

United Nations  
**GENERAL  
ASSEMBLY**

TWENTY-SIXTH SESSION

Official Records



**SECOND COMMITTEE, 1395th  
MEETING**

Thursday, 21 October 1971,  
at 10.55 a.m.

NEW YORK

Chairman: Mr. Narciso G. REYES (Philippines).

**AGENDA ITEM 44**

Operational activities for development: reports of the Governing Council of the United Nations Development Programme (*continued*)\* (A/8399, A/8403, chap. VIII (sects. A to D); E/4954 and Corr.1, E/5043/Rev.1):

- (a) United Nations Development Programme (A/C.2/L.1146, A/C.2/L.1153);
- (b) United Nations Capital Development Fund;
- (c) Technical co-operation activities undertaken by the Secretary-General;
- (d) United Nations Volunteers programme (E/5028)

1. The CHAIRMAN informed the Committee that the United Kingdom delegation had proposed an amendment (A/C.2/L.1153) to the draft resolution A/C.2/L.1146.

2. Mr. McCARTHY (United Kingdom), introducing his delegation's proposal (A/C.2/L.1153), recalled that, during the general debate, his delegation had expressed reservations, for purely technical reasons, about the wisdom of enlarging the Governing Council of UNDP, which should indeed be discussed from the practical point of view. His delegation was not arguing any point of principle and was prepared to consider the question on its merits, but it would hope that any enlargement would keep the present balance and avoid a cumbrousness which would prevent the Governing Council from conducting its business efficiently. It would be better, however, for the Governing Council to look at the matter first and it had been unable to do so at its twelfth session, owing to lack of time. That was the whole point, and the only point, of the United Kingdom draft amendment. The procedure envisaged in the amendment would have the effect of delaying any change in the composition of the Governing Council until the twenty-seventh session of the General Assembly, but the delay would not matter much since the present efficiency of the Governing Council had not been put in question, as had been stated by the representative of Sudan, one of the co-sponsors of draft resolution A/C.2/L.1146. Logically, the first people to consider the matter should be those whom it would affect.

3. The United Kingdom draft amendment faithfully reflected that approach and did not prejudice the outcome of the deliberations of the Governing Council of UNDP. The amendment introduced some changes in the three pre-ambular paragraphs of the draft resolution but they too were not aimed at prejudging the outcome. The intention

of the three operative paragraphs proposed by the draft amendment was to transmit the original draft resolution to the Governing Council without the slightest change; to invite the Governing Council to consider that proposal from the point of view of fairness, and to require the Governing Council to report back to the General Assembly through the Economic and Social Council. That last provision was included to take account of the provisions of Economic and Social Council resolution 1622 (LI).

4. Mr. VERCELES (Philippines), speaking on behalf of the sponsors of draft resolution A/C.2/L.1146, thanked the representative of the United Kingdom and assured him that in a revised text, the sponsors would take account of his amendment and of all the opinions expressed during the debate.

**AGENDA ITEM 12**

Report of the Economic and Social Council [chapters III to VII, VIII (sections A to E), IX to XIV, XXI and XXII] (*continued*) (A/8403; A/C.2/L.1148 and Add.1)

5. Mr. NONOYAMA (Japan) recalled that, in accordance with various resolutions adopted by the General Assembly, the Economic and Social Council and the regional economic commissions, United Nations assistance at the regional level had been increased, particularly in the fields of natural resources exploration, statistics, industrial development and development planning. Among those activities, advisory services for the developing countries had been given particular emphasis. Japan had always supported the decentralization of United Nations activities for development and strongly endorsed the strengthening of United Nations technical assistance activities at the regional level. Japan for example, in co-operation with UNDP, was assisting States members of the Economic Commission for Asia and the Far East (ECAFE) to take advantage of the services of the Asian Statistical Institute.

6. The Second United Nations Development Decade would lead to an increase in advisory services for developing countries and his delegation fully supported the strengthening of advisory services by the regional economic commissions.

7. As to the draft resolution which was before the Committee (A/C.2/L.1148), his delegation had no objection to the establishment of a separate section in the United Nations regular budget, as proposed in operative paragraph 1, so as to provide for a unified system for financing of regional and subregional advisory services. His delegation also supported operative paragraph 3 of the draft resolution. With regard to operative paragraph 2, his delegation considered that the budgeting level of section 13 of Part VI

\* Resumed from the 1393rd meeting.

(Technical programmes) of the budget should first be examined by the Advisory Committee on Administrative and Budgetary Questions and by the Fifth Committee; it would therefore abstain on the paragraph if it was put to the vote separately. His delegation would, however, vote in favour of the draft resolution as a whole.

8. Mr. CAVAGLIERI (Italy) supported the principle of decentralization, which would give a new momentum to the activities of the regional economic commissions and UNESOB, with reference in particular to regional and subregional advisory services.

9. In connexion with operative paragraph 1 of the draft resolution (A/C.2/L.1148), he welcomed the wish to increase the effectiveness of the regional economic commissions and UNESOB.

10. With regard to operative paragraph 2, his delegation joined those which had asked for more information and felt, like several other delegations, that increases in United Nations expenditure should be avoided.

11. In view of the critical financial situation of the Organization, his delegation would welcome a transfer from lower priority programmes to section 13 of the amount needed, as had already been mentioned by the representative of Barbados.

12. He suggested that the word "*Requests*" at the beginning of operative paragraph 3, should be replaced by the word "*Recommends*" since the practice mentioned was not a new one.

13. Mr. GATES (New Zealand) stated that his delegation was prepared to give its support to the establishment of regional and subregional advisory services. It was not, however, wholly convinced that the creation of a new section of Part VI of the budget was necessary, since it would prematurely give those services a definite place within the regular programme of technical co-operation. For the time being, they should be regarded as being experimental and a decision could be taken later to leave them where they were or to place them under the authority of UNDP. His delegation shared the doubts expressed on that point by the representative of the United Kingdom. While those doubts had, to some extent, been dispelled by the explanation given by the representative of Sweden, his delegation had not at all been reassured by that given by the representative of India. However, it would not stand in the way of the adoption of draft resolution A/C.2/L.1148 if the sponsors considered that the time was right for such a decision. The move towards decentralization of the services to the regional commissions seemed wise. On the other hand, his delegation was concerned to read, in operative paragraph 2 of the draft resolution, that section 13 of Part VI of the budget should be maintained at its current level of \$5,408,000. That paragraph appeared to be a device to create, within the regular programme, a capacity of \$1.8 million which had not previously existed. As had been said by the representative of Sudan, that sum was not to be used to finance the regional and subregional services. The draft resolution referred to "country programmes of the least developed among the developing countries as well as regional and subregional programmes of special interest to

these countries". The aim seemed to be laudable, but it would be better for the matter to be argued separately and possibly for a new draft resolution to be presented. At a time when the finances of the Organization were in difficulty, it did not seem timely to slip into a resolution which was headed "Regional and subregional advisory services" a decision which would require a significant budgetary appropriation that had little or nothing to do with the purpose of the resolution. Therefore, his delegation would have to vote against operative paragraph 2 and, if that paragraph was nevertheless adopted, it would be unable to support the draft resolution as a whole.

14. Mr. KITCHEN (United States of America) recalled that ever since the eighth session of the UNDP Governing Council his delegation had been extremely interested in the problem of the least developed among the developing countries. He therefore regretted that draft resolution A/C.2/L.1148 compelled him to depart from the substance of the problem and to consider it in the broader context of the current financial crisis of the United Nations. At a time when the United Nations did not even know whether it would be able to pay staff salaries at the end of the month of November, the Committee was under a duty not to adopt any decision which implied additional expenditure—and there was a question whether the figure of \$1,825,000 estimated by the Secretariat was not far below the real figure—especially if that expenditure came under Part VI of the budget, which was one of the main sources of the Organization's deficit. He wished to make it clear that the United States delegation could not participate in any decision that was contrary to the position which his Government would adopt in the Fifth Committee, and would therefore be compelled to vote against any further budgetary escalation. At the same time, it was prepared to seek ways and means of reconciling its position with the necessity of satisfying the legitimate needs of some very underprivileged countries.

15. He could not believe that the Committee would ignore the fact that the very existence of the United Nations was at stake; he appealed to the members of the Committee to consider the situation calmly and dispassionately, and expressed the hope that reason would prevail.

16. He reaffirmed his delegation's interest in the question of regional and subregional advisory services, but for the reasons which he had just given he had to say that the adoption of draft resolution A/C.2/L.1148 might affect his country's vote on the United Nations budget as a whole.

17. Mr. VIAUD (France) said that it was common knowledge that the draft resolution before the Committee was attributable to the fact that in 1970 the Economic Commission for Africa had not been able to obtain from the United Nations the services of some needed experts. It was with a view to preventing the recurrence of such cases that the sponsors of the draft resolution proposed to make the funds in the budget earmarked for regional and subregional advisory services directly available to the regional economic commissions and UNESOB.

18. At the time the Economic and Social Council had adopted resolution 1601 (LI), it had not known exactly what the financial implication of that resolution would be,

but the Committee now had those implications before it, as estimated by the Secretariat (A/C.2/L.1148/Add.1).

19. It should be borne in mind that section 13 of Part VI of the budget was divided into five activities: economic development, social development, public administration, human rights advisory services and narcotic drugs control. However, the advisory services under consideration were financed by only two of those activities, namely public administration and human rights. He was not convinced by the statement of the Secretariat that the regional advisory services would account for so large a share of the activities covered by section 13. In his view, regional and subregional advisory services, in the strict sense, absorbed a sum of only \$400,000 to \$600,000 in the total amount of section 13, and anything in excess of that sum related not to advisory services strictly speaking but to services of a kind which were provided within the framework of the regular programmes. The Committee should not add to an already heavy budget supplementary expenditure of the magnitude implied by the adoption of the draft resolution without examining the purpose and usefulness of such expenditure.

20. As to the substance of the question, he felt that it would already be a step forward if the General Assembly authorized the Secretary-General to make directly available to the regional economic commissions the funds in section 13 which related to advisory services. However, there would still be the problem of subsequently restoring section 13 to its level of \$5,408,000. If there was to be a new appropriation to replace the funds to be transferred out of section 13, it would be necessary to have a basis for the new appropriation.

21. He had to state that, if the draft resolution was put to the vote, his delegation would be compelled to vote against operative paragraph 2. It would abstain on operative paragraph 1 in view of the fact that it was closely linked to operative paragraph 2. What was more, that link made the whole of the draft resolution unacceptable to the French delegation. The United Nations was in danger of collapse under the weight of its deficits and was almost on the verge of bankruptcy; it was not the time to approve a supplementary expenditure of \$1,825,000.

22. It was necessary to scrutinize conscientiously the composition and purposes of the regular technical assistance budget, to identify problems of practical application and to try to resolve those problems. One way of dealing with the situation would be to adopt a strict interpretation of regional and subregional advisory services and to make available to the regional economic commissions a smaller sum, of the order of \$400,000 to \$600,000. To decide without justification on an amount four or five times greater would be sheer blindness.

23. Mr. O'RIORDAN (Ireland) noted the fears expressed concerning the budgetary difficulties of the United Nations. In his view, however, those difficulties were due not to excessive expenditure by the United Nations but to the refusal of certain countries to pay their contribution for what they considered to be a reason of principle.

24. He intended to support draft resolution A/C.2/L.1148, including operative paragraph 2.

25. Mr. RANKIN (Canada) thought that the draft resolution, if adopted, would have two essential effects: it would reorganize the present budgetary and administrative arrangements for regional and subregional advisory services but would not provide them with any more funds for the time being, and it would increase the resources available for all other activities now carried out under section 13 of Part VI of the budget, with particular emphasis on assisting the least developed among the developing countries.

26. As to the first point, the Canadian delegation had doubts, for reasons similar to those put forward by the United Kingdom representative, about the new budgetary and administrative arrangements proposed for the regional and subregional advisory services. His delegation also had reservations concerning the second point, in particular, on account of the lack of clarity of the draft resolution with regard to increasing the funds for the other activities covered by section 13. It was not exactly known what the funds would be used for, and the Canadian delegation believed that UNDP should be the main source of United Nations development funds.

27. In his delegation's opinion it would be difficult if not impossible, in view of the present financial crisis in the United Nations, to approve the draft resolution, and it was to be hoped that it would be withdrawn or that the vote would be postponed. If it was voted on, his delegation would not be able to support the resolution as a whole and, if separate votes were taken, it would abstain on operative paragraphs 1 and 3 and vote against operative paragraph 2.

28. Mr. OSMAN (Sudan) did not think there was any danger of the financial implications of the draft resolution increasing the financial difficulties of the Organization, and he agreed with the representative of Ireland that those difficulties were not due to any bad management of funds. In reply to the representative of the United States, who asked the sponsors of the draft resolution to be more reasonable, he said that it was not the sponsors of the draft resolutions that should be reminded of their duty but the Member States that had not paid their contributions to the regular budget as required by the provisions of the Charter. As to the fear expressed by the United States representative that the sum allocated for the regional advisory services might increase, he emphasized that the figure of \$1,825,000 had not been chosen arbitrarily and that it would be adhered to.

29. He then suggested that the draft resolution should be considered not only from the point of view of the financial difficulties it might cause but also from that of the needs of the developing countries. Finally, with regard to the observations of the representative of France, he said that the United Nations was not short of projects, but of resources and that the supplementary appropriations for the Organization's regular technical assistance programmes would be easily utilized for the benefit of the developing countries.

30. Mr. McCARTHY (United Kingdom) observed that no delegation had shown indifference to the needs of the developing countries. The problem was simply to decide which area of assistance should be given emphasis.

31. He added that after having heard the statement of the representative of France, who had made a very clear analysis of the situation, he would take back his suggestion that the draft resolution should be withdrawn. He felt, however, that the vote should be postponed to allow some time for consultations.

32. Mr. GUPTA (India) pointed out that at the time the Economic and Social Council adopted its resolution 1601 (LI) concerning the regional and subregional advisory services, the financial situation of the United Nations had been just as serious as at present.

33. In reply to the representative of the United States, who had asked the sponsors of the draft resolution to be more reasonable, he observed that the developing countries were being quite reasonable in not exploiting their majority, and that the sponsors could have proposed that the regular technical assistance programme should be increased by more than \$1,825,000.

34. Still referring to the statement by the representative of the United States, he pointed out that the financial implications of the draft resolution under discussion would not be cited, if all Member States regularly paid their contributions. He realized that the United States mission had to work hard to combat certain tendencies within its country's administration, but he deplored the statement by the United States representative that adoption of the draft resolution might affect his Government's attitude towards the United Nations budget as a whole, particularly in view of the fact that Mr. Nixon had never threatened to cut off contributions to the United Nations in reprisal for political decisions.

35. Mr. KITCHEN (United States) reminded the Indian representative that the draft resolution in question related to a section of the United Nations regular budget that was one of the three main sources of the Organization's deficit. Adoption of the draft resolution would tend to increase the deficit, since it raised the cost of the regular programme of technical assistance by \$1,825,000.

36. With regard to the remarks of the representative of Sudan, who had mentioned a question of principle that did not apply to the United States, he recalled that the Secretary-General had stated (A/C.5/1376) that by the end of the year unpaid regular budget assessments would be in excess of \$65 million, of which a large portion must be regarded as uncollectible. That being so, the additional contribution required if the draft resolution were adopted would fall to the six current major contributors. His delegation therefore considered it essential that the draft resolution should be examined in the light of all its economic and social implications.

37. He stressed the importance he attached to the question and said he would like to hold consultations on the subject.

38. Mrs. THORSSON (Sweden) pointed out that the difference between the over-all financial implications of Economic and Social Council resolution 1601 (LI) and draft resolution A/C.2/L.1148 lay in the fact that the Economic and Social Council had earmarked \$500,000 for

technical assistance for industrial development, which came under section 14 of the budget.

39. With regard to the Organization's present financial situation, she understood the concern of the United States representative but considered that draft resolution A/C.2/L.1148 could not be looked at solely in the light of the current financial crisis. In his statement to the Fifth Committee, the Secretary-General had pointed out that whatever the level of resources available to the Organization, development activities must be continued and that, consequently, aid to development projects should be assessed much more according to their merit than to their financial implications. The International Development Strategy laid stress on the importance of meeting the needs of the least developed among the developing countries and aid to them should be increased. Operative paragraph 2 of the draft resolution should be considered from that point of view and not in relation to the Organization's financial situation.

40. Mr. BUTLER (Australia) did not think there was disagreement on the substance of the draft resolution. However, it should be examined in the light of the financial situation of the United Nations and from that point of view the statement by the United States representative demanded close attention. He reminded the Indian representative that at the previous session, in the context of negotiations on the international development strategy for the Second Development Decade, a consensus had been reached after practically two months of negotiations. The same spirit of understanding should preside over the present discussion. The United States representative and other representatives had asked for further time and more detail before the Committee acted on the draft resolution. He believed the Committee should agree to that request.

41. Mr. GUPTA (India) said that the possible additional cost referred to by the United States representative came under section 14. The financial implications of decisions taken by the meeting of the Group of 77 and the Special International Conference of the United Nations Industrial Development Organization would come under section 16 of the budget and not Parts V or VI.

42. Mr. McCLEAN (Barbados) thought that, by explicitly undertaking in a fourth operative paragraph to find ways of making up the shortfall of \$1.8 million, the countries which were in favour of the draft resolution could not only reach a compromise with the opposing views just expressed, but also make it clear that they were aware of the Organization's financial situation. In that way, it should be possible to find a solution that was acceptable to those countries which had expressed reservations.

43. Mr. CARANICAS (Greece) considered that the discussion on the financial implications of the draft resolution involved political and economic factors that were very closely linked. If the commitment to meet the needs of the least developed countries was a political rather than an economic issue, then there was no point in trying to convince those who thought that the \$1.8 million increase was an aberration. The United States representative was to be commended on the frankness of his statement and his point of view should be taken into account. It was

therefore desirable to defer a decision on the draft resolution.

44. Mr. OSMAN (Sudan) recalled that, at the suggestion of the United Kingdom representative, the sponsors of the draft resolution had invited all who so wished to make their position known before the text was submitted. In spite of that, the results of the debate were not very encouraging. Consequently, the sponsors of the draft resolution were willing to allow the representatives of the major contributing countries more time so that a compromise could be reached before the end of the next meeting. He personally believed that the draft resolution should not be considered in the light of the United Nations financial crisis.

45. Mr. ANDERSEN (Director of the Office of Technical Co-operation) pointed out that for eight years the amount devoted to the regular programme of technical assistance had been maintained at \$5.4 million in spite of the increased cost of expert services. In 1964, the average cost of such services had been \$18,000 and would go up to \$30,000 in 1972. Replying to the representative of France, he said that the present regional part of the regular budget was \$1,825,000: \$1,225,000 devoted to regional advisory services and \$600,000 to the Organization's new development advisory teams. Under the country part of the programme, the Office of Technical Co-operation intended to carry out a number of specific projects in least developed countries, including a project on the participation of women in economic life in the Central African Republic, a development project in the People's Democratic Republic of Yemen, a low-cost housing construction project in the Seychelles, economic planning projects for Rwanda and Western Samoa, and many other projects in such countries as Haiti, Honduras, Togo, Laos, Nepal, Afghanistan and Yemen. All those projects could not be financed within the UNDP indicative planning figures which, in some cases, had already been exceeded; the Office of Technical Co-operation was attempting to meet additional needs. The Office also had preliminary plans for utilization of additional funds, if such funds became available.

46. Mr. KITCHEN (United States of America) said he was already aware of the information that had just been given. His delegation realized the usefulness of the technical co-operation programme and its present attitude did not arise from any objection in principle. Nevertheless, he was surprised and concerned to learn that such important projects could not be financed within the indicative planning figures. With reference to the remarks of the Director of the Office of Technical Co-operation, the statement that the regular programme of technical assistance had been maintained at \$5.4 million did not take account of the fact that in 1968 the total amount had been raised to \$6.9 million, of which \$1 million had been earmarked for industrial development activities and \$500,000 included under section 14 of the budget.

47. Mr. VIAUD (France) thanked the Director of the Office of Technical Co-operation for his explanation and recalled that the cost of interdisciplinary advisory teams was \$600,000. The French delegation had already stressed

the need to accord priority to that type of assistance. If it was decided to make available an additional amount of \$1.8 million, it should not be used immediately since, at its thirteenth session, the Governing Council of UNDP would draw up a programme for submission to the next session of the General Assembly. Consequently, adoption of the draft resolution would be in contradiction with existing regulations or else the resolution would be meaningless until 1973. For the time being, therefore, efforts should be limited to meeting the needs of the regional economic commissions by providing technical assistance through interdisciplinary teams. The next step would be to transmit the regular programme of technical co-operation as a whole for examination at the forthcoming session of the Governing Council of UNDP. The draft resolution should therefore be re-examined. In any case, the problem it raised could not be solved for another two years.

48. Mr. CARANICAS (Greece) agreed with the views expressed by the representative of France, although his delegation had voted against the setting up of interdisciplinary teams since it doubted whether they would be effective. He asked the Secretariat for an explanation of the figures given by the Director of the Office of Technical Co-operation for experts taking part in technical co-operation activities, namely \$18,000 and \$30,000.

49. Mr. ANDERSEN (Director of the Office of Technical Co-operation), replying to the representative of France, said that the Office of Technical Co-operation did not understand the draft resolution to mean that the additional sum of \$1.8 million was to be devoted to the regional programmes of technical co-operation. The Office of Technical Co-operation took part in country programming through correspondence with resident representatives who attempted to define with the Governments concerned projects that met the specific criteria laid down by the General Assembly. Such projects should break new ground and be directed chiefly towards the least developed among the developing countries. Furthermore, the UNDP indicative planning figures had been drawn up mainly on the basis of existing allocations and projects, and countries that had been unable to formulate specific projects had therefore often been placed at a disadvantage. The projects under the Regular Programme tended to redress the balance.

50. Replying to the representative of Greece, he stated that the figures he had given related to the cost of providing technical co-operation experts, not to their salaries.

51. Mr. VIAUD (France) said that the remarks of the Director of the Office of Technical Co-operation had not dispelled his delegation's doubts. The regular programme of technical co-operation ought to be under the control of a deliberative body. The Commissioner for Technical Co-operation was to attend the next session of the Governing Council of UNDP and, as everyone knew, the technical co-operation programmes would have to be drawn up in the light of the decisions taken there.

*The meeting rose at 1.15 p.m.*