)

expectations created by that unrealizable target had helped create the current programming crisis. The United States expected to be able to announce its pledges for UNDP and other organizations early in 1983.

38. His Government agreed with the observations made concerning the importance of the deliberations of the Governing Council's Intersessional Committee of the Whole. It urged all concerned Governments to take an active part in the deliberations and looked forward to the Committee's recommendations. Ways must be found of enabling UNDP to surmount its difficulties and expand its efforts. In the meantime its viability must be safeguarded.

39. With reference to UNICEF, he said that his Government's admiration for that agency was reflected in the strong financial and moral support which it had provided. The clarity of UNICEF's successes was due, in part, to the narrow focus of its mandate. His delegation strongly supported that mandate and would continue to oppose efforts to expand it, because the basic needs of women and children continued to be as pressing as ever. He commended UNICEF for the extraordinary efforts its staff had made to provide emergency assistance in Lebanon under very difficult circumstances.

40. His delegation continued to view population as one of the major questions facing mankind and saw a significant role for the United Nations in efforts to reduce global population growth. At the same time, it had stressed that the proposed International Conference on Population should not draw on United Nations resources beyond the agreed amount of \$800,000. Having observed the efforts made by the Executive Director of UNFPA and the planning of preparatory meetings for that Conference, it was far more optimistic than had previously been the case about the likelihood of adequate funding being found for the Conference. It was also confident that the Conference would focus on four particular areas of concern and urged UNFPA and the Executive Director to keep up their excellent work.

41. Finally, he pointed out that the United Nations Volunteers programme, though small, was undoubtedly successful and proved that often what was needed was not huge financial resources but dedicated and talented people.

42. Mr. ELHASSAN (Sudan) said that the Administrator of UNDP had already used the case of the Sudan to demonstrate the devastating impact of the shortfall in UNDP resources on developing countries, particularly the least developed among them. Since 40 per cent of resources in the third programming cycle had been earmarked for the least-developed countries, the reduction would severely affect the group of countries most dependent upon UNDP.

43. Over the two previous programming cycles, UNDP-supported activities in the Sudan had covered a number of vital sectors in which the Government had relied almost totally on UNDP assistance. The reduction would affect the most valuable components for social and economic development, namely human resources and institutional development. The UNDP resources could not be replaced in the short

(Mr. Elhassan, Sudan)

run from local or other external sources; government planning would be disrupted and the momentum lost. Under the country programme for the Sudan for the current cycle, no new projects were envisaged until 1984 and many ongoing projects had been terminated.

44. The Sudan therefore joined in appealing for more resources for UNDP. The decline in contributions not only resulted in the disruption or termination of needed projects but also affected the spirit of multilateral co-operation for development. Difficult economic conditions resulting in budgetary constraints had been put forward as one reason for the decline, but it was precisely at such times that multilateral assistance became more necessary. The developing countries, and the least developed in particular, were the hardest hit by the international economic crisis and most of them depended almost exclusively on multilateral concessional assistance. Donor countries might have been expected at least to maintain contributions if not to increase them; the task was not impossible.

45. Another reason put forward for the decline was concern over efficiency and effectiveness and escalating administrative costs. Such concern, however, was no reason for reducing or withholding contributions. Such a response could well be counter-productive and would hardly promote the predictable basis that was needed for efficient planning. A continuous flow of resources and the quest for cost-effectiveness and efficiency were by no means incompatible. The UNDP Governing Council, and its Interessional Committee of the Whole and the Second Committee itself provided forums for the thorough discussion of efficiency and effectiveness.

46. The Director-General's report on operational activities (A/37/445, annex) provided much valuable information. The statistical tables revealing the comparative performance of the donors were of particular interest. With additional information from the agencies and Governments and with more refined tools of analysis, the report could become an indispensable document. The additional information should include detailed reporting on administrative and support costs and on the relationship between the level of those costs and the size of field programmes. Economy in administrative and support costs would release more resources for substantive programmes at the country level. Consultations among the various programmes and agencies with a view to harmonizing procedure for operational activities could also be extremely useful. In that connection, his delegation welcomed the formation by UNDP, UNFPA and UNICEF of a Joint Consultative Group (A/37/445, annex, para. 73).

47. The section of the report on enhancing the impact and relevance of operational activities (*ibid.*, paras. 77-80) included several recommendations worthy of serious consideration by Governments and agencies. The Director-General had also drawn attention to the expensive and in many cases unnecessary, use of external expertise. His delegation believed that local expertise supplemented by the use of experts from other developing countries, was not only more economical but provided expertise better suited to the needs and problems of developing countries.

/...

(Mr. Elhassan, Sudan)

48. The section on the evaluation of operational activities drew upon earlier surveys of evaluation in the United Nations system, in particular the second report of JIU (A/36/182). His delegation agreed entirely with the need for proper evaluation and found it encouraging that an increasing number of organizations in the system had established evaluation units. Evaluation should include reporting by internal units to programme managers and by independent units to governing bodies, as well as evaluation undertaken primarily by recipient Governments in close co-operation with agencies. He welcomed the Administrator's proposal to establish an independent evaluation unit that would report directly to the Governing Council.

49. There were difficulties involved in evaluating the long-term impact of operational activities, but the refining of methodologies, together with the involvement of recipient countries, could solve those problems. More attention should be focused on the proper utilization of feedback from evaluation so that the lessons learned could be applied to readjusting procedure, project design, procurement and the overall management of operational activities.

50. In conclusion, he expressed his Government's gratitude for the valuable services rendered to the Sudan by all the programmes and funds of the United Nations system, in particular UNDP, UNICEF, WFP and the funds and programmes grouped under the UNDP umbrella, including UNFPA, UNSO, the Capital Development Fund, the Fund for the Least-Developed Countries and the United Nations Volunteers programme.

51. Mr. MORENO-SALCEDO (Philippines) said that the Director-General's report (A/37/445 and Add.1) gave a clear summary of the adverse trends of recent years in the mobilization of resources for operational activities, especially for UNDP. The policy implications of the decline for UNDP's central funding role, recently reaffirmed by the Governing Council and ECOSOC, were particularly important. That reaffirmation contrasted sharply with the restrictive financial policies of some donor Governments, which had severely reduced in real terms their official development assistance to the developing countries.

52. It should be noted that when amounts were measured in terms of ratios to GNP, many contributions for operational activities did not reflect the capacity of countries to contribute. Table 5 showed that many developing countries outdid the developed countries in their assistance efforts. There was a striking lack of correlation between voluntary contributions and the scale of assessments for the United Nations regular budget. The immediate consequence was that the cost of assistance programmes was borne disproportionately by a few relatively small countries. That relatively small base could not support even the modest increase of 14 per cent a year proposed for the UNDP programming cycles 1977-1981 and 1982-1986. In 1982, UNDP had grown by only 0.3 per cent and had attained only 68 per cent of its target.

53. A fundamental policy review was needed, including an analysis of the very concept of development assistance. Some donor countries seemed to have reverted to the outworn perception of aid as a form of charity or, at best, a convenient

/...

(Mr. Moreno-Salcedo, Philippines)

foreign-policy instrument. The development aspects of economic assistance, which were UNDP's main rationale, had been given little consideration in recent years. That important policy question should be given due emphasis in the comprehensive policy review of operational activities by the Economic and Social Council and the General Assembly, planned for 1983.

54. In contrast to that trend, there was an increasing readiness by some developing countries to finance the provision of technical co-operation through the United Nations system from their own resources. The report showed that cost-sharing contributions had reached a level of \$170 million in 1982, a 48 per cent increase over 1981. That positive trend should help to bridge the widening resource gap.

55. His delegation supported the efforts of some Governments and of the Secretary-General to give further impetus to the mobilization of resources and to re-establish the financial base for operational activities at a high level. It believed that multilateral financial resources should form part of a comprehensive programme of world economic recovery. Such an approach would re-emphasize the role of development assistance as a key component in developing country efforts to fill gaps in the technical and other inputs for projects that had a substantial multiplier effect on their economies. It hoped that that approach would be further elaborated during the comprehensive policy review. It also endorsed the decision to continue the intersessional meetings of the Governing Council to consider ways and means of augmenting UNDP resources. It would be advisable for future meetings to be held at a high level.

56. Governments shared responsibility for ensuring that operational activities were cost-effective, because those activities were part of overall national strategies for enhancing indigenous capacity and self-reliance. At the same time, measures by the agencies to reduce costs and improve efficiency were to be welcomed. UNDP, for example, had taken steps to reduce its staff by 7.8 per cent during 1982-1983. Since most of the cuts had been made in more highly paid international posts, it was to be hoped that the move would further improve the cost-effectiveness of field programmes. The other measures taken by the Administrator to reduce costs and improve efficiency were also to be commended.

57. The United Nations Fund for Population Activities had been launched in 1967 with much popular support. Thanks in part to the effectiveness of family planning programmes, the international community felt less threatened by the prospect of runaway population growth, a problem that had been proved to be not insoluble. In commending UNFPA on its work, his delegation recognized the valuable contribution that member Governments, both donors and recipients, and private organizations had made to its efforts. UNFPA had played the central role, however, and worked with great efficiency. In 1981, it had succeeded in reducing its expenditures by 7 per cent from the 1980 level while at the same time increasing the ratio of project expenditure to project allocation from 90.7 per cent in 1980 to 93.3 per cent in 1981. The amount of self-help in proportion to external assistance was another notable feature of UNFPA's activities. Its Executive

(Mr. Moreno-Salcedo, Philippines)

Director had reported that, in the period 1979-1981, for each \$1 budgeted by UNFPA the 15 countries for which statistics were available had budgeted \$4.60. It was, therefore, ironic that after such success support for population programmes seemed to be waning, as indicated by the consistent drop in financial contributions to UNFPA over the past three years.

58. At a time of financial crisis, the United Nations Volunteers programme had shown itself to be a dependable and inexpensive source of technical expertise for a number of projects in many developing countries. Further, as the middle-level experts came from developing countries, the programme promoted technical co-operation among those countries. It also made an immeasurable contribution to the promotion of international friendship and understanding among peoples of different cultural backgrounds. The Volunteers were not, of course, intended to replace the traditional type of expert, but the programme had, in the 10 years of its operation, proved its viability and deserved the international community's continuing support.

59. His delegation welcomed the decision to enlarge the membership of the UNICEF Executive Board from 30 to 41 and congratulated the Board members and the Executive Director and those of his staff who had supported the decision on the speed with which it had been implemented. That was a momentous event for UNICEF which would probably be recorded in the history to be written in pursuance of the decision taken at the last session of the Executive Board; a work of that kind would not only have historical value but would help to increase support for UNICEF, particularly in financial terms. Since 1982 was a programme year under UNICEF's new biennial budget procedure, his delegation endorsed the trend towards the greater involvement of UNICEF in the intermediate and local levels of co-operation.

60. Mr. CHATTOPADHYAYA (India) said that the report (A/37/445 and Add.1) highlighted the important role of resources and analysed the issues relating to the efficiency and effectiveness of operational activities. Resource mobilization and measures to improve the effectiveness of development activities should not be placed on the same level. Paragraph 59 rightly noted that efficiency had to do with the means deployed for achieving the desired results and was a measure of the relationship between the resources used, or efforts expended, and a given result.

61. Referring to resolution 35/81, paragraph 5, he said that the demands of some developed countries for greater efficiency were a thinly veiled disguise for deliberate cutbacks in their contributions to operational activities for development, contributions which fell far short of their capacities. The 1983 United Nations Pledging Conference for Operational Activities for Development had provided ample evidence of the collapse with which the multilateral economic system was threatened. It was a measure of the lack of political will that the very channels through which international economic problems, and particularly those affecting the developing countries could best be tackled were being allowed to erode in terms of the steady decline of real resources and of the trend in aid to developing countries, which involved a distortion of the fundamental rationale, purposes and objectives of multilateral assistance.

(Mr. Chattopadhyaya, India)

62. A substantial increase in real terms of funds provided to the United Nations system on a more stable, predictable and assured basis was required in order to respond to the increasing needs of the developing countries. Targets for voluntary contributions agreed upon by consensus had been almost universally ignored, and the moral support given to technical co-operation and other aspects of operational activities remained unmatched by financial contributions and contributions in kind. Worse still, in the case of many developed countries, a reverse transfer of resources was taking place, whereby their net financial inputs into the system were outweighed by what they received in requests for services, equipment and technology transfers. Resource shortfalls and uncertainties had had a devastating impact on important development projects and programmes in developing countries, including his own, in an environment which was making it increasingly difficult for those countries to cope with external pressures for adjustment and with their own development requirements. Serious thought must be given to finding ways and means of reversing that situation. Much of the effectiveness of operational activities would depend upon how well technical co-operation and related operational activities fitted into the development plans and priorities of the recipient countries, whether close linkage between research and analysis could be ensured, whether Governments could assume more rapidly the responsibilities for executing projects, whether the skills and expertise available in developing countries could be utilized to the fullest and whether the efficiency and effectiveness of operational activities could continue to be improved in the context not merely of better management but also of an increase in programmes and activities and the resources required for them.

63. Given the major role that the World Bank was expected to play in promoting development activities in developing countries, it was only appropriate that due attention be given, in future annual reports and in the comprehensive policy report, to the situation with regard to the International Development Agency (IDA) and other activities of the Bank. It was ironic that one or two industrialized countries still refused to acknowledge that a crisis existed in the global economy. His delegation hoped that the message conveyed by the President of the Bank in his statement to the Second Committee regarding the importance and effectiveness of IDA in low-income developing countries would be heeded by those to whom it had been directed, so that IDA could be strengthened and could expand its programmes and activities with no distortion in the assistance it provided. It also strongly supported the suggestion that future reports on operational activities should concentrate more fully on the resource prospects of institutions like IDA, the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP). The inadequate response to General Assembly resolution 36/199 was disheartening, and his delegation hoped that Member States would heed the request therein and that their replies would be sufficiently comprehensive to include the resource situation in institutions such as IDA, IFAD and WFP.

64. His delegation fully endorsed the suggestion for strengthening the process of review and appraisal of resource mobilization in the United Nations system. It hoped that future reports would provide a more thorough analysis of the quality of technical assistance, the terms and conditions attached, whether it responded to

/...

(Mr. Chattopadhyaya, India)

the specific needs of the recipient countries, whether locally available expertise was drawn upon, how the Governments of the recipient countries fared in executing projects and whether efforts at economic and technical co-operation among developing countries were supported through those programmes. The impact of shortfalls in resources and the deterioration in the terms of technical assistance due to the increasing trend towards tying aid should be studied as well. Referring to the statement by the representative of Sweden that it would be helpful if recipients made clear the importance they attached to operational activities, he suggested that, at an appropriate stage, reports should also focus on the nature of the returns that donor countries derived from their contributions to operational activities. The evaluation process was an important and integral part of operational activities. Although he agreed with the steps suggested in paragraph 122, he stressed that evaluation was a two-way process: it exposed poor performance caused by internal weaknesses of organization or decision-making, but, on the other hand, efficient performance must be rewarded and adequate follow-up ensured. The Committee on Programme and Co-ordination had cited many examples of the failure of the United Nations system to take follow-up measures where an operational activity had been highly successful and had opened up a wide range of prospects. In most of those cases, the reason for the failure had been lack of resources. When major contributors were eloquent on the need for efficiency, consistency must be expected from them; and when implementation had been efficient, the demand for resources for follow-up activities must not be resisted.

65. The work on improved financing arrangements for UNDP carried out by the Intersessional Committee of the Whole would be greatly facilitated by suggestions concerning possible ways used in other operational funds and organizations to achieve a similar goal. A comparative analysis of various models, such as the experiences of IDA and IFAD, with a view to examining their applicability to other organizations, and a study of the suggestion concerning multi-year pledges or of a combination of replenishment models with other possible arrangements would also be useful. The suggestion concerning the establishment of targets, indicative or otherwise, for those funds which did not follow such a system was constructive and should be examined further, and his delegation supported the proposal that the governing bodies and executive heads of such funds and organizations should review the feasibility of establishing targets for the purpose of advance planning of resource mobilization and allocation of funds. The Second Committee should also consider holding pledging conferences for development activities twice a year and review the magnitude of the shortfall with a view to examining ways and means of rectifying the situation.

66. His delegation welcomed the reference in the report to the particular responsibility of the organizations of the United Nations system for the promotion of South-South co-operation and looked forward to a far more comprehensive and detailed analysis of current efforts to promote technical co-operation among developing countries. In the comprehensive policy report to be presented in 1983, sufficient emphasis should be given to possible ways of intensifying such activities and of overcoming the existing constraints on enhancing the effectiveness of the United Nations system in promoting technical co-operation among developing countries.

(Mr. Chattopadhyaya, India)

67. Greater flexibility was needed in operational programmes and he supported the suggestions on how to achieve that goal contained in the report. The suggestions on increased co-financing of programmes and projects, particularly with private organizations, and on greater links between bilateral and multilateral assistance programmes should, however, be considered very carefully. The fundamental framework, objectives and philosophy of the multilateral system must be strictly preserved and not distorted in the guise of greater co-ordination. Improvement of the efficiency and effectiveness of the operational system, while necessary, could not be a substitute for substantial increases in the resources of the system and improvement of its quality.

68. His delegation supported the recommendations for greater harmonization of administrative and financial personnel planning and procurement and improved coherence of action at the country level in accordance with the objectives and priorities of the country concerned.

69. The report made no reference to compliance with the request in resolution 35/81, paragraph 16 (b), for an elaboration of the suggestion that gaps existed in the operational activities of the United Nations system. That was a difficult subject too tackle, but he hoped that an attempt would be made to respond to that request and to cover the situation in reports to future sessions of the General Assembly.

70. India was deeply involved in every aspect of the operational activities of the United Nations system. Despite its resource constraints, it had been a major contributor to several voluntary funds and continued to provide a large number of experts for various technical co-operation programmes and related activities. It was, however, hardly satisfactory that, with a per capita income of \$200 per year, India in many cases should be contributing more for technical assistance programmes than did several developed countries. That situation was particularly ironic in view of the enormous waste of resources on armaments and similar unproductive expenditures when hundreds of millions were homeless, half-naked and literally starving in many developing countries. At the 1983 Pledging Conference for Development Activities Governments had reaffirmed their commitment to multilateral development co-operation. It was time for the glaring contradiction between pledge and practice to be faced squarely in order not to make a mockery of the goals and objectives that the international community had set for itself.

71. Mr. CHAN (Singapore) said that the massive flow of funds towards fulfilling the economic promise of the Americas and Australia before the First World War had never been repeated. That massive transfer, which had generated the rapid development of North America and Australia, emphasized the urgent need to implement economic programmes in the developing countries, because it had shown that the net result of the development of such economies was growth and prosperity. Perhaps the time had come again for a new impetus for growth to be created.

(Mr. Chan, Singapore)

72. For many developing countries, however, access to low-cost or long-term financing was restricted and the availability of technology and advice for infrastructural changes was severely limited. United Nations development activities provided a conduit and the supervisory capacity for carrying out such programmes. The benefit for the contributing country lay in lower operational costs, because a large bureaucracy to administer and supervise a similar bilateral programme could be avoided, and in an equitably distributed programme of development in which all countries had a share. For their part, the developing countries had to co-ordinate those multilateral programmes closely with their planning processes and must not view them as free gifts for the taking. There had been occasions when even massive official development assistance had had little or no impact on the development process or the poverty level. The developing countries must therefore put their own house in order first, or else assistance would be seen by the donors as a wasteful effort. UNDP activities were examples of worth-while co-operation, since the recipient countries contributed the equivalent of or even more than the amounts provided by UNDP.

73. The work of the Committee had been bogged down by disputes over money. It was inevitable that the sums required by economic development programmes would be high, but rather than concentrating on the programmes themselves, the Committee had spent most of its time on their funding aspects. It would be even more destructive for the executive heads of the agencies concerned to divert their attention from substantive activities to fund-raising. To deal with the financial crisis, three courses of action could be proposed: some programmes could be phased out or scaled down until interest in them revived; the limited existing resources could be reallocated and administrative needs and programme delivery pared down to the minimum; or new sources or funding methods could be sought. An example could also be taken from a study sponsored by the Dag Hammarskjöld Foundation in Sweden on automatic mobilization of resources for development. The study had considered such ideas as a levy on the use of internationally common facilities such as space or the sea bed, a national sales or income tax for development purposes and allocation of newly created Special Drawing Rights to developing countries over and above the IMF quotas. Those suggestions could generate discussion in the context of the review of UNDP's long-term financing being carried out by the Intersessional Committee.

74. Operational activities for development were undergoing a crisis because the world economy was in a major upheaval. The 1983 Pledging Conference for Operational Activities for Development had yielded depressing results. It was to be hoped that the cutback in official development assistance was not a sign that countries were now battening the hatches in preparation for a worse storm ahead. History had shown that fear at a time like the present would only drag the world further into a vortex of increasing economic calamities. It was not the time to mete out praise and blame. The severe crisis forced the developing countries to appeal to the developed countries to give more for United Nations development activities but, if the mood was that of every man for himself, the situation could only worsen.

75. Mr. PIBULSONGGRAM (Thailand) said that the developing countries were agreed that the active role of the United Nations system in operational activities for development must be supported. His delegation had demonstrated by its pledges at the 1983 Pledging Conference for Operational Activities for Development its commitment to the work of UNDP, UNICEF, UNFPA and other programmes and funds. The traditional major donors had also shown that they attached great importance to operational activities for development by the positions they had taken on such areas of multilateral co-operation as the Financing System for Science and Technology for Development. His delegation was concerned, however, about the implications of the financial situation for the implementation of development projects and for the status of the United Nations funds and programmes for those activities. The developing countries had already been greatly disadvantaged by that situation in terms of unimplemented projects and the reduction of personnel and expenditures. The proposals submitted in document A/37/445 for remedying those problems should be pursued by the Intersessional Committee in the context of its study of the financing system for operational activities for development. With regard to the suggestion for multi-year pledging to ensure more stable and predictable financing, Thailand could announce its pledges only annually because of its budgetary procedures.

76. His delegation welcomed the Governing Council's decision to endorse Thailand's request for assistance for the period 1982-1986. The third country programme for Thailand was an important framework for meeting its technical needs and supplementing its development effort, especially in the management of the development process, rural development, poverty elimination, economic diversification and energy. The technical assistance provided in the previous two programmes could serve as a catalyst for the development process, and his Government was determined to harness that potential to the maximum under the third programme. It urged UNDP to draw upon national expertise which abounded in many fields as a way of strengthening the capacity-building process and reducing administrative costs.

77. His delegation was pleased that, notwithstanding its difficult economic situation, UNICEF had been able to expand its activities in 111 countries, but regretted the 12 to 27 per cent reduction in commitments and programme expenditures in Thailand for 1982-1984. Thailand had truly benefited over the years from UNICEF's support in terms of supplies, equipment and training grants.

78. UNFPA was another field of multilateral co-operation which was undergoing financial difficulties, and his delegation sincerely hoped that the family planning programme which was of such benefit to all developing countries would be maintained.

79. The problems before the international community were not insurmountable provided that everyone worked together and did not depart from the principle of multilateralism.

80. Mr. DE SILVA (Sri Lanka) said that the attention of the international community had been focused for some time on the world economic crisis and its consequences for the developing countries. In that context, the assistance programmes of the United Nations system assumed even greater significance. The system's operational activities currently provided about 15 per cent of the total official development assistance received by those countries.

81. The disappointing results of the recent pledging conference undoubtedly meant that, unless steps were taken to narrow the gap between the needs of the developing countries and dwindling resources, programme assistance could not be maintained even at its current level. He recalled in that connection the Declaration of 8 October 1982 of the Ministers for Foreign Affairs of the Group of 77 expressing their deep concern at the undermining of international co-operation for development through the decline in the flow of multilateral development finance. The Director-General for Development and International Co-operation had reminded the Committee (A/C.2/37/SR.32) that the system faced a funding crisis that was in stark contrast to the ever-growing expenditure on armaments which, in a single day, consumed the shortfall in resources currently estimated for United Nations funding programmes for the next two years.

82. Various measures had already been adopted or were being considered by United Nations agencies to reduce administrative costs and increase the cost-effectiveness of programmes. Attention was also being paid to the need for periodical evaluations to improve the efficiency of programmes and their responsiveness to national needs. The agencies could be expected to consult and act in co-operation with the participating countries in efforts at co-ordination and in reviews of current and planned activities at the country level.

83. He expressed his Government's appreciation and gratitude to the United Nations agencies that had provided Sri Lanka with meaningful assistance in its national development plans and programmes. They included UNDP, UNICEF, UNFPA, the United Nations Volunteers and the World Food Programme. The executive heads of all those organizations were to be congratulated on their dedication and their untiring efforts to use their resources more effectively and to develop new means of ensuring better co-ordination. His delegation hoped that collective action by the international community would revive the spirit of multilateralism and enable the United Nations system to function effectively in those areas for which it had special responsibility.

84. Mr. ASSADI (Iran), speaking in exercise of the right of reply, said that the statement by the Iraqi representative at the Committee's thirty-seventh meeting had been a vain attempt to distort the truth. In referring to an "imposed war", he had contradicted the established fact that, on 22 September 1980, the Baathist régime of Iraq had launched a full-scale military invasion of the Islamic Republic of Iran, in the fond hope of overthrowing the Islamic revolution. The shameful failure of that attempt did not need to be elucidated.

85. While lamenting the lack of stability in the area which, if it indeed existed, was the direct result of Iraq's aborted counter-revolutionary aggression, the Iraqi representative had mentioned an "Arab Gulf". He obviously needed a course on geography, because the gulf in question was known as the Persian Gulf.

(Mr. Assadi, Iran)

86. The same representative had proudly referred to Iraq's generous contributions to development assistance programmes which, he had said, had had to be reduced because of the war. What a tragedy! It would appear, then, that the tens of billions of dollars which had been poured into Iraq's coffers over the past two years by its reactionary bankrollers had not enabled it to make good on its pledges of dedication to development assistance. If Iraq was so concerned about development activities, why then had the régime embarked on a war in the first place? Perhaps Iraq's current endeavours to obtain loans from international monetary agencies were geared toward increasing its development assistance.

87. In mentioning the increased funds allocated for armaments, the Iraqi representative had made a courageous admission which should be applauded. Iran could unequivocally confirm the accuracy of that statement. Iraq should be well aware of the direct and indirect consequences of its military aggression against the Islamic Republic of Iran, of which soaring military budgets and the massive destruction of human and material resources were only two. The Iraqi representative had shown sheer hypocrisy by feigning innocence and shedding crocodile tears about wasted resources and unrealized potentials.

The meeting rose at 6.20 p.m.