



SUMMARY RECORD OF THE 50th MEETING

Chairman: Mr. DIETZE (German Democratic Republic)

CONTENTS

AGENDA ITEM 79: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (continued)

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

AGENDA ITEM 78:- DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)

- (b) TRADE AND DEVELOPMENT
- (f) ECONOMIC AND TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES
- (m) IMPLEMENTATION OF THE SUBSTANTIAL NEW PROGRAMME OF ACTION FOR THE 1980s FOR THE LEAST DEVELOPED COUNTRIES: REPORT OF 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 DC2-750, 2 United Nations Plaza, 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.2/38/SR.50
8 December 1983
ENGLISH
ORIGINAL: FRENCH

/...

A/C.2/38/SR.50

English

Page 2

CONTENTS (continued)

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

AGENDA ITEM 81: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)

(b) SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE

The meeting was called to order at 3.30 p.m.

AGENDA ITEM 79: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (continued) (A/38/3 (Part II), A/38/106, A/38/494)

- (a) OPERATIONAL ACTIVITIES OF THE UNITED NATIONS SYSTEM: REPORT OF THE SECRETARY-GENERAL (A/38/258 and Add.1 and Corr.1, A/38/276, A/38/333)
- (b) UNITED NATIONS DEVELOPMENT PROGRAMME (E/1983/20; A/38/516)
- (c) UNITED NATIONS CAPITAL DEVELOPMENT FUND
- (d) UNITED NATIONS FUND FOR POPULATION ACTIVITIES (A/38/410)
- (e) UNITED NATIONS VOLUNTEERS PROGRAMME
- (f) UNITED NATIONS SPECIAL FUND FOR LAND-LOCKED DEVELOPING COUNTRIES: REPORT OF THE SECRETARY-GENERAL (A/38/493)
- (g) UNITED NATIONS CHILDREN'S FUND (E/1983/21)
- (h) WORLD FOOD PROGRAMME (A/C.2/38/L.7)
- (i) TECHNICAL CO-OPERATION ACTIVITIES UNDERTAKEN BY THE SECRETARY-GENERAL (A/38/172 and Add.1; DP/1983/18 and Add.1 and 2)

1. Mr. GHOSH (International Labour Organisation) said that the deep-seated malaise which currently characterized the world economy demonstrated more clearly than ever before the urgent need for bold, innovative and concerted action by the international community to reverse disquieting trends and shore up the world economy. The operational activities of the United Nations system were one of the most important elements of such global action, particularly because of their catalytic effect on development.

2. The financial crisis which the United Nations development system was currently going through was still cause for serious concern, in spite of the tireless efforts of the UNDP Administrator. Several members of the Second Committee, including the Netherlands, the United Kingdom and the Nordic countries, had emphasized the desirability of broadening the basis of financial support for UNDP; ILO was pleased that, in an expression of their appreciation for the United Nations development system, an impressive number of developing countries had met or exceeded the target of a 14 per cent increase in the value of their contributions at the recent United Nations Pledging Conference for Development Activities, despite their own economic difficulties. Several major donor countries had also announced increased contributions. However, the future remained uncertain, and ILO wished to caution the Second Committee against any further erosion of the financial resources of UNDP: such an erosion would not only have serious repercussions for the Programme's ability to carry out its essential functions but would have an adverse effect on the role and credibility of the entire United Nations development system.

(Mr. Ghosh, ILO)

3. In the area of technical co-operation, policies and perceptions were changing rapidly in both donor and recipient countries. Methods for mobilizing additional resources, for example cost-sharing and multi-bilateral and trust-fund arrangements, should be flexible and pragmatic. At the same time, efforts should be made to reach an understanding on the conditions on which multi-bilateral assistance and trust funds were negotiated. ILO would continue its efforts in that direction within the inter-agency framework. Multi-bilateral and bilateral assistance had distinctive roles and features and complemented each other in many ways. However, any measures which tended to dilute or weaken the fundamental principles of the multilateral aid system, particularly the tying of aid to the procurement of goods and services in donor countries, must be discouraged.

4. ILO welcomed the increased attention paid to quality and cost-effectiveness, not only because needs far exceeded resources but also because the improvement of performance must be a primary and continuing concern of the whole system. ILO had developed and implemented a number of measures to enhance the impact and cost-effectiveness of its technical co-operation and had stepped up evaluation activities, which ranged from the self-evaluation of projects to in-depth analyses of sectoral activities and the systematic evaluation of the total ILO programme by a standing committee of the Governing Body. At the same time, ILO was aware that primary responsibility for evaluation lay with recipient countries and was thus committed to strengthening their capacities in that field. However, it should be recalled first of all that the development of more effective and profitable methods and modalities of technical co-operation required time and patience and must take past experience into account. Secondly, innovative measures, while better adapted to actual needs, were not necessarily less costly than traditional methods. Finally, it should be borne in mind that there was a price to pay for excellence and that efforts must focus on cost-effectiveness rather than on cost reduction per se. Improved cost-effectiveness and the mobilization of increased resources, while interrelated, must be pursued separately. It would be unfortunate if the issue of cost-effectiveness became an excuse for withholding increased financial support for multilateral technical assistance.

5. With regard to the "polycentric" nature of the United Nations system it was of critical importance that Governments should adopt a consistent approach in any attempt to strengthen the system's impact and co-ordination. In that connection, he pointed out that the Governing Body of ILO was kept constantly informed of all important developments within the system. Moreover, ILO attached considerable importance to inter-agency consultations at the policy and programme levels and was working to strengthen collaboration with the Director-General for Development and International Co-operation. With regard to co-operation in the field, which was one of the key areas identified by the Second Committee during the thirty-seventh session of the General Assembly, ILO expected to issue additional operational guidelines in the near future regarding collaboration at the country level between resident co-ordinators and representatives of specialized agencies.

6. Concerning the harmonization of procedures, ILO fully supported the conclusion that harmonization should be optimal rather than maximal; ILO also welcomed the

(Mr. Ghosh, ILO)

fact that the Director-General intended to follow that matter up not only with the organizations in the system but also with Governments, which had a critical role to play in that connection. The utilization of the knowledge and experience of each unit of the United Nations system, in keeping with the principle of the division of functions, would lend strength to the system as a whole. Adherence to the concept that those units - executing agencies as well as funding agencies - were complementary would lead to a more coherent approach.

7. In the desire to improve cost-effectiveness and reduce administrative costs, the essential objective of operational activities, which was to improve the human condition, must not be overlooked. If the poor remained condemned to misery, if masses of people continued to be jobless or underemployed and if vulnerable social groups were denied access to economic and social progress, development lost much of its meaning, and economic growth could not be sustained in the long run. Operational activities must respond to the basic humanistic objectives of development. Technical co-operation could not be divorced from the strategy and substance of development. For its part, ILO fully supported the conclusion of the Director-General for Development and International Economic Co-operation that there was an urgent need for an in-depth, comprehensive examination of the operational activities of the United Nations system in conjunction with the review and appraisal of the International Development Strategy for the Third United Nations Development Decade.

8. Mr. PLECHKO (Union of Soviet Socialist Republics) said that General Assembly resolution 35/81 had established a mandate for the review of operational activities for development and for the identification of procedures to improve those activities in order to accelerate the implementation of the progressive decisions of the United Nations concerning the establishment of an international economic order based on justice and equality.

9. Documents A/38/258 and Add.1 had been submitted in compliance with that resolution, but the Soviet Union felt that the authors had not fully carried out their task. The Director-General's report tended to reflect certain negative tendencies, unfortunately more and more pronounced in the field of operational activities. His delegation had expressed its views on that subject at the second regular session of the Economic and Social Council. The only reference to the new international economic order in the report was not supported by an analysis of the principal obstacles which impeded the implementation of the constructive decisions adopted at the sixth special session of the General Assembly and the principles enshrined in the Charter of Economic Rights and Duties of States, which were extremely important.

10. In three of its resolutions, namely resolutions 35/81, 36/199 and 37/226, where it had defined the scope of the report, the General Assembly had denounced the detrimental effect of the arms race on efforts to establish a new international economic order and on operational activities and had called upon States to allocate a greater proportion of resources currently being used for military purposes to economic and social development. The non-aligned countries and the socialist

/...

(Mr. Plechko, USSR)

countries had long been insisting on the need to ensure such a transfer and had taken initiatives to that end, but the imperialist Powers were hostile to any concrete action. That was a well-known fact which no longer surprised anyone. What was surprising, however, was that some representatives of Western States had openly expressed that hostility in their statements before the Second Committee, thereby showing their contempt for the positions adopted by the overwhelming majority of States. The objections made to the affirmation of the link between development and disarmament seemed highly cynical coming from the representative of a State which had been the first to accept the deployment of additional nuclear weapons on its territory, despite the opposition of its public opinion. Similarly, it was regrettable that the representative of a State which had already known the horror of a nuclear bombardment could make ironic comments on the legitimate concern of the international community over the arms race unleashed by the imperialist countries. What good were the lessons of history?

11. The difficulties encountered in financing UNDP were linked to certain serious problems in the world capitalist economy, for example inflation, exchange rate instability and the depreciation of currencies. In such conditions, the priority objective of the UNDP Governing Council must be to increase the effectiveness of the Programme by reducing support and administrative costs, which were still too high, and cutting other non-productive expenditures. That must be done in strict respect for the universal and voluntary nature of UNDP, which had been one of the basic principles of the 1970 consensus.

12. His delegation was convinced that existing United Nations structures for reviewing issues linked to operational activities and the execution of technical co-operation projects were adequate. For some time, the UNDP administration had been trying to mobilize additional resources from private sources for purposes which were not in conformity with the principles and objectives of the Programme. The links existing between UNDP and the World Bank and other multilateral financial institutions controlled by the West were likely to favour the penetration of the developing countries by foreign private capital. If the Western countries were investing in the developing countries, it was not to promote the developing countries' economic development and independence but to obtain material resources and maximum profits. The example of the United Kingdom was a perfect illustration of that trend. The profits earned by its monopolies in the developing countries were nearly twice as high as its private investment in those countries, according to official British statistics which had still been published several years previously but were no longer being published. The same phenomenon could be observed with UNDP. In 1979, the United Kingdom had contributed \$58.1 million to UNDP and had received \$91.4 million from it for supplying services and equipment (source: Inter Press Service Third World News Agency).

13. The development of co-operation between UNDP and the World Bank was thus clearly advantageous to the United Kingdom. In addition, had not the representative of that country said that the General Assembly should not hinder IMF? The same representative had referred to the ideas brought out at the Williamsburg summit but not to the proposal of the non-aligned countries concerning

(Mr. Plechko, USSR)

the reform of the international monetary system. His delegation was opposed to using United Nations programmes to facilitate penetration by private foreign capital. It felt that all countries had the right to choose how they would participate in operational activities. The Soviet Union, for its part, would continue to use the procedures that it judged to be appropriate - and that had given proof of their effectiveness - and to oppose the attempts being made to introduce a discriminatory system for the provision of the various forms of aid.

14. The Director-General's report contained unfounded arguments on the "limited" value of contributions made in national currencies. It did not specify that the aid of the socialist countries was devoted mainly to the training of national staff in the developing countries, an objective to which the General Assembly and UNDP had rightly given priority. It should also be pointed out that the USSR had co-operated actively with UNFPA, for example in organizing demography courses at the State University of Moscow.

15. The socialist countries did not tie their aid to economic or political conditions. They did not seek profit, nor did they pillage the national wealth of the developing countries, as did the imperialist States and their transnational corporations. What they did do was help the developing countries to industrialize, to develop their public sector and their co-operatives and to train staff, in other words to achieve real economic independence. The importance of Soviet aid could not be called into question by Western propaganda. The representative of the United Kingdom had recently submitted biased figures which did not even tally with the estimates - albeit negative estimates - of the Foreign Office. That illustrated the fallacious nature of his speculation. The Soviet Union wished to reaffirm vigorously that it had no intention of modifying its aid to satisfy the criteria of OECD and the Foreign Office or the fanciful whims of certain representatives. It would not support - as the imperialist countries did - the Israeli aggressors, the South African racists or certain bloodthirsty juntas. Soviet aid was disinterested and in no way resembled the "aid" from the West, which was in fact nothing but an instrument of neo-colonialist policy designed to benefit transnational corporations.

16. The representative of the United Kingdom had drawn attention to his Government's assistance efforts; but could he explain why the cost of re-establishing the British colony in the Malvinas had come under the item external assistance in the national budget? In fact, the assistance provided by the United Kingdom was inadequate and was subject either to political considerations or to the desire to subsidize British exports. That was the conclusion reached by Mr. Charles Elliot, who headed the independent group on questions concerning United Kingdom assistance (NGO FORUM, November 1982). That was, however, a hard pill to swallow and it was therefore not surprising that, refusing to recognize the truth about Soviet aid, some representatives of Western countries sought refuge by spinning fairy tales (Cinderella, Alice in Wonderland) or spread fantastic ideas ("magic forces" of the market).

/...

(Mr. Plechko, USSR)

17. The Soviet Union noted with satisfaction that greater use was being made of national experts, enterprises and agencies of the developing countries in the execution of technical assistance projects. It also noted the desire of the authors of the report to bring operational activities more into line with national development plans by involving Governments more in determining priorities and in project evaluation, within available resources. Improving the effectiveness of operational activities was a matter which should be dealt with as part of the review and appraisal of the implementation of the International Development Strategy for the Third United Nations Development Decade but his delegation doubted the usefulness of special consultations for that purpose between senior officials of the developed and developing countries. It attached great importance to strict respect for the benevolent and universal nature of contributions to UNDP. The pressure from some States, especially the United States, to introduce discriminatory régimes in connection with assistance should cease.

18. His delegation was very much aware of the humanitarian role of UNICEF and noted with satisfaction its activities on behalf of children in developing countries in 1982; nevertheless, the situation remained extremely disturbing in many countries, and UNICEF should step up its efforts. He drew attention to the discriminatory approach adopted with respect to the assistance programme for Democratic Kampuchea. That programme was drawn up on a yearly basis, while other countries received longer-term assistance. UNICEF should change its procedure to bring it more in line with established principles. The practice of preparing annual reports on the situation of children in the world was a good one, but the reports would be more comprehensive if UNICEF took greater account of the experience acquired by countries engaged in a vast process of social and economic reforms, particularly those affecting maternal and child welfare.

19. Mr. HAYFORD (Ghana) said that his country attached great importance to the operational activities of the United Nations system because they constituted the domain where good intentions, constructive proposals and multilateral co-operation for development were translated into tangible improvements in the well-being of the populations of developing countries. Ghana had always had a fruitful relationship with the United Nations system, particularly with UNDP, in co-operation for development and hoped that the partnership would continue and be strengthened. Despite serious financial constraints, Ghana had paid in full its 1983 contribution to UNDP which amounted to \$172,700. The third UNDP country programme for Ghana, which had just begun, was the result of intensive consultations, not only between UNDP and the central co-ordinating government department, but also between a number of specialized agencies and the relevant technical government services and was in line with the national development goals and priorities. He noted with satisfaction that the largest share of the programmed resources (31 per cent) would be allocated to agriculture, while a substantial emphasis had been placed on the development of manpower resources. Ghana was particularly gratified to note that UNDP would assist it in carrying out its programme on the transfer of knowledge of expatriate nationals whereby highly qualified nationals of a developing country were encouraged and given assistance to return home for short periods to fill critical manpower gaps. Finally, Ghana urged that the co-ordination and

(Mr. Hayford, Ghana)

communication that already existed between the UNDP offices and the Ministries of Finance, Economic Planning and Foreign Affairs should be strengthened in order to ensure smoother implementation of the programme.

20. Turning to operational activities as a whole, he said that Ghana endorsed the proposals for increasing the mobilization of financial resources for UNDP and improving co-ordination at the inter-agency level both in the field and in other areas. The delivery of programmes should be maintained as fully as possible, notwithstanding the measures aimed at reducing expenditures. Thus, it would be better to cut down on salaries and travel expenditures than to stop the building of a clinic for lack of resources. Despite the cut-backs already made, an effort should be made to ensure that a greater share of total expenditures was allocated to building infrastructures or enhancing the capabilities of developing countries.

21. Ghana was deeply concerned by the erosion of the commitment to multilateralism, the usefulness of which was well known. It expressed its appreciation to the major donor countries, particularly the Scandinavian countries, the United States and India, which had demonstrated their commitment to operational activities by increasing substantially their contribution to UNDP and to other funds and programmes.

22. He was encouraged by the apparent improvement in UNDP's financial situation. The sharing of experience which would result from increased co-operation between UNDP and other agencies, such as the World Bank, should be beneficial. UNDP's efforts, for example with regard to improved malaria vaccines and drugs for treating schistosomiasis and in the context of the International Drinking Water Supply and Sanitation Decade were noteworthy. He also welcomed the decision to make more use of nationally recruited personnel.

23. The Committee must not forget that the main aim was to improve the well-being of the population as a whole. To the extent that the operational activities of the United Nations system helped feed the hungry, heal the sick, provide training and build infrastructures, they deserved the continued and increased moral and material support of the international community.

24. Mr. AL-HADDAD (Democratic Yemen) said that operational activities, which were among the most important activities in the United Nations system, were intended, given the international responsibilities of the donor and recipient countries, to accelerate the growth of developing countries, particularly the least developed and low-income countries, to the extent that the available human, natural and financial resources allowed. The seventh Conference of Heads of State or Government of Non-Aligned Countries had stressed the vital role of those activities and the need to accord them greater importance in United Nations plans and programmes. The Director-General for Development and International Economic Co-operation had been right in laying emphasis in his report on a global revision of policies, the improvement of programme quality and the mobilization of more resources. As a token of its commitment to operational activities and multilateral economic co-operation, Democratic Yemen had increased its contribution which was higher than

/...

(Mr. Al-Haddad, Democratic Yemen)

the proposed percentage. Like many other developing countries, it was extremely concerned by the financial crisis besetting many funds and programmes and by the response from some donors. The logical consequence of that situation was to cut back on projects and dash the hopes of the recipient countries; it was therefore more important than ever to ensure that the International Development Strategy was carried out.

25. The operational activities for development of the United Nations system must take into account the economic priorities and objectives of the recipient countries; projects must therefore be designed and implemented in conjunction with them and their sovereignty must be respected. His Government, deploring the growing trend towards the tying of contributions for operational activities to the procurement of goods and services in the donor countries, endorsed the Director-General's warning in paragraph 103 of his report (A/38/258).

26. Democratic Yemen underscored the importance of the lead role of UNDP which co-ordinated technical assistance and consolidated the technical potential of the developing countries by promoting collective self-reliance. The available resources should be equitably distributed and the aim of country programming must be to ensure that they were put to the best use. His country hoped that UNDP would be provided with the resources it needed to fulfil the purposes for which it had been established, and that both donor countries and developing countries would heed the appeal to that effect made by the Intersessional Committee of the Whole and by the seventh Conference of Heads of State or Government of Non-Aligned Countries. Countries must bring their political commitment and their constructive determination to bear in order to overcome the current difficulties. Specifically, informal intergovernmental consultation on the matter could be initiated.

27. Democratic Yemen attached special importance to operational activities in training. Training must enable national officials to take a greater part in project design and in the follow-up after the departure of international experts. Evaluation was the best guarantee that operational activities would be efficient and effective and that rational decisions would be taken. Democratic Yemen supported the efforts of the United Nations system to improve the evaluation process, especially the work of the Joint Inspection Unit, and it favoured the establishment of the local evaluation units envisaged by UNDP.

28. His Government, recognizing the productive work that UNICEF was doing on behalf of children, congratulated it on its accomplishments in improving the chances of survival for children and appealed to the international community to strengthen it.

29. Mr. PSUNGO (Mozambique) said that Mozambique, as one of the countries receiving international assistance, had long been able to appreciate the role played by the United Nations in meeting the fundamental needs of peoples in their struggle for economic and social development. Mozambique was determined to work in accordance with the principles of a global strategy of development based, among other things, on full utilization of its national economic and social capabilities

(Mr. Psungo, Mozambique)

and the strengthening of international relations on the basis of reciprocal benefits, mutual respect and non-interference in the internal affairs of others. During the period 1970 to 1982, it had applied that strategy to good effect, especially in the sectors of construction, industry and agriculture. Since 1982, however, those sectors had been experiencing a number of difficulties, chief among them drought, the policy of destabilization carried out by the South African régime and the infiltration of armed bands equipped by the apartheid régime which, among other things, engaged in economic sabotage.

30. It would not be possible to pursue economic development programmes at the local, regional and national levels without outside assistance. The operational activities for development of the United Nations system were of paramount importance there. Mozambique thus welcomed the activities undertaken by specialized institutions such as UNDP, WFP, FAO, the Office of the United Nations Disaster Relief Co-ordinator, UNICEF, UNFPA, UNIDO and WHO. A lack of funds, however, together with other factors having to do with the functioning of the United Nations system, had jeopardized some development projects. His delegation therefore joined in the appeal made by the Director-General for Development and International Economic Co-operation and by the executive heads of the various specialized agencies to mobilize more financial resources. He appreciated the efforts made by some countries at the latest Pledging Conference, but underscored the fact that financial assistance by donor countries should not have any conditions attached. His Government reiterated its full support for the Declaration of the Group of 77 on operational activities for development made during the second regular session of 1983 of the Economic and Social Council.

31. Mr. SMITH (Jamaica) said that the multilateral economic assistance provided through the various organs and agencies of the United Nations system to complement the efforts of developing countries was vital.

32. One of the main issues in connection with the operational activities for development of the United Nations system - an essential element of multilateral co-operation - was the mobilization of sufficient resources. Behind the actual figures there lay a crucial problem: that of political support or lack of support for multilateral economic co-operation. It was therefore fortunate that the results of the latest Pledging Conference had offered a basis for some optimism. The major donors had exceeded the 14 per cent target set by the UNDP Governing Council and other donors had endeavoured to increase or maintain the real value of their contributions. It was important to note, in particular, the support given to UNDP by the developing countries, first of all because 24 of the 28 countries which had exceeded the 14 per cent target in terms of their national currencies were developing countries, like Jamaica; and further, because UNDP had been bearing the brunt of the weakening support for multilateral economic co-operation. In his report, the Director-General had made the same point in stating that UNDP's role in the financing of multilateral technical co-operation had decreased from 80 per cent of total United Nations system technical co-operation expenditures in 1968 to 50 per cent in 1981. In recent years waning support had been recorded not simply for multilateral economic co-operation but also for the principle of general-purpose

/...

(Mr. Smith, Jamaica)

funding. The system of central funding and, in the context of UNDP, the accompanying process of country programming provided an opportunity for developing countries to set their own overall priorities and utilize multilateral resources in accordance with those priorities and their national plans. It was therefore imperative to halt the tendency to bypass the central-funding mechanism, and to increase financial support for UNDP from the international community and particularly the major donors, in order to provide it with the resources needed to fulfil its assigned role, to which the developing countries attached great importance.

33. He observed that cost-sharing contributions had centupled in 10 years. That dramatic growth was the reflection both of the resource predicament and the value which developing countries ascribed to the technical assistance provided by UNDP; it also placed a considerable financial burden on countries like Jamaica.

34. With regard to adapting assistance to levels of development, one of the six priority areas identified in his report, the Director-General pointed out that, even if the system should, as a rule, concentrate its operational activities in the least developed and other low-income countries, it should also continue to participate in the development programmes of medium-income and high-income developing countries, in keeping with the universal character of the United Nations. Indeed, over two thirds of the operational activities of the United Nations system were taking place in developing countries with a per capita GNP of less than \$500. Yet as one of the main goals of technical co-operation was to improve the effectiveness of financial and material resources, it was also vital to increase and not decrease the programme budgets for countries like Jamaica, where UNDP played a highly important role in the areas of training and institutional development.

35. With regard to the complementarity of technical co-operation and capital assistance - another priority area - there was no doubt that in the foreseeable future the overwhelming majority of developing countries would continue to require technical assistance to prepare, implement and monitor investment projects. The establishment of closer co-operation between UNDP and the World Bank was thus encouraging.

36. He welcomed the fact that certain gaps in operational activities had been identified. Such gaps related in part to the way in which priorities were established, and to "the adequacy of resources for sectors such as industry, technology, energy and trade". His delegation thus hoped to see a strengthening of the system's capacity to deliver technical assistance in those areas in accordance with the priorities of developing countries.

37. With respect to the efficiency and effectiveness with which UNDP programmes were implemented, he supported the Governing Council's decision to establish a central evaluation unit. His delegation believed, however, that consultation with recipient countries was particularly important in any evaluation exercise. Operational efficiency could be improved by reducing administrative and support

(Mr. Smith, Jamaica)

costs to the extent consistent with high quality programme delivery. It should however be recognized that the system had a built-in capacity to deliver a much larger programme than at present, at little additional cost. The marginal costs of administering a larger programme were considerably less than the current average cost. That said, Jamaica reiterated its support for the efficient utilization of available resources through the implementation of cost-sharing techniques.

38. In conclusion, he stated that technical co-operation should not be limited to the provision of services and technical know-how in a transitory or ad hoc manner. His delegation agreed with the view contained in the Declaration issued by the Group of 77 at the second regular session of the Economic and Social Council in 1983 . The provision of data on the use of national experts and institutions, on the training of local manpower, on procurement in recipient and other developing countries, and on the use of national or regional training institutions would provide a good yardstick for determining how well technical co-operation was meeting its fundamental goal.

39. Mr. JAYANAMA (Thailand) said that the raison d'être of operational activities was to allow developing countries to promote their own economic and social development by creating conditions for the optimum use of the human, financial and natural resources available. In that connection his delegation supported the Group of 77's recent declaration.

40. In the current context of economic constraints and evolution in international co-operation for development, a comprehensive review of the trends characterizing the system's operational activities was of particular importance. It should be noted in that connection that following their expansion in 1982, the operational activities of the United Nations system, particularly those implemented by UNDP, had been severely affected by a decline in contributions in real terms. UNDP had been obliged to reduce IPFs for the third programming cycle by 45 per cent, hence the need to mobilize additional resources on a predictable, continuous and assured basis and to do the utmost to achieve a more equitable distribution of UNDP's costs.

41. The recent decline in economic multilateralism was regrettable. Efforts should be made to ensure that UNDP, UNICEF, UNFPA, WFP, IFAD and other operational funds and programmes were able to maintain the level of their field activities, at least in real terms. In addition, the growing trend towards the tying of contributions for operational activities to the procurement of goods and services in the donor country should be reversed. Such a practice jeopardized the future of multilateral co-operation.

42. With regard to priority areas demanding special attention, he agreed that account should be taken of the developing countries' changing requirements for technical co-operation, and that assistance should be adapted to their level of development. South-South co-operation was an essential instrument in promoting self-reliance, an objective which could not be attained without the continued support of the United Nations system.

(Mr. Jayanama, Thailand)

43. To improve the cost-effectiveness of operational programmes without lowering their quality, all methods for the rational use of resources should be tried. Those included reductions in administrative and support costs, greater use of local expertise and national institutions, or increases in procurement in recipient countries. The Governments of recipient countries and United Nations bodies should also assume joint responsibility for the functioning of operational activities. The system had to be adapted to the growing capabilities of developing countries and ensure that programmes and projects at the country level were coherent. There was also a need to improve the evaluation capabilities of both Governments and the United Nations system.

44. As a co-ordinator in the field of technical co-operation among developing countries, UNDP was of particular importance to Thailand. UNDP assistance had met the priority technical assistance needs of the country and had acted as a catalyst in its development. In accordance with the policy framework offered by the Fifth National Economic and Social Development Plan (1982-1986), UNDP resources for the third programming cycle, which covered the same period, had been concentrated on four priority areas: management of development, rural development and alleviation of poverty, economic diversification and energy. The projects and programmes undertaken had already demonstrated that UNDP inputs and Government counterpart funds were being used effectively. That had certainly been true of a project completed in 1983, which had benefited from financial assistance from UNDP and the Asian Development Bank, aimed at exploiting the country's energy resources to the maximum extent possible.

45. Despite the valuable contribution made by UNDP to Thailand's economic and social development, project implementation was likely to be seriously affected by the Programme's current financial difficulties, which had resulted in a reduction of 45 per cent in the resources allocated to country programming for the third programming cycle. The projects which were most at risk were those concerned with rural development and the alleviation of poverty. One way of alleviating UNDP's financial difficulties would be to give priority to operational costs over administrative costs. Thailand would do its utmost to alleviate UNDP's financial burden by reducing the number of long-term experts and making more use of short-term consultants. Nevertheless, since UNDP, of all United Nations bodies, was the one which had suffered most from financial constraints, a particular effort should be made on its behalf. His delegation also supported the recommendations by the Intersessional Committee of the Whole of UNDP's Governing Council for additional contributions to safeguard immediate future programmes and to at least maintain the real value of year-to-year contributions.

46. Over the years UNICEF had provided Thailand with valuable assistance in terms of supplies and equipment, training, grants and project personnel. Of special importance was the UNICEF/Thailand second country programme for 1982-1986, within the framework of the Fifth National Economic and Social Development Plan. The programme emphasized a new "district approach" to accelerated rural development, particularly with regard to basic services for the benefit of children and mothers. That approach, which was based on greater village participation in child-focused development activities and on better use of the skills of the rural

(Mr. Jayanama, Thailand)

poor, made the 12-27 per cent reduction in UNICEF commitments and programme expenditures for the years 1982 through 1984 all the more regrettable.

47. The Government of Thailand had greatly welcomed the report "The State of the World's Children, 1982-1983", the contents of which coincided with the strategies it had adopted to improve the quality of life of the rural and urban poor. Steps had been taken to incorporate various health measures recommended in the report into Thailand's educational programmes.

48. To increase the effectiveness of its programming, UNICEF must seek to improve not only the health and welfare of children but also their overall development. It must take into account not only the infant mortality rate but also other child-development indicators such as nutrition, education and family planning. In the preparation of projects and allocation of resources for assistance to children and women in developing countries, stress should also be placed on the long-term social and welfare development of children, and not just the survival of infants. There should also be closer consultations between UNICEF regional offices and Governments, and steps should be taken to avoid duplication of co-operation between UNICEF and other international organizations. Also, there was need for adequate monitoring of UNICEF assistance in countries where abnormal political situations prevailed so as to ensure that UNICEF assistance reached those for whom it was intended namely children and women. In the final analysis, the aim should be to mobilize public and private support for UNICEF's cause, in terms both of securing increased funding and of making its projects and programmes better understood.

49. Thailand attached the highest priority to its National Family Planning Programme - including related activities in the communications education and information sectors - which had received considerable financial support from UNFPA. External assistance must continue if the population programme, which had helped to reduce the country's population growth rate from nearly 3 per cent in the 1960s to 2.1 per cent in 1980 was to achieve further successes. The mobilization of local resources would not suffice to achieve the Government's goal - a population growth rate of between 1.5 and 1 per cent by the end of the 1980s. The selection of priorities for future population programmes should be based on the following factors: the past successes of programmes; the increasing absorption of costs by the recipient government; the latter's active interest and participation in UNFPA activities. Consideration should also be given to the extent to which the programmes of a given country were of benefit to other countries in the region. His delegation also wished to support the proposal that the Executive Director should prepare a written report on the experience gained in using that set of criteria for drawing up the list of countries to be given priority in UNFPA assistance.

50. Mrs. GOETSCH (Austria) said that at a time of economic crisis, political tension and uncertainty about the future, operational activities were doubly important in that they constituted a model of co-operation: States representing very different cultures but equally convinced of the necessity of their undertaking had joined together to define a common strategy for eradicating inequality, poverty and ignorance, and had drawn up plans, and created and funded an agency to carry them out.

/...

(Mrs. Goetsch, Austria)

51. Although that golden age was past the situation was not wholly bad. The upswing of the United States economy would soon be followed in other regions. The recent Pledging Conference had indicated some improvement. That forward movement must be followed up, and the review of operational activities would help to determine their future course.

52. As far as the efficiency of the system was concerned, it was surprising to note how widely opinions could vary about the efficiency of a given programme. The reason was that evaluation was generally being based on hearsay evidence. How, in that case, could rational policies be agreed on? Fortunately, there was a consensus regarding most programmes. The system as a whole was widely accepted by the international community, as the Pledging Conference had just demonstrated. Many developing countries had increased their contributions, despite their economic difficulties, thereby showing how much they valued the system.

53. In their statements to the Second Committee, the Director-General, the Administrator of UNDP and the Executive Director of UNICEF had delivered the same message of confidence. It was the more welcome as the crisis in multilateral funding had raised doubts as to the efficiency and usefulness of the whole exercise. The statement by the Group of 77 at the second regular session of the Economic and Social Council had reflected such scepticism.

54. Nevertheless, there were no grounds for complacency. The need to enhance the system's effectiveness was as great as ever. In that context, her delegation looked forward with great interest to the review of operational activities and, on the basis of its results hoped to be able to formulate a number of suggestions. For the moment, it wished to support a number of valuable suggestions that had been made regarding the institutionalization of co-operation at the field level and increased co-ordination between United Nations agencies.

55. There was one important aspect which should not be overlooked in the review: the integration of women in operational activities. In that connection, her delegation recommended that the United Nations authorities check as a matter of routine whether projects submitted for their approval would benefit women as well as men. There was another point which must not be lost sight of: the need for suitable recruitment. Staff must be well motivated and offer all the necessary qualifications.

56. Her delegation believed that it was important to reflect on the impact of operational activities in the developed countries. In most cases, those countries learned only indirectly of the projects undertaken. They could of course refer to United Nations publications, but that was not enough. To what extent were politicians, parliamentarians and voters aware of the activities? Closer contacts should be established and the Organization should make an effort to publicize its achievements. Generally speaking, more emphasis should be placed on public relations, particularly where contributions were already large. In such circumstances, the level of contributions could not be raised without strong public support. Her delegation was not suggesting that UNDP should establish a public relations budget, but it did wish to draw attention to the need for improved communication.

/...

(Mrs. Goetsch, Austria)

57. Lastly, there was the question of funding operational activities. Finance would be more readily forthcoming as the programmes were made more effective and their effectiveness was demonstrated. As the Administrator of UNDP had said, there was no predictable correlation between a country's economic performance and its contribution, and in all likelihood many countries could contribute more than they did. As to Austria, it had been able to increase its contribution to UNDP for 1984 by 14 per cent, though it was not possible to say what it might be able to do in the future. Another serious matter which must be considered in connection with the funding of operational activities was currency fluctuations. Every country, and UNDP, felt its effects and it had forced Austria for the first time to pledge its contribution in schillings. It was unlikely that matters would soon improve.

58. Her delegation was convinced that despite all the tensions and economic problems, there was a consensus concerning operational activities - that they promised a better future. It was time to reaffirm that fact, and the controversies which remained would then seem to be of minor importance.

59. Mr. GORITZA (Romania) said that multilateral technical assistance had become of vital importance because of the worsening of the economic crisis, the widening of the gap between rich and poor countries, and the increase in the external-debt burden of developing countries. In an interdependent world, a revival of the economies of the developed countries would not suffice to bring it out of the slump; the economies of developing countries must also be revitalized. The developed countries must understand that it was in their own interests as well as in the interests of international stability and peace to support the efforts of the developing countries and to establish a new international economic order. In that connection, consideration of agenda item 79 offered an opportunity to reaffirm the role of the United Nations system and to make an in-depth analysis of the situation in accordance with the guidelines in General Assembly resolution 37/226.

60. In the prevailing economic situation there was of course a shortage of resources but his delegation remained convinced that it was entirely possible for the developed countries to increase considerably their contributions to technical assistance programmes. The arms race was a tremendous waste of financial, material and human resources and of scientific and technical potential. To embark on a process of real disarmament would open up new horizons both for a lasting peace and for development through the utilization of the funds released for peaceful purposes. With that in mind, Romania had proposed a reduction of 10 to 15 per cent in military expenditures before 1985 and the use of part of the resources thus released for economic progress in the countries which had made the reductions, the rest being utilized to support developing countries, inter alia through the operational activities of the United Nations system.

61. The 1983 review of the current situation and outlook of UNDP had highlighted the need to keep the Programme at the centre of United Nations operational activities, to retain the voluntary nature of the contributions to that Programme and to find urgent solutions that would provide it with greater resources on an increasingly predictable, continuous and assured basis. Romania endorsed those

(Mr. Goritza, Romania)

conclusions and had already announced its pledges for the entire programming cycle from 1982 to 1986, which were greater than for the previous cycle and would increase year by year. Romania wished to emphasize that it intended to continue its sustained co-operation with the efforts of UNDP not only because of its general support for operational activities, which had never wavered, but also for reasons of self-interest; Romania saw in UNDP technical assistance a significant contribution to the extension and modernization of its infrastructure and the development of its natural and human resources. It reaffirmed its readiness to play a greater role in the implementation of technical assistance programmes both by supplying equipment and consultancy services and by training skilled personnel in Romania.

62. Turning to the United Nations Fund for Population Activities (UNFPA), he recalled that Romania had hosted the 1974 World Population Conference and was pleased with the progress that had been made in implementing the programme of action adopted in Bucharest. Romania was preparing for the next international conference to be held in Mexico and had already designated its national population commission as the focal point for co-ordinating the preparatory work. Romania was gratified by its fruitful co-operation with UNFPA both in the implementation of national assistance projects and in the activities of the United Nations-Romania Demographic Centre, which trained population and development experts and for which Romania was providing substantial financial support.

63. He found the measures taken by the Department of Technical Co-operation for Development to improve its efficiency useful and necessary, and he noted with satisfaction that despite financial problems the Department was carrying out the programmes assigned it. He hoped that the period of consolidation would not last too long and that technical co-operation activities for developing countries could be not only maintained but even expanded.

64. Mr. ANI (Nigeria) said that he was not surprised that the current review exercise of United Nations operational activities for development had aroused so much interest among many delegations. The activities were based on the collective responsibility of Member States embodied in the Charter to promote and strengthen international co-operation for solving economic and social problems. The review should make it possible, in difficult economic circumstances, to reaffirm the principle of universality underlying the 1970 consensus and to emphasize the importance of operational activities in the development process.

65. The review must be as comprehensive as originally intended if it was to meet its purpose of strengthening the overall policy framework which would enable operational activities to become increasingly responsive to the needs of developing countries in the manner envisaged in the new international development strategy. In response to the request of Member States, the Director-General had included in his report comments and suggestions on such key matters as the feasibility and usefulness of establishing targets for voluntary contributions for funds and programmes where such targets did not exist, and problems of tied aid.

(Mr. Ani, Nigeria)

66. The financial constraints facing the organizations of the United Nations system engaged in operational activities was an area of the greatest concern. In many cases, the difficulties were such that existing programme delivery levels could not be maintained, so that UNDP was facing a steady erosion of its central funding and co-ordinating role year by year. That had had disastrous consequences for developing countries, in particular the least developed, for whom the technical co-operation and related assistance provided by the United Nations development system was their chief source of concessional resources. That was why the international community must make a concerted effort to mobilize resources on a predictable and assured basis. On a priority basis, Member States and particularly the developed donor countries must help organizations of the system to overcome their short-term problems of resource availability and give effect to the recommendation of the UNDP Governing Council's Intersessional Committee of the Whole to maintain as a minimum objective the real value of year-to-year contributions to UNDP. It would also be advisable, as the Director-General had suggested, for the governing bodies of programmes to take an active part in resource mobilization, but that should not lead to any diminution in the efforts of the executive heads of organizations through their regular contacts with governments.

67. No easy solution to the longer-term problem seemed imminent, and discussions of the various approaches being proposed should continue in the respective intergovernmental bodies. In the meantime, Member States should show increased willingness to achieve the targets for average annual growth in voluntary contributions. In that respect, he observed that the outcome of the recent Pledging Conference on United Nations Operational Activities for Development seemed encouraging.

68. Paragraph 96 of the Director-General's report expressed the view that target-setting naturally was accompanied by a notion of burden-sharing. His delegation did not see any relationship between the two concepts: expressed as a percentage of GNP, targets of official development assistance which the developed countries were enjoined to attain in the current decade were not a means of sharing the burden of resource transfer but rather of ensuring that voluntary contributions were made in accordance with capacity. In any case, it was still too early to draw any conclusions as to which of the funds and programmes would find it practicable to use the mechanism of targets. While on that subject, his delegation would urge the developed donor countries to implement as soon as possible the commitment undertaken under the International Development Strategy to earmark 0.7 per cent of their GNP as official development assistance, a target which the Netherlands, Sweden, Norway and Denmark had already either met or exceeded.

69. Even though constituting only a small share of the total transfer of resources to developing countries, operational activities could do much to promote the establishment of a new international economic order. Technical co-operation not only supported efforts for social and economic development; it also contributed to creating self-reliance, which was the key-note of his country's fourth national development plan (1981-1985). It was therefore essential that it

/...

(Mr. Ani, Nigeria)

should continue to contribute to the realization of development priorities and objectives at the country level as well as at the regional and global levels. Given the intensification of horizontal co-operation among developing countries, it was time the United Nations system promoted their individual and collective self-reliance. The urgent implementation, inter alia, of the decisions of the High-Level Committee on the Review of Technical Co-operation among Developing Countries was one sure way of doing so.

70. Recipient developing countries were just as concerned as donors that operational activities should make the fullest impact on the development process. The country programming process in UNDP had proved extremely helpful in that regard and that was why the practice of fully integrating the country programme in the national development plan should be supported. Greater co-ordination of action at the country level by the various organizations and agencies would also have positive results; his country therefore expected much from the establishment of the joint consultative group embracing UNDP, UNICEF, UNFPA and WFP.

71. At a time when resources were scarce, the cost-effectiveness of programmes was a major concern. Improvements were always possible, of course, but he noted with satisfaction the results achieved with dwindling resources. The adoption by WHO and UNICEF of certain techniques in the area of basic services and primary health care activities which cost very little was one example among many. Of course, it was not possible to generalize: the level of competence required varied from programme to programme. Cost-effectiveness was one criterion; quality of execution was another; the two had to go hand in hand.

72. In conclusion, he said he had attempted in his statement simply to underline some of the issues of special interest to his country which were enunciated in the declaration of the Group of 77 at the most recent summer session of the Economic and Social Council. That declaration contained important elements for the further strengthening of the role of the operational activities of the United Nations system in the development process, including the protection of their multilateral character.

73. Mr. TURYSKI (Ukrainian Soviet Socialist Republic) said that the problems raised by UNDP activities should be considered carefully. It could be seen that developed market-economy countries were once more trying to make use of those activities to impose their own commercial, financial and other interests. In some cases, the pressures exerted by certain Western countries on the Programme's administration had resulted in the adoption of a whole series of discriminatory measures based on considerations of a political nature. Such manoeuvres threatened to deprive UNDP of its independent status, particularly in relation to such financial institutions as IBRD and IDA, which were controlled by the Western countries, and to transform it into a neo-colonialist instrument for exploiting developing countries. His delegation was convinced that, to be effective, UNDP activities should continue to be based on the 1970 consensus and on the resolutions and decisions subsequently taken by the General Assembly and the Economic and Social Council.

(Mr. Turyanski, Ukrainian SSR)

74. In addition, developing countries should play a vital part in implementing UNDP programmes and ensure that they were integrated to the fullest possible extent with their national development plans.

75. At the closure of the most recent Pledging Conference, the Administrator of UNDP had remarked that it was the fourth year in a row that the total pledged had been less than the contributions made in 1980. Once more, the Programme was encountering financial difficulties which were reducing its capabilities. Those difficulties were simply a reflection of the deep economic crisis through which the Western countries were passing. Inflation, exchange rate fluctuations and the artificial appreciation of the dollar were fraught with consequences for recipient countries. However, it could not be ignored that one of the reasons for the reduction in resources available to the Programme for implementing projects was the excessive and unjustified increase in administrative expenses.

76. Alongside those very real difficulties, some people were inventing fictitious ones; basing their argument on the fact that some voluntary contributions were paid in national currencies, they were trying to deprive the socialist countries of the opportunity to give positive assistance to developing countries through international organizations. Yet experience showed that such contributions were very useful and that one had only to show goodwill and understanding to be able to profit by them. For example, his country had for some time been organizing courses in co-operation with UNIDO for specialists and engineers in heavy industry, and hundreds of nationals of developing countries in Africa, Asia and Latin America were benefiting from them. From 1971 to 1981, almost 14,000 Ukrainian specialists had been sent to some 40 developing countries. In 1981, Ukrainian enterprises had delivered equipment to 149 enterprises in nearly 80 developing countries. His country was also giving great assistance in the educational field. That showed the breadth of its assistance to the developing countries and proved that it was possible to turn its contributions to UNDP to better account.

77. Economic relations, and consequently operational activities for development, depended on the general political climate. To be really fruitful, co-operation in the economic field and within UNDP had to have the benefit of peace, détente and the restructuring of economic relations on a just, equitable and democratic basis. The socialist countries, among them his own, had clearly stated their position in that regard in document A/38/479.

78. Mr. RAMACHANDRAN (India) said that in his statement the UNDP Administrator had rightly stressed the pre-eminence of the resource crisis in the context of the Programme. That crisis, affecting the overall operational activities of the United Nations system, was threatening the very basis of multilateral co-operation for development. It was of particular concern that some programmes were operating at only half of their planned levels while others were moribund for lack of follow-up. Some encouraging progress had been recorded at the most recent Pledging Conference, but much remained to be done if operational activities were to be placed on a more predictable and stable basis.

/...

(Mr. Ramachandran, India)

79. Acknowledgement of the collective responsibility of the international community and particularly of the developed countries was demonstrated not by a mere increase in contributions to one body or another but by an overall commitment to development and willingness to change existing inequities in economic relations, an undertaking to which the Nordic countries and other friends of the Group of 77 had given their strong support. It was to be hoped that those who had spoken out in favour of operational activities for development would in the future give them more firm and consistent financial support.

80. Given the major role that the World Bank and its affiliates played in development activities, it would be appropriate to focus on their financial situation in the annual report, as well as in the comprehensive policy review of operational activities. His delegation hoped that the effectiveness of the action of the International Development Association (IDA) in the low-income countries would be better understood so that the institution would be able to expand its programmes without any distortions in the terms of its assistance. In that context, it was scarcely necessary to emphasize the importance of an early conclusion of the negotiations on the seventh replenishment of IDA resources at a level of at least \$US 16 billion.

81. The report of the Director-General for Development and International Economic Co-operation (A/38/258) contained a number of very interesting elements. In particular, it recognized that the effective participation of national staff in the design and implementation of projects determined the success of technical co-operation and thus met one of the priorities set by developing countries in the context of the overall improvement of the quality and effectiveness of operational programmes. Moreover, his delegation, which had drawn attention at the thirty-seventh session to the need to pay greater heed to the priorities of the developing countries and their planning requirements when undertaking technical co-operation activities and related operational activities, welcomed the emphasis on those concerns in the report. However, it noted with concern the fact that there was a growing tendency to tie contributions to the procurement of goods and services in the donor countries, and recalled that its position and that of other developing countries on that matter was well known. His Government also wished to see a greater proportion of future resource flows for operational activities for development channelled into technical co-operation.

82. There was no justification for putting the question of resources and that of the efficiency of operational activities on the same footing, as was done in the report. Perhaps it was only a coincidence that it was those whose performance in contributing fell far short of their capacity who were calling for greater efficiency in the implementation of operational activities. Yet one could not help but suspect that those demands were a thinly veiled excuse for cutbacks in their contributions to operational activities. Resource shortfalls and uncertainties had had a devastating impact on important projects in developing countries, including his own, and yet the targets agreed upon by consensus had been almost universally ignored. In the case of many industrialized countries, there was even a reverse transfer of resources to the extent that their inputs into the system were

(Mr. Ramachandran, India)

outweighed by what they received in the shape of demands for services, equipment and technology. His delegation would like to see a greater emphasis on the local procurement of goods and services, which would greatly improve cost-effectiveness and thus meet the concerns expressed by some countries. However, it would be illusory to think that greater cost-effectiveness could be a substitute for a real increase in resources. His delegation subscribed fully to the principle of setting targets for contributions.

83. Despite its severe resource constraints, his Government had been one of the major contributors to several of the funds in the system and was involved in every aspect of operational activities for development. While it appreciated the assistance that it had been receiving from various international institutions, it felt that it was hardly right that a country like his own, whose per capita income was less than \$US 200 per year, should contribute more to some technical assistance programmes than several developed countries. It was time to translate promises into reality in order to restore faith in the capacity of the international community to address seriously the economic problems facing the developing countries.

84. Mr. HOUNGAVOU (Benin) said that the preservation of peace and security in the world necessarily entailed international co-operation for development, which was all the more essential in that the wealth of the planet, at present unevenly distributed, should be considered the common heritage of mankind. His delegation gave its full support to the operational activities for development through which the United Nations provided effective technical assistance to recipient countries, including his own, on an objective basis devoid of any type of political or other pressure, as well as to such agencies as UNDP, UNICEF, UNFPA and WFP which were responsible for implementing them.

85. The shortage of financial resources from which those agencies suffered, in what was becoming a chronic situation because of the constant reduction in contributions, was particularly acute in the case of UNDP, whose share of operational activities was considerable. The UNDP Administrator had acknowledged that the target of a 14 per cent increase in contributions had been reached at the most recent Pledging Conference, but he maintained that the Programme could meet only 55 per cent of its commitments under the third programming cycle, which implied a continued shortfall of 45 per cent of the indicative planning figure. That situation was barely tolerable for certain recipient countries, such as his own, which did not have the means to compensate for such cutbacks and was concerned about jeopardizing projects which had so far been entirely satisfactory and were an integral part of its national development plan.

86. Those difficulties were due to an increasing tendency towards bilateral co-operation, which was dependent on the practice of tied aid with its reminders of neo-colonialism and imperialism. The United Nations operational activities therefore enjoyed strong support from the developing countries, many of which had stressed that development aid was not a charitable act but one of the prerequisites of a world economic recovery, pending the profound reforms which would lead to the new international economic order.

/...

(Mr. Hougavou, Benin)

87. He noted from the report of the Director-General (A/38/258) that administrative costs and services of experts and consultants accounted for 60 to 80 per cent of the total value of programmes; in other words, a large portion of the funds allocated did not go to the recipient countries. The Committee must consider the problem as a matter of urgency and must recommend to the governing bodies of the various agencies concerned acceptable formulae which took account of the interests of all parties involved. Greater use should be made of national personnel and that implied donor countries should reconsider some of the conditions which they imposed. In the interest of efficiency it was necessary to strengthen the monitoring and evaluation machinery of government bodies which worked in the field in conjunction with expatriate personnel assigned to various programmes. Finally, economic co-operation among developing countries was a decisive element of multilateral co-operation and offered huge and as yet unexploited possibilities. In that connection he supported UNDP's efforts and would certainly support any initiative aimed at expanding that co-operation at the level of regional or sub-regional organizations.

88. He had taken note of the report of the Joint Inspection Unit (A/38/172 and Add.1) and felt that serious attention should be given to the recommendations it contained for some of them might be prejudicial to the activities of the Department of Technical Co-operation for Development.

89. Mr. ELIASHIV (Israel), focusing on the United Nations Development Programme, said that UNDP was working hard to meet the needs of the developing countries but that its resources were insufficient compared to the growing needs. Countries must increase their contributions but they must also be convinced that the resources would be put to effective use. International co-operation must be seen against the background of mass poverty and unemployment; consequently, greater attention should be directed to the social aspect of development. Generally speaking, the first consideration should be the soundness of a project, the availability of follow-up potential and whether the project came within one of the sectors of the national economic development plan. Priority should be given to projects which had a multiplier effect at the national level. The impact of UNDP assistance was considerably increased by the fact that such assistance was complemented by considerable efforts on the part of the recipient country for it thus channelled internal funds towards development projects. The aim should be to achieve the greatest possible complementarity between bilateral and multilateral projects as that would allow for maximum tailoring of aid to needs. In drawing up technical co-operation programmes greater attention should be given to taking advantage of the ability and experience of the more advanced developing countries. Lastly, he stressed that technical co-operation among developing countries must also be intensified. It should not depend solely on geographical proximity but also on economic, social, cultural and human affinity. More than 8,000 Israeli experts had served in four continents and more than 25,000 trainees had studied in Israel.

90. He hoped that the search for new means of improving multilateral technical assistance to developing countries would continue. Global, interregional and regional efforts through UNDP-supported projects had already produced significant results. The Information Referral System played an important role in technical co-operation among developing countries and could be of great benefit to the entire

/...

(Mr. Eliashiv, Israel)

third world. Multilateral projects should focus on building the capacity of developing countries to help themselves thus promoting self-reliance and, when they dealt with problems common to several countries, they should have a multiplier effect. They should also give greater importance to the application of science and technology for development when that would lead to substantial improvement in the living conditions of the population; UNDP should be the main channel for the transfer of science and technology. Specific attention should be given to projects dealing with agricultural development, creation of small-scale industry and the development of local energy resources as they contributed effectively to economic progress. However, the development of human resources was a prerequisite for such efforts. Israel's approach to rural development, for example, relied basically upon the human factor; Israel's rapid economic development would not have been possible had efforts not been made at the same time to ensure social progress.

91. Multilateral assistance must continue to receive the necessary support, particularly from the industrialized countries. The developing countries for their part should continue to review the ways in which they used such assistance in order to make sure tht it was contributing to their development and national priorities. Finally, his delegation endorsed the special measures and programmes of actions in favour of the least developed countries whose situation continued to cause concern.

AGENDA ITEM 78: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)

Draft resolution A/C.2/38/L.76

92. Mr. SALLU (Sierra Leone), speaking on behalf of the African group, introduced draft resolution A/C.2/38/L.76 entitled "International year for the mobilization of financial and technological resources for food and agriculture in Africa". The text was based on General Assembly resolution 37/246. It recalled the critical food situation in Africa and the relationship between that situation and the shortage of funds and technology and spelled out the specific measures which should be taken at the international level in order to assist the countries of that continent: designation of an international year for the mobilization of the necessary financial and technological resources and elaboration of a series of measures to be proposed by the Director-General for Development and International Economic Co-operation. The Committee should have no difficulty in adopting the text by consensus as it had already unanimously adopted draft resolution A/C.2/38/L.73, operative paragraph 11 of which stated that an international year could accelerate improvement of food and agricultural production in Africa.

Draft resolution A/C.2/38/L.81

93. Mr. SALLU (Sierra Leone), speaking on behalf of the African group, introduced draft resolution A/C.2/38/L.81 entitled "Special measures for the social and economic development of Africa in the 1980s". The text recalled the decisions taken by various international bodies to promote co-operation in order to further the economic and social development in Africa, and the various problems which such co-operation was encountering. It listed a series of measures to be taken and

(Mr. Sallu, Sierra Leone)

appealed to the generosity of the international community. Many resolutions had been adopted on special measures to promote economic and social development in Africa. It was disquieting to see that so far they had had little effect even though there was widespread recognition of the problem. The Fourth Biennial Pledging Conference for the United Nations Trust Fund for African Development, held in May 1983, had been a failure. Aside from India and China - who deserved thanks for their gesture to the African countries - no country had pledged anything even for projects for the least developed countries. He hoped that the international community would show more sympathy towards Africa at the fifth conference.

Draft resolution A/C.2/38/L.87

94. Miss MORENO (Mexico), speaking on behalf of the Group of 77, introduced draft resolution A/C.2/38/L.87 entitled "Immediate measures in favour of the developing countries". She pointed out that in the Spanish version the word "normativas" in the last line of operative paragraph 4 should be replaced by the word "políticas".

95. The text, which had been drafted in an atmosphere of very broad agreement, sought to contribute to the establishment of a new international economic order. It drew attention to the devastating effects the world economic crisis was having on the developing countries and to the need to take steps in certain vital areas, including the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, in order to attenuate those effects. It invited Governments to start negotiations to that end; the measures taken would be considered as an integral part of the present International Development Strategy.

(b) TRADE AND DEVELOPMENT (continued)

Draft resolution A/C.2/38/L.85

96. Miss MORENO (Mexico), speaking on behalf of the Group of 77, introduced draft resolution A/C.2/38/L.85 entitled "Protectionism and structural adjustment and the international trading system". She pointed out that in the English text, the words "developing countries" in the second line of the 10th preambular paragraph should be replaced by "developed countries".

97. The text was not directly related to any earlier resolution and it had therefore been drafted with great care in order that it might be adopted by consensus. In particular, it recalled resolution 159 (VI) of the United Nations Conference on Trade and Development, which had received very wide support, and requested States to implement the various provisions of that resolution. It also dealt with very important issues, for instance, the definition of the necessary structural adjustments, the policies which countries should follow as outlined by the Conference and the mechanisms which should be created. The draft resolution was therefore of the utmost importance to all countries.

Draft resolution A/C.2/38/L.86

98. Miss MORENO (Mexico), speaking on behalf of the Group of 77, introduced draft resolution A/C.2/38/L.86 entitled "Report of the United Nations Conference on Trade and Development at its sixth session". The text had been drafted with very broad agreement and centred on the difficult international economic situation which had served as background for the sixth session of the United Nations Conference on Trade and Development. It noted the relative inability of the Conference to produce results commensurate with the dimension of the problems, drew attention to the need to revitalize the development process in the developing countries and to make structural changes and called for the implementation of the resolutions adopted by the Conference, particularly the programme of immediate measures.

Draft resolution A/C.2/38/L.88

99. Miss MORENO (Mexico), speaking on behalf of the Group of 77, introduced draft resolution A/C.2/38/L.88 entitled "Development aspects of the reverse transfer of technology". The problem of the "reverse transfer of technology" namely, the outflow of technical skills, was of great concern to countries which had embarked on a development process for which such skills were required; the draft resolution therefore suggested certain remedial measures which those countries could not take alone. It called for the establishment of an inter-agency group to examine what could be done and to co-ordinate measures to halt that transfer and also drew attention to the great importance of the meetings of governmental experts on the subject.

(m) IMPLEMENTATION OF THE SUBSTANTIAL NEW PROGRAMME OF ACTION FOR THE 1980s FOR THE LEAST DEVELOPED COUNTRIES (continued)

Draft resolution A/C.2/38/L.74

100. Miss MORENO (Mexico), introduced the draft resolution and drew attention to the financial implications contained in document A/C.2/38/L.84.

101. It was the responsibility of the international community as a whole to help the least developed countries - primarily by implementing the Substantial New Programme of Action. All the measures referred to in the draft resolution - and there were many others which could be envisaged - were essential. Some had already been provided for by other bodies, for example, at its sixth session the United Nations Conference on Trade and Development had adopted resolution 142 (VI) concerning assistance to the least developed countries. That resolution had received widespread support and must be implemented. In addition, the United Nations Conference on the Least Developed Countries, which had been held in Paris in September 1981, had already been an expression of that political will. The main efforts which must be made to assist the least developed countries were outlined in operative paragraphs 5 and 6: restoration of balance in the economy, maximization of productive capacity, increase of food production, development of the energy sector, creation of industry for processing of raw materials and food products, development of exports and supply management. It was also essential to provide those countries with capital and all the resources they needed in order to train the necessary manpower. It should be recalled, in that connection, that the United

/...

(Miss Moreno, Mexico)

Nations system could provide a wide range of assistance to the least developed countries and that that assistance should be used to the best possible advantage.

(f) ECONOMIC AND TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES (continued)

Draft resolution A/C.2/38/L.80

102. Mr. YANE (Botswana), introducing draft resolution A/C.2/38/L.80, pointed out that Thailand had joined in sponsoring the draft resolution by mistake and wished its name to be deleted from the list of sponsors. Draft resolution A/C.2/38/L.80 sought to request the organs, organizations and specialized agencies within the United Nations system that had not as yet done so to consult constructively with the secretariat of the Southern African Development Co-ordination Conference. He hoped that the draft resolution would be adopted by consensus as had been the case with a similar draft resolution adopted at the thirty-seventh session.

AGENDA ITEM 81: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)

(b) SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE (continued)

Draft resolution A/C.2/38/L.62/Rev.1.

103. Mr. BOTERO (Colombia), introducing draft resolution A/C.2/38/L.62/Rev.1, announced that Brazil, Dominican Republic, Ecuador, Panama, Peru and Venezuela had become sponsors of the draft resolution. The draft resolution had a humanitarian goal, namely the provision of special assistance to certain regions of Honduras and Nicaragua affected by floods and subsequent natural disasters. He read the provisions of the draft resolution aloud and expressed the hope that the draft resolution would be adopted by consensus.

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

AGENDA ITEM 78: DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION (continued)

(b) TRADE AND DEVELOPMENT (continued)

Draft resolutions A/C.2/38/L.77* and L.82.

104. The CHAIRMAN, introducing draft resolutions A/C.2/38/L.77* and L.82, said that draft resolution A/C.2/38/L.77* was the result of an agreement reached between the regional groups, and the administrative and financial implications of the draft were set out in document A/C.2/38/L.83. Draft resolution A/C.2/38/L.82 was based on the decision adopted by the United Nations Conference on an International Code of Conduct on the Transfer of Technology at its fifth session, as contained in document A/38/580, annex I.

105. Mr. BOYD (United Kingdom of Great Britain and Northern Ireland), speaking in exercise of the right of reply, said that the representative of the Soviet Union

(Mr. Boyd, United Kingdom)

had spoken at length on the question of capital flows and the presumed role of British monopolies in "syphoning off", as it was described by the representative of the Soviet Union, the resources of developing countries. He could only suppose that allusion was being made to transnational corporations. However, transnational corporations were to be found everywhere. There were a great many of them with their headquarters in the Soviet Union, as well as in the United Kingdom. The problems that could arise in that general area were well-known, and the code of conduct for transnational corporations was designed precisely to address those problems. He welcomed the fact that negotiations on the code were to resume soon, and he paid tribute to the role of the Chairman in that matter. He hoped that the code would enable all countries without exception to deal with their problems in that area, since a balanced code would be universally helpful.

106. The statistics which he had cited were accurate. The representative of the Soviet Union was suffering from a certain degree of amnesia, since he had neglected to mention that CMEA aid disbursements were lower in percentage terms than those of OECD member countries, that of the six countries receiving CMEA assistance three countries alone absorbed three quarters of that aid, and that the grant element in Soviet and East European aid was well below the Western equivalent. Moreover, at the beginning of the session, delegations had stumbled on a publication entitled Co-operation of CMEA Member Countries with Developing Countries in a corner of the Conference Room. The statistics in that publication were worthy of scrutiny. For the moment, he would merely draw attention to the assertion on page 3 of the publication in question according to which the United Kingdom was concentrating its assistance on former French colonies.

107. The Soviet delegation had also attacked the level of assistance provided by the United Kingdom. In that connection, he pointed out that his country was the fifth largest Western aid donor and the fourth biggest contributor to operational activities for development, that the level of British aid was increasing in real terms and that his country had established sensible priorities. He had listened to the points put forward by the Soviet delegation, but those points merely reinforced the impression that the Soviet delegation found it difficult to distinguish between civil and military budgets.

108. He did not believe that arms control issues should be discussed in the Second Committee, but since the Soviet Union had spoken of British cynicism on arms control, he pointed out that it was the Soviet delegation that had walked out of the Geneva negotiations on arms limitation. He deplored that walk-out and earnestly hoped that the Soviet delegation would reconsider its position quickly. He was convinced that an agreement was possible and that the resumption of talks in Geneva was in the interest of all parties.

109. Mr. PLECHKO (Union of Soviet Socialist Republics), speaking in exercise of the right of reply, said that once again the statement made by the representative of the United Kingdom was inaccurate in many respects. First of all, his delegation had cited not Soviet statistics but figures from Western countries and reliable

/...

(Mr. Plechko, USSR)

sources such as Hansard and recent studies by the Foreign Office. He could also cite another source which he hoped would be regarded as more reliable by the representative of the United Kingdom. That source was the report entitled Development Co-operation published by OECD in Paris in 1982. The report stated that the United Kingdom's official development assistance had decreased in recent years. In 1981 it had been only 0.44 per cent, and it was still dropping. Performance had declined both quantitatively and qualitatively and in terms of the granting of credits and favourable terms. He also noted that the British delegation spoke with pride of the investments of private British companies abroad, which it regarded as assistance to the third world. He wondered when private companies had begun to share their profits: as everyone knew, the sole objective of such companies was to realize the maximum profit; they were not philanthropic associations. Finally, he considered that it was too soon to prepare a code of conduct. The Second Committee would return to that issue and it would be clear then who supported and who opposed the code.

110. Mr. AGBASI (Secretary of the Committee) said that there was an error in the English version of draft resolution A/C.2/38/L.85: in the second line of the tenth preambular paragraph, the word "developing" should be replaced by the word "developed". He also announced that India had become a sponsor of draft resolutions A/C.2/38/L.40 and L.54, Canada had become a sponsor of draft resolution A/C.2/38/L.59, Italy and Gambia had become sponsors of draft resolution A/C.2/38/L.53, Italy and Spain had become sponsors of draft resolution A/C.2/38/L.65 and Egypt had become a sponsor of draft resolution A/C.2/38/L.66. Finally, Comoros, Democratic Yemen, Egypt, Greece, Japan, Libyan Arab Jamahiriya, Niger, Nigeria, Romania, Senegal, Thailand, Trinidad and Tobago and the United Republic of Cameroon had become sponsors of draft resolution A/C.2/38/L.63.

The meeting rose at 8.05 p.m.