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Chairman: Mr. Mohammad MIR KHAN (Pakistan).

AGENDA ITEM 26

Programmes of technical assistance (*continued*):

**(a) Report of the Economic and Social Council
 (A/3154, A/C.2/189 and Add.1, A/C.2/
 L.283, A/C.2/L.284 and Corr.1, A/C.2/
 L.285) (*continued*)**

1. Mr. BENN (Australia) believed that one important reason for the growing effectiveness of the Expanded Programme of Technical Assistance was the success of the system of country programming, which was based on the sound principle that it was for each recipient country to determine the priorities which it attached to various types of programme as well as the general direction of its economic development. The system seemed to be functioning smoothly and in such a manner as to ensure the maximum advantage to recipient countries from each project undertaken. The operation of the system had been assisted by the development in many recipient countries of central co-ordinating machinery, and by the intelligent and flexible use of the Contingency Fund. He agreed with the Executive Chairman of the Technical Assistance Board (TAB) that the regulations governing the Working Capital and Reserve Fund should continue to ensure flexibility in the use of the Contingency Fund.

2. Paragraph 18 of the eighth report of TAB (E/2842-E/TAC/REP/66) mentioned the desire of some Governments to increase the amount of technical assistance funds devoted to the provision of equipment and supplies. His delegation felt that the distinction between technical assistance and economic aid must be continually borne in mind. It was true that a certain amount of equipment for demonstration purposes was necessary in a technical assistance programme, but the line between technical assistance equipment and capital equipment was not always easy to draw. In cases of doubt, the determining factor should be the real need of the recipient country.

3. It was gratifying that a higher proportion of the resources of the Expanded Programme had been directed to Asia in 1955 than in previous years. While other parts of the world had strong claims to assistance, Asia was the area with the greatest need.

4. The most important conclusion of the report entitled *A Forward Look* (E/2885-E/TAC/49) was that

it was reasonable to assume a progressive increase over the next few years in funds available to the Expanded Programme up to an annual figure of \$50 million. In order to avoid future disappointment it might be well to sound a note of caution. Most of the financial resources contributed so far had been provided by the United States, but he wondered whether it was realistic to anticipate an increase in the United States contribution, or even its maintenance at the present level, in the light of the recent legislative requirement which would restrict the United States contribution for 1958 to one-third of the total. Nor could any considerable increase in contributions by other major contributors be confidently expected. He found it difficult to visualize any substantial increase in the Australian contribution in the foreseeable future. That could be said without embarrassment in view of the considerable scale which the Australian contributions had already reached and of the other evidence Australia had given of its strong support of the Expanded Programme.

5. The currency utilization problem had arisen from the fact that some currencies were neither convertible nor apparently usable except by special bilateral arrangements between donor and recipient countries. During the discussion of the matter in the Economic and Social Council, his delegation had felt that there might be some danger in too rigid a requirement of convertibility. So far as practicable, the essentially voluntary character of contributions and the right of donor countries to determine the form of their contributions should be preserved. The arrangement in resolution 623 B III (XXII) appeared to him unexceptionable in that the freedom of donor countries in respect of their contributions was not seriously impaired, but he was not entirely satisfied that it would solve the problem of difficult currencies, since donor Governments would always in the last analysis enjoy an unlimited right to control the convertibility of their contributions. The General Assembly should give serious attention to the improvement of procedures whereby difficult currencies might be utilized without prejudicing the multilateral character of the Programme. There might be reason to hope that the problem of difficult currencies would be reduced by negotiations with various donor Governments to obtain a suitable proportion of their contributions in convertible currencies. In that connexion he had been heartened by the statement made by the representative of the Soviet Union that it might be possible to negotiate for the provision of 25 per cent of the USSR contribution in convertible currency.

6. The Director-General of the Technical Assistance Administration (TAA) was to be congratulated on the continued progress of the regular programme. While it was true that the resources of the regular programme permitted it to provide for only a small proportion of the needs of the Governments it served, by careful judgement in the allocation of funds the programme was making an effective and valuable contribution to the

economic development of the countries assisted. He hoped that, in time, it would be possible to provide additional funds for that programme.

7. While recognizing that an efficient public administration was an essential element in the economic development of any country, his delegation did not wish to see an increase in the percentage of funds allocated to training in public administration at the expense of assistance in economic development and social welfare, which were of more immediate and tangible benefit to the under-developed countries.

8. Document A/C.2/189/Add.1 referred to a recommendation by the Advisory Committee on Administrative and Budgetary Questions that the funds requested for technical assistance in public administration should be reduced by \$100,000. So far as he was aware, no such recommendation had so far been made by the Advisory Committee.

9. In addition, the Secretary-General's request (A/C.2/189 and Add.1), which related to the means of financing activities at the request of the Council, had been addressed to the Second Committee instead of to the Fifth Committee which properly dealt with such questions. It was unfortunate that the Secretary-General, in anticipating the Advisory Committee's report, should have given no hint of the reasons on which the Advisory Committee had based its recommendations. Presumably the Advisory Committee would refer to various budgetary considerations, such as the question of priorities as between various activities which the Secretariat was called upon to undertake, or the possibility of doing the required work more economically. Such matter would no doubt be fully considered in the Fifth Committee. In the meantime, it seemed that nobody had questioned the Council's decision that technical assistance in public administration should be expanded. It would therefore seem that there was nothing further for the Second Committee to consider in that connexion.

10. He fully supported the draft resolution (A/C.2/L.284 and Corr.1) relating to the expansion, by four additional members, of the Technical Assistance Committee (TAC). The membership of the Council, based, as it was, largely on geographical considerations, might not always provide adequate representation in TAC of the principal contributors and recipients of technical assistance. The draft resolution would contribute to the alleviation of that difficulty.

11. Mr. KEENLEYSIDE (Director General, Technical Assistance Administration) explained that he had been responsible for the fact that the documents mentioned by the representative of Australia had not been issued in chronological order. Document A/C.2/189 had been prepared in response to the Council's request (resolution 623 A II (XXII), para. 2) that the Secretary-General should provide, prior to the eleventh session of the General Assembly, documentation in support of his request for additional funds, and had been taken into account by the Advisory Committee. The Advisory Committee had later made it known that, if the General Assembly decided to make additional funds available, the Advisory Committee would recommend that the funds should be in the amount of \$200,000 and not \$300,000 as requested by the Secretary-General.

12. The Secretary-General had maintained his view that the sum originally requested was necessary and that anything less would be inadequate. Accordingly, document A/C.2/189/Add.1 had been prepared, on the understanding that the Advisory Committee's recommendations would shortly be made public. In addition,

some delegations had asked what the Secretary-General's reaction was to the Advisory Committee's decision, which had been a matter of common knowledge. The Secretary-General's reply had been distributed on 21 November 1956. Although the proper chronological sequence had not been followed, the fact that the addendum had been distributed on that date had given delegates the opportunity to acquaint themselves with the changes of plan and with the fact that TAA had noted the suggestions concerning the way in which the additional funds should be used. The addendum had been addressed to the Second Committee because it was scheduled to discuss the matter before the Fifth Committee. The contents of the paper, together with appropriate additions, would be distributed later to the members of the Fifth Committee.

13. Sir Alec RANDALL (United Kingdom) stated that his Government continued to give the Expanded Programme its whole-hearted support in every respect. The United Kingdom's financial contribution had been generous in the light of its manifold internal and international commitments. The United Kingdom was also supplying large numbers of experts to assist other countries in their economic and social development, and in addition provided facilities for study and the acquiring of practical experience for Fellows and scholars from all parts of the world.

14. It was evident that the Expanded Programme, after the difficulties and uncertainties of the early years, was well under way and had steadily expanded in the past three years. As the Executive Chairman of TAB had pointed out, the expansion of the Programme had been due to a steady increase in the volume of contributions and to a great improvement in the promptness of payment of pledges—a matter the importance of which his Government had always stressed.

15. It was gratifying to note that the Expanded Programme had been able to offer assistance increasingly to countries which had recently acquired independence or were shortly about to do so; a fact which showed that it was sufficiently flexible to meet new needs. He expressed his Government's gratitude for the volume of technical assistance which continued to be given by the United Nations and its specialized agencies to territories dependent on the United Kingdom, some of which looked forward to attaining independent status in the near future.

16. The system of country programming was proving its worth. Governments as well as participating organizations had learned from experience and had cleared up many of the misunderstandings which had occurred when the system had first been put into operation. The system should be allowed to function for the time being without any further radical changes.

17. As the Executive Chairman of TAB had explained, the changes in the uses of the Working Capital and Reserve Fund proposed by the Council were intended to enable it to continue to provide financial security and also to allow its use for current purposes. He hoped that Council resolution 623 B II (XXII) would receive the unanimous endorsement of the Committee and of the plenary Assembly.

18. So far as the evaluation of the Expanded Programme was concerned, it would be unwise and unnecessary to initiate elaborate and costly studies. Primary responsibility for determining the effectiveness of technical assistance programmes must rest with the Governments receiving assistance. His delegation had therefore supported the resolution unanimously adopted

by TAC (E/2923, para. 34) proposing that evaluation of the programme should be a continuing process and part of the day-to-day operations.

19. The question of currency utilization had been debated at length at the twenty-second session of the Council. Resolution 623 B III (XXII) would facilitate the operation of the Programme, and he would be most reluctant to see any modification of the measures recommended by the Council. He would therefore oppose the draft resolution submitted by Czechoslovakia and Romania (A/C.2/L.283) and would support any proposal to endorse the Council's resolution.

20. He shared the concern expressed by the Administrative Review Group in its report (E/TAC/58) that, so far as the over-all programme for 1957 was concerned, both the estimates for the TAB secretariat and the estimates of administrative and operational services costs for the participating organizations represented absolute increases over the approved levels for 1956, as well as increases in the proportion of administrative and operations services' costs to total expenditures under the Programme. If unchecked, that tendency might well impair the efficiency of the Programme. He hoped that in subsequent years it would be possible to achieve a reduction in administrative costs.

21. While recognizing the greater importance of technical assistance in public administration, the United Kingdom delegation had consistently held that any increased activities in that field should be financed under the Expanded Programme. The arguments in documents A/C.2/189 and Add.1 and those advanced by the Director General of TAA (389th meeting) did not appear to be sufficiently cogent to warrant a change in his delegation's attitude.

22. Mr. NORDHAL (Norway) said that the change-over to the country programming system had been made without any serious friction and had considerably benefited the under-developed countries. The Board's report should in future contain enough information to permit the evaluation of the programmes that was so necessary for future planning.

23. Norway had participated actively in both TAC and the Economic and Social Council in the formulation of resolution 623 B III (XXII), which recommended sound principles for currency utilization. The only restriction it imposed was on countries which for some time had offered resources which could not be used on a multilateral basis. The provisions which the Czechoslovak and Romanian delegations wished to delete from the resolution were in fact very necessary. There had already been substantial reductions in the carry-over balance, thanks to the wise policy of TAC which was reflected in the resolution. The whole system of currency utilization which it advocated should be endorsed by the Committee.

24. His delegation had joined in sponsoring the draft resolution which recommended the enlargement of TAC. Both that Committee and the Expanded Programme would benefit from such a step. The Norwegian delegation also supported the Secretary-General's proposal that increased funds should be devoted to technical assistance in public administration. The Secretary-General had referred to courses in major fields of public administration in co-operation with universities (A/C.2/189, para. 22). His delegation supported that idea, but wondered how the courses would be financed.

25. Mr. Lychowski (Poland) said that his delegation shared the general feeling that the Expanded Programme, although useful, represented but a small

contribution to the enormous needs of the under-developed countries. Although the Programme was an excellent example of international co-operation, it could not be expected to solve the main problem facing the Committee: that of raising the living standards of more than half of mankind.

26. The main task in providing technical assistance was to see that the limited resources available were used to the fullest extent and with the greatest possible efficiency. Although much had been done to reduce administrative costs and to eliminate red tape, further improvements could still be achieved. For example, Poland had pledged a contribution towards the Expanded Programme during the past three years, but so far only one expert out of the thirteen offered had actually taken up his duties abroad. Surely something could be done to remedy that situation without delay.

27. It was also unfortunate that an important industrialized country like the German Democratic Republic had not been allowed to furnish the help it had so willingly offered. Although it had been explained that such help had been excluded on procedural grounds, it was quite obvious that the willingness of the German Democratic Republic to participate in the Programme was being met by a deliberate policy of refusal. Liechtenstein, which from the procedural point of view appeared to be in exactly the same position as the German Democratic Republic, had been allowed a share in the Programme in spite of the limited aid it could give. The exclusion of the German Democratic Republic contrasted ironically with the desire expressed in the joint draft resolution to admit more non-member States to TAC.

28. Another restriction on the fullest possible utilization of resources was to be found in Council resolution 623 B III (XXII). The problem of currency utilization had nothing to do with the multilateral character of the Programme. For example, as a result of the agreement between the Polish Government and the Food and Agriculture Organization of the United Nations concluded within the framework of the Expanded Programme, Polish experts had been sent not to one but to twenty-four recipient countries, despite the fact that the Polish contributions had been made in non-convertible currency. It was not the type of currency in which contributions were made that impeded the full use of resources, but slow administrative procedures. His delegation would therefore support the Czechoslovak and Romanian draft resolution.

29. The Polish Government would continue to support United Nations technical assistance programmes, and believed that their scope and efficiency could be still further increased.

30. Mr. TSAI (China) noted with satisfaction the progress made by the Expanded Programme during the past year.

31. According to the Secretary-General's report contained in document A/C.5/667 the proposal to post staff members of TAA to various parts of the world had been initiated experimentally. If that proposal was to be fully implemented, it would be advisable to work out a scheme for the co-ordination of the work of the officers posted away from Headquarters, TAB resident representatives, and the secretariats of the regional economic commissions.

32. Sound public administration was essential for the efficient planning and execution of development programmes. More and more recipient countries were becoming aware of their needs in that field. His delega-

tion readily supported the Secretary-General's proposal that additional funds should be made available for technical assistance in public administration.

33. His delegation also supported the proposed amendments to the financial procedures governing the Working Capital and Reserve Fund in Council resolution 623 B II (XXII). Those amendments would provide greater flexibility in the administration of the Fund.

34. His delegation agreed with the recommendation contained in Council resolution 623 B III (XXII) that Governments should be urged to refrain from contributing more than \$500,000 in non-convertible currencies.

35. The suggestion in the TAB report entitled *A Forward Look* that the goal for the Expanded Programme should be set at \$50 million deserved favourable consideration by all contributing Governments. In view of the mounting requests from Governments—Mr. Keenleyside had said that two new extra-budgetary requests were received every day and that the present Programme met less than one-quarter of the expressed needs of Governments—the goal of \$50 million was a moderate one. He hoped that it could be reached in 1958 or soon afterwards.

36. Mr. OMPI (Indonesia) said that his delegation was much impressed by the progress of the technical assistance programmes, and was gratified to note the improvement in their financial basis. His Government approved of the country programming procedure, which was demonstrably a better method than that which had preceded it. Problems still remained, however, as for instance currency utilization, the posting of Headquarters staff to the offices of regional economic commissions, and the Organization's failure to benefit from the co-operation of non-member States.

37. His delegation endorsed the request for more funds for technical assistance within the regular programme in the field of public administration. A good public administration system was essential if full benefit were to be derived from technical assistance activities in general. In that connexion, Indonesia felt that the idea of establishing a United Nations university might be further explored.

38. In the matter of experts, he thought that those selected should possess knowledge and experience not only of a colonial country, as was often the case, but also of a young sovereign country. It was also important that experts should have the confidence of the Governments to which they were sent. That condition hinged closely on the first.

39. Technical assistance comprised many different types of activity and although it was clearly wise to allow Governments to choose for themselves it might be helpful to them if objective studies were made, indicating the order of usefulness of the various kinds of assistance available.

40. He conveyed his Government's gratitude to all the United Nations organs participating in the technical assistance programmes for the most valuable work which was being done in Indonesia.

41. Mr. ENCINAS (Peru) said that Peru had good reason to be grateful for the technical assistance it had received from the United Nations and under bilateral agreements. The need for such assistance was great, for technological progress was essential to overcome the difficulties Peru faced as a country in the process of development with a rapidly growing population and a relatively small labour force. Peru had requested United

Nations technical assistance in many fields, and could report that in general the results had been good. Moreover, the services rendered had become more effective as experience had been gained. Peru had given as well as received assistance. In 1955 sixteen Peruvian experts had been sent to various Member countries and, as it had recently announced, his country intended to renew its contribution to the Expanded Programme for 1957.

42. The question of funds to finance technical assistance was a great and growing problem, for as time went on costs tended to increase rather than decrease. The programmes had reached a level where personnel costs were higher, and as their requests increased in number recipient countries were less and less able to contribute in proportion to the help they received. It was therefore necessary to consider ways of increasing the funds available for technical assistance and to extend technical assistance services without, so far as possible, increasing their costs.

43. The first appeal must of course be made to the generosity of Member States, but there were limits to the extent to which Governments could increase their contributions. His delegation would therefore urge the United Nations to seek the help of private organizations and foundations, many of which had not only shown their interest in that aspect of its work but had actively participated in it. The Secretary-General in fact referred to one such organization in document A/C.2/189. A further possibility lay in the corporations and companies with branches or subsidiaries in the economically underdeveloped countries, upon whose economic and technological development they had considerable influence. At the national level, such companies often disbursed large sums for the further professional and technical training of their staff or as donations to universities and technical training centres. That practice might be transferred to the international level. Indeed, his delegation had been informed that there were many companies which were only waiting for the necessary machinery to be created in order to participate in such a scheme.

44. Another way of making the best use of the funds available for technical assistance might be to combine the method of sending experts with other equally effective and less costly methods. There were obviously cases when it was essential to send an expert in person; but other possibilities might also be considered, such as a greater use of international fellowships and scholarships, the use of mass media such as the radio, the cinema and television, the recruitment of voluntary services and the redistribution of technological resources within a given country. The scholarship system, although not overlooked by the United Nations, could be greatly extended. The *per capita* cost was low and the results excellent. Under the second method, educational and demonstration films could in many cases take the place of live experts, with a consequent reduction of costs. Similar use might also be made of radio and television programmes. His third suggestion had been prompted by the conviction that there were in every country, particularly in the more advanced ones, many persons with technical, professional or semi-professional qualifications who would be glad to offer their services at a nominal fee to the technical assistance bodies. Finally, it was a fact that in the economically less-advanced countries both human and technological resources were usually concentrated in one area, generally the centre of the country's economic, political and social life. Moreover, the very existence of such resources was very often not recognized. The first thing, therefore, was

for the country concerned to discover the experts available within its borders and to set about redistributing them before sending for experts from abroad.

45. Peru had watched with interest the experiment in the administrative decentralization of technical assistance services which had taken place in the Latin-American region, and agreed with the Secretary-General that it would be useful to continue that experiment during 1957 and to postpone for the time being a final decision on that matter. His delegation also supported the Secretary-General's proposal that an increase should be made in the funds allocated from the regular programme for public administration projects. Peru had requested a mission of experts in public administration, for the improvement of its public administration system was vital to its general economic development.

46. Mr. BAIER (Austria) said that although his delegation was present in the Second Committee for the first time, before becoming a Member of the United Nations Austria had participated actively in technical assistance programmes both as a recipient and as a contributor country. Although Austria was at present confronted with difficult problems of budgetary policy, it intended to maintain its contribution to the technical assistance fund at 1 million Austrian schillings, for three reasons. First, because the discrepancy between standards of living in different parts of the world called for earnest efforts to raise the productive capacity of the under-developed countries, and the United Nations technical assistance programme had proved itself to be an effective means towards that end. Secondly, because co-operative effort was by far the most economical way of undertaking the technological research which all countries without exception needed. Thirdly, because the exchange of views and information, which was incidental to the programmes, had proved to be a valuable means of promoting understanding between peoples. Moreover, it was clear from the reports before the Committee that of the money spent on economic development every unit of currency used for technical assistance programmes had the highest rate of effectiveness. For that reason every effort should be made to implement approved programmes with all possible speed and if, for one reason or another, any programme should be found to be impracticable, the money provided for it should at once be put to other uses.

47. He would like to draw the Committee's attention to the fact that Austria had much experience and expert knowledge to offer for the use of other countries through the technical assistance programmes. At the same time Austria was still, for obvious reasons, confronted with crucial problems in certain branches of its economy. It would be grateful for the help of other countries in solving such problems, and would welcome any scholarships or fellowships in countries more advanced in those fields.

49. Mr. CHERNYSHEV (Union of Soviet Socialist Republics) said that references had been made to the Soviet Union's decision to pay 25 per cent of its contribution in foreign currencies. He wished to make his delegation's position clear on that matter. The Soviet Union firmly adhered to the principle that voluntary contributions to the technical assistance fund should be payable without restriction in the national currency of the contributor. No currency should be given preferential treatment. The rouble was one of the most stable of currencies. The Soviet Union had sufficient material resources, a high level of productive technique and its own highly-qualified experts, all of which would enable it to offer effective technical assistance in all fields for the benefit of the under-developed countries.

50. The decision to make part of the USSR's contribution convertible had been taken in response to a specific request addressed to the Soviet representative by the Executive Chairman of TAB at Geneva on 23 July 1956, during the twenty-second session of the Economic and Social Council. The Soviet Union had given its assent to the payment in foreign currencies of an amount not exceeding 25 per cent of its total contribution, to cover the expenses abroad of Soviet experts, the cost of travel to the Soviet Union and back of participants in seminars, Fellows and the personnel of specialized agencies, and the cost of transport and setting up of Soviet demonstration equipment. It had thus agreed to pay part of its contribution in foreign currency solely in order to expedite the use of the Soviet Union's contribution to the fund.

51. His delegation vigorously opposed Economic and Social Council resolution 623 B III (XXII) on currency utilization, and strongly supported the Romanian and Czechoslovak draft resolution.

The meeting rose at 1.5 p.m.