



SUMMARY RECORD OF THE 32nd MEETING

Chairman: Mr. FAFOWORA (Nigeria)

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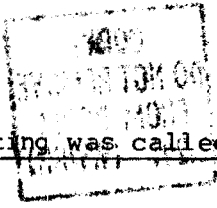
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The meeting was called to order at 3.25 p.m.

TRIBUTE TO THE MEMORY OF HIS EXCELLENCY MR. LEONID ILYICH BREZHNEV, PRESIDENT OF THE PRESIDUM OF THE SUPREME SOVIET OF THE UNION OF SOVIET SOCIALIST REPUBLICS AND GENERAL SECRETARY OF THE CENTRAL COMMITTEE OF THE COMMUNIST PARTY OF THE SOVIET UNION

1. The CHAIRMAN said that the Committee had learned with deep sorrow of the passing of one of the most distinguished leaders of the Soviet Union. Leonid Ilyich Brezhnev's contribution as an architect of détente and international co-operation had been recognized by the entire international community. The world had indeed lost a great statesman. He expressed the Committee's sincere condolences to the Government and people of the Soviet Union, the bereaved family of the late President and the Soviet delegation.
2. On the proposal of the Chairman, the members of the Committee observed a minute of silence in tribute to the memory of His Excellency Mr. Leonid Ilyich Brezhnev, President of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics and General Secretary of the Central Committee of the Communist Party of the Soviet Union.
3. Mr. KOLEV (Bulgaria) said that the death of Leonid Ilyich Brezhnev was a great loss to the Soviet people and to all who valued peace. On behalf of the Eastern European States, he extended sincere condolences to the Government and people of the Soviet Union. During his long life of work, Leonid Ilyich Brezhnev had been an exemplary statesman, soldier and head of Government. Under his leadership the Soviet Union had made truly historic advances in the economic and cultural fields. He had always espoused the cause of peace, security and co-operation among peoples and had earned the respect of all the peoples of the world. He had developed many of the concepts which had determined the course of world events: détente, disarmament and the development of mutually beneficial co-operation among all countries. His name would go down in history as a great humanist and as one who had made a substantial contribution to eliminating the threat of nuclear disaster.
4. Mr. AL-HADDAD (Democratic Yemen), speaking on behalf of the Asian States, expressed their deep sorrow over the death of President Brezhnev and requested the representative of the Soviet Union to convey their condolences to the people and Government of the Soviet Union and to the bereaved family. For over two decades, the world had known President Brezhnev as a leader who had spared no effort to achieve peace and détente and to end the arms race and prevent nuclear war. Those efforts would always be remembered by the peace-loving peoples of the world.
5. Mr. de la TORRE (Argentina) said that the death of Leonid Ilyich Brezhnev had deeply affected the community of nations. The entire world was bereaved by the loss of an experienced world leader and architect of détente. On behalf of the Latin American States, he extended condolences to the Government and people of the Soviet Union.

6. Mr. MORET ECHEVARRIA (Cuba) expressed, on behalf of his Government, deep condolences to the Government and people of the Soviet Union. The death of Leonid Ilyich Brezhnev, an untiring fighter for peace, détente, and co-operation among peoples, was a great loss to all mankind.
7. Mr. BRAND (United Kingdom), speaking on behalf of the Western European and other States, offered their sincere condolences to the Government and people of the Soviet Union. Leonid Ilyich Brezhnev had held the highest offices in his country for many years, and during that time, Soviet society had made much progress. It was the Soviet people who would miss his guidance most, and to them in particular, the Western European and other States expressed their sympathy. For the rest of the world Leonid Ilyich Brezhnev had been a towering figure in international affairs who had been committed to détente, arms control and disarmament. His departure from the centre of the international stage was a serious loss to the Soviet Union and to the whole world.
8. Mr. HOUNGAVOU (Benin) expressed, on behalf of the African States, sincere condolences to the Soviet Government and people. Leonid Ilyich Brezhnev had always been aware of the importance of peace for development. All Africa felt his loss deeply.
9. Mr. PLECHKO (Union of Soviet Socialist Republics) said that, on behalf of the Soviet Government, he thanked the Chairman, the representatives of regional groups and the delegations which had expressed their condolences on the death of Leonid Ilyich Brezhnev, and the individual representatives and Secretariat staff who had communicated their sympathy directly to his delegation. The many-faceted activities and destiny of Leonid Ilyich Brezhnev were inextricably linked to the most important stages in the history of the Soviet State. He had played a prominent role in the formulation and conduct of Soviet foreign policy, whose aims were peace and peaceful coexistence, détente and disarmament, the prevention of nuclear disaster and utter rejection of policies of aggression and war. The Soviet people's unswerving desire was for peace - not for war, which doomed peoples to a useless waste of their material and spiritual riches - for peace, the star showing the way to a better world.

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

10. Mr. KOMATINA (President of the Economic and Social Council) said that many delegations had expressed deep concern over the alarming deterioration of the international political and economic situation and its extremely adverse impact on the development of developing countries and on the work of the United Nations. The continuing stalemate in the launching of global negotiations, together with the disappointing outcome of the 1982 Pledging Conference for Development Activities, made it clear that the fundamental principles of international economic co-operation were being questioned and that confidence in the United Nations itself was at stake. Urgent efforts were required to reverse that alarming trend, and stronger political will among all Governments to support international economic co-operation was the most indispensable element in those efforts. It should likewise not be overlooked that much could be done within the existing framework to make the United Nations system a better instrument for promoting international

(Mr. Komatina)

economic co-operation; that was particularly important in view of the financial difficulties being faced by many Governments of developed and developing countries alike.

11. The decision of the Council on its revitalization was a small but essential step in a challenging process that required the understanding, co-operation and support of all States at every step of the way. At times, it might require everyone to adjust their policies and practices within the United Nations in order to achieve the common objective. He supported the Chairman's suggestion on organizing informal consultations on ways and means of strengthening the interaction of the work carried out by the Assembly and the Council. Such consultations could, he believed, lead to further practical measures which would enable the Council to carry out the responsibilities entrusted to it in the Charter and to assist the General Assembly more effectively in the economic, social and human rights fields.

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

12. Mr. RIPERT (Director-General for Development and International Economic Co-operation) said that the consequences of the world economic crisis were particularly grave for developing countries; it was therefore essential to make the contribution of the United Nations to the development of developing countries more satisfactory, effective and responsive. The operational activities of the United Nations system provided about 15 per cent of all official development assistance received by developing countries. They embraced all economic and social sectors, focused on the least developed and other low-income countries and sought to respond to the plans and priorities of developing countries through specially designed programmes and services.

13. His annual report (A/37/445 and Add.1) was intended to provide the necessary information for the Committee to conduct its annual review of operational activities. It addressed the two principal issues identified by the Assembly at its two most recent sessions, the need to improve the efficiency and effectiveness of operational activities and the need for more intensive mobilization of resources to finance those activities. The statistical information in the report, which encompassed all organizations in the system engaged in operational activities, comprised two series, one relating to contributions for operational activities from Governments and other sources, and the other to programme expenditures or disbursements financed by those contributions.

14. While all concerned were striving to reduce administrative costs and increase efficiency, account had to be taken of the polycentric nature of the system and of the respective responsibilities of the General Assembly and of the governing bodies and executive heads of the agencies. The achievement of optimum efficiency and cost reduction involved many matters which were most appropriately pursued by individual agencies in accordance with their legislative mandates, but it also required common action and co-ordinated approaches in some important areas. The report endeavoured to identify the issues that had system-wide dimensions and to formulate approaches to them for the Assembly's consideration. There were four sets of issues which needed to be discussed in that connection.

(Mr. Ripert)

15. First, the final objective of all action in that area had to be to develop programmes capable of achieving the desired results with the utmost economy. The report provided a great deal of information on action taken by the system to that end, but more could certainly be done, and the subject was under constant review by the executive heads of the agencies of the system. Economies and greater efficiency could not, however, be the only yardsticks for measuring effectiveness. There was also a need to ensure that operational activities were fully responsive to the requirements of developing countries.

16. Secondly, the report accordingly described measures that were being taken to improve the quality, relevance and impact of operational programmes. Those measures were directed, inter alia, towards integrating operational activities better within the process of national development planning and improving their contribution to the attainment of national and collective self-reliance by the developing countries.

17. Thirdly, greater system-wide uniformity and harmonization of procedures were feasible if they took account of the paramount interests of recipient countries and were pursued pragmatically, in full recognition of the nature of the United Nations system. The report accordingly recommended action to improve the harmonization of procedures in the programming and project cycle, of administrative and financial procedures, personnel practices and training, and in the area of system-wide procurement.

18. Fourthly, a measure of progress in evaluation had been made by many agencies but much remained to be done to ensure that new or improved internal evaluation systems were firmly established and would actually be used to assess results, to improve the efficiency of programmes and to increase their responsiveness to national needs.

19. The other major subject dealt with in his report was the review and appraisal of the mobilization of resources. As matters stood, the flow of voluntary contributions for operational activities was stagnating, in real terms, and if current trends continued, the resources received by the system would fall far short of the targets established by the relevant intergovernmental bodies in accordance with the needs of developing countries. The results of the 1982 Pledging Conference confirmed that disturbing outlook. The United Nations Development Programme (UNDP), which currently provided 50 per cent of all funding for technical co-operation within the system, had been particularly badly affected, and organizations dependent on negotiated replenishment, such as the International Development Agency (IDA) and the International Fund for Agricultural Development (IFAD), had also encountered problems in resource mobilization. In short, there was a funding crisis, a situation that was in stark contrast to ever-growing expenditures on armaments, which in one day consumed the equivalent of the estimated shortfall in resources for United Nations funds and programmes for the following two years.

20. One reason for the existing difficulties was the grave economic situation confronting all countries, including the developed countries, but there was also an unfortunate tendency to believe that renewed multilateral development co-operation

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had to await the resolution of domestic economic problems, as if co-operation was a luxury reserved for times of prosperity. Payments and currency problems were another contributory factor. Whatever the cause, the effect was the same: cut-backs in planned expenditures severely disrupted the development programmes of developing countries, especially the least developed among them, which were already facing enormous difficulties in maintaining the momentum of their development effort in an increasingly harsh external economic environment. The Secretary-General had drawn the attention of Governments to the seriousness of the resource situation and urged prompt action to re-establish at a much higher level the financial resources of IDA, UNDP and other multilateral financial institutions. The Committee should therefore give most serious consideration to ways of redressing that critical situation and enabling the United Nations system to discharge its responsibilities.

21. Unfortunately, information provided by Governments on their own activities and on the financing of bilateral operational activities for development and technical assistance had not been readily forthcoming. It had therefore not been possible to provide as much information in the report as would have been appropriate. A comprehensive policy review was to be conducted the following year, and it was essential that all the necessary information should be made available for it.

22. In connection with that review, there were a number of policy issues which deserved attention, even at such an early stage: one was the need to promote coherence of action at the country level. The co-ordination of external assistance was the prerogative of the Government concerned, but the United Nations system needed to function in a concerted way in providing that support. Through the system of resident co-ordinators, efforts were being made to enhance and improve the coherence of action at the country level, but it was necessary to make those efforts more effective through such means as the co-operative programming of resources in specific areas, joint periodic reviews of current or planned activities and the promotion of linkages between the operational activities of the system and external assistance from other sources. Consultations on the functions of resident co-ordinators were in progress and their outcome would be communicated to the General Assembly. It was important, however, that recipient countries should provide their own views on how those arrangements for co-ordination were working out, so that appropriate action could be taken by the agencies of the system.

23. Another issue was the responsiveness of the system to changing needs. It was inevitable that the developing countries' requirements for multilateral technical assistance and related operational activities should change as development proceeded. Moreover, new approaches to technical co-operation might be needed in order to assist those countries in adjusting to a different international economic environment. South-South co-operation was especially important in that connection.

24. A third issue was the mobilization of resources. Unless urgent steps were taken, the operational activities of the United Nations system would no longer be able to make an effective contribution to the development of the developing countries. The use of resources must be optimized, an endeavour must be made to secure resources on a more predictable and sustained basis, and ways of minimizing

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unforeseen reductions in income owing to exchange-rate fluctuations must be found. The growing practice among Member States of making tied voluntary contributions should be encouraged, subject to their being made in a manner that was consistent with the principles of multilateralism. Member States should ensure that new arrangements of that kind did not jeopardize the fundamental United Nations principles of universality, equity and social justice.

25. Mr. BROWN (Deputy Administrator, United Nations Development Programme) said that the Administrator had circulated a paper setting forth his views on the outcome of the 1982 United Nations Pledging Conference for Development Activities, to be used by the General Assembly as a basis for consideration of that question.

26. Mr. TETTAMANTI (Argentina) said that, as a result of the current economic crisis, some countries were concentrating on providing bilateral development assistance, even though multilateral assistance was not an alternative but a complement to bilateral assistance and despite the fact that the programmes and funds of the United Nations system were experiencing difficulties. The recent Pledging Conference had shown that, while Member States were aware of the situation, they were not in a position to make contributions of the magnitude needed to solve the problems. UNDP was making a great effort to maintain programme delivery, despite diminished contributions. His country was endeavouring to comply with UNDP Governing Council decision 80/30 by exceeding the target of a 14 per cent annual increase in contributions despite the fact that the Latin American countries' share of UNDP resources was falling.

27. Unfortunately, the efforts of the Latin American countries were not being matched by most of the developed countries. It was essential that decision 82/5 of the UNDP Governing Council, which had enjoyed very broad support among the delegations represented in the Governing Council, should not become a dead letter. His delegation likewise hoped that the intersessional committee of the Governing Council, whose meeting in September had not been encouraging, would attain its goals.

28. In conclusion, he paid a tribute to UNICEF for the valuable work it was currently performing in extremely difficult circumstances.

29. Mr. HOHWÜ-CHRISTENSEN (Sweden), speaking on behalf of the five Nordic countries, said that they associated themselves with the tribute paid to the memory of Leonid Ilyich Brezhnev, one of the initiators of the process of détente that had led to the signing of the Final Act of the Conference on Security and Co-operation in Europe.

30. The Governments of the Nordic countries attached great importance to the operational activities of the United Nations and supported the multilateral approach to world economic problems. Both recipients and donors stood to lose if multilateral aid continued to be weakened. The Nordic delegations were therefore concerned at the outcome of the recent Pledging Conference.

31. While the availability of resources was important, the Nordic delegations would have liked to see in the annual report of the Director-General greater

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(Mr. Hohwü-Christensen, Sweden)

self-examination and more specific proposals regarding administrative efficiency and effectiveness. Little or no additional financial support could be expected from the small group of major donors that traditionally supported the operational activities of the United Nations system, and there was as yet no sign that others, such as the industrialized socialist countries or the capital-surplus developing countries, were willing substantially to improve their contributions. Although the report advanced reasons for the fall in voluntary contributions, it did not explain the hardening attitude of major donors or explore why the multilateral development system had suddenly lost its attraction for some donors. Only when the answers to those questions were available would it be possible to predict whether contributions to the multilateral agencies and official development assistance would regain their previous levels once the current recession had ended. Furthermore, it would be interesting to learn to what extent the agencies were to blame for - or were themselves encouraging - the alarming trend towards special-purpose contributions or "tied" aid.

32. The Nordic delegations endorsed the suggestion that the experience of the International Development Association and the International Fund for Agricultural Development should be considered in order to see whether replenishment negotiations could also be applied to organizations dependent on voluntary contributions as a way of mobilizing resources on a predictable basis. They appreciated the Director-General's efforts to improve reporting on administrative and support costs. Since there was a system for financing some administrative costs out of extrabudgetary resources, it would be natural for such costs to be reported to the appropriate governing bodies. The formula for reporting the executing agencies' support costs to the UNDP Governing Council was not sufficiently detailed. Expenditure should be seen in relation to the individual agencies' regular administrative budgets; in fact, all income and expenditure should be subject to the same budgeting, accounting and reporting system. Support costs, as well as income and expenditure from other extrabudgetary resources, should be reported on to the respective governing bodies of United Nations organs that received income from extrabudgetary sources: reporting of support costs to the UNDP Governing Council was not sufficient.

33. With regard to the high cost of administering operational activities, the current financial constraints would certainly bring about some changes, and the main concern should be to maintain the field programmes. It would be politically impossible for donor Governments to support operational activities if too large a proportion of their contributions was spent on administration. It was to be hoped that the stringent measures to reduce staff and cut costs taken by UNDP would be emulated by other United Nations bodies. The Director-General's report referred to the introduction of cost-effective procurement practices, and in that connection the Nordic delegations would like to know how exchange-rate developments influenced procurement practices.

34. The ideas on how to strengthen the co-ordination of all assistance received by individual countries set forth in the section of the report on enhancing the impact and relevance of operational activities (A/37/445, paras. 77-80), deserved further consideration. The conclusions concerning steps to strengthen evaluation were particularly valuable. One subject not mentioned was the possibility of achieving

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savings in the area of the salaries and allowances paid to international staff and experts in the field. One way of increasing the effectiveness and efficiency of the delivery of technical assistance was to reduce support costs to the minimum. The Nordic delegations hoped that the Director-General's following report would contain recommendations on methodology and definitions in that connection. They believed, furthermore, that multi-year pledging would permit more predictable and stable financing and thus improve the management and effectiveness of assistance programmes.

35. On the whole, the Nordic delegations were impressed with the efforts being undertaken within the United Nations system to improve operational activities but they looked forward to receiving more information on resident co-ordinators in the report on policy issues to be submitted the following year. It was the Director-General's responsibility to ensure that the resident co-ordinators functioned in accordance with the annex to General Assembly resolution 32/197.

36. The Nordic countries wished to reaffirm their support for UNDP and they hoped that the Intersessional Committee of the Whole would introduce constructive recommendations on mobilizing resources for the Programme. UNDP and the World Bank should jointly consider whether further co-operation between them might increase their effectiveness by making it possible to improve the utilization of the UNDP field office network and the resident co-ordinators' skill and experience. The country programmes could be prepared in closer co-operation among the recipient Government, UNDP and the World Bank, and include activities financed from both sources. Moreover, there might be closer co-operation at the headquarters level in such fields as economic and social research and evaluation of operations.

37. In view of the limited resources of the United Nations Fund for Population Activities, it was important that the Fund should concentrate its efforts on family planning activities and population education and that a greater proportion of its existing resources should be spent on projects in priority countries rather than on intercountry activities. The Nordic delegations welcomed the holding of four expert group meetings prior to the International Conference on Population in 1984 and hoped that the resulting reports would be of a substantive character.

38. The decision to enlarge the Executive Board of UNICEF by 11 new members, mainly from developing countries, was an indication of the importance attached to UNICEF and of the role which the Board wished to play in the decision-making process. The conclusion drawn by the Board, following discussions at its May meeting, that the operational and field-oriented character of UNICEF should persist was one that the Nordic countries fully supported. Supplementary funding, which was to be considered at the next session of the Board, was important but it could present problems: it might, inter alia, lead to dilution of the multilateral character of UNICEF assistance or to diminished control by the Board over the allocation of resources and other problems. He was pleased that UNICEF was searching for ways of increasing the effectiveness and efficiency of its programmes and administration.

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39. Turning to the World Food Programme, he said that the Nordic countries would continue to support the Programme but hoped that other donors would increase their contributions so that the multilateral aspect of food aid might be strengthened. The Programme should continue to concentrate on food-deficit low-income countries and its projects should be closely co-ordinated with other projects in the recipient countries. Its activities should help strengthen the recipient country's policies regarding self-reliance in food.

40. Finally, he recalled that the Nordic Governments had constantly emphasized the need for vastly increased technical assistance and transfers of resources to the developing countries. The present economic crisis could not be solved through a contraction of aggregate demand. Development assistance was a necessary element of efforts to promote development and to contribute to sustained growth in the world economy.

41. Mr. HARFORD (Ghana) associated himself with the condolences expressed at the previous meeting by the representative of Benin, on behalf of the African group, on the occasion of the death of Mr. Leonid Brezhnev.

42. He was seriously concerned and disappointed at the decline in the financial resources committed to operational activities for development notwithstanding the commendable efforts of a few countries which had maintained and even increased their contributions. That decline clearly reflected a weakening of political will and a turning back from the commitment to multilateralism on the part of a number of donor countries.

43. Operational activities played a central role in facilitating economic growth; thus the obligations assumed by the family of nations could not be set aside. Moreover, the purchasing of goods and services and other activities contributed to world-wide economic activity. The continued financial viability of operational activities for development was in the interest not only of the developing countries but also of the donor countries which could be described as secondary but no less real beneficiaries. Perhaps an appeal to the latter's enlightened self-interest would be more efficacious.

44. Turning to the report (A/37/445), he said that the Director-General's analyses of the causes of the decline in contributions were very illuminating. He noted that a number of developing countries were increasing their readiness to finance from their own resources the provision of technical co-operation and other services provided through the system, adding that that demonstrated the will of developing countries to help themselves.

45. He expressed regret at the trend towards contributions with special conditions attached as such conditionality ran counter to the goals of multilateral co-operation. At the same time he fully endorsed the observations in paragraph 33 concerning the desirability of medium- to long-term commitments. It was therefore gratifying to hear that the Intersessional Committee of the Whole had already begun a serious examination of multi-year pledging.

46. He endorsed the suggestion that it would be worth while to examine the experience of the International Development Association (IDA) and the

(Mr. Harford, Ghana)

International Fund for Agricultural Development in order to see whether the model of replenishment negotiations could be applied to voluntary contributions. Likewise he approved of the suggestion in paragraph 48 that those funds and programmes which did not have explicit targets should consider the possibility of instituting them and that consideration should be given to ways of improving the timing and usefulness of pledging conferences.

47. His delegation accepted the need for improved co-ordination at the national level among the various government departments involved in the implementation of operational activities - indeed, Ghana was currently engaged in such an exercise - and it also supported the thrust of paragraph 59. However, although economies in administrative costs were essential, other elements of effectiveness must also be taken into account. Accordingly, greater emphasis should be placed on the degree to which operational activities proved responsive to the economic and social development requirements of developing countries. His delegation had noted the steps taken by several organizations to lower costs, including the proposed reduction of UNDP staff by 323 posts. It was to be hoped that every effort would continue to be made to minimize the adverse impact of such measures on ongoing projects.

48. Capacity-building and institution-building were basic objectives of technical co-operation. Accordingly, he endorsed the suggestions in paragraph 79 that the United Nations system should increase its efforts to assist in the development of domestic consultancy capacity and also supported the adoption of such measures as increased use of multi-agency programmes which greatly contributed to the solution of sectoral problems.

49. His delegation was in favour of increased procurement in developing countries as that would, *inter alia*, enhance the use of appropriate technology in those countries. It endorsed most of the points made in paragraph 80 concerning flexibility, especially the reference concerning the need to encourage technical co-operation among developing countries and looked forward to more detailed recommendations on the subject in the next report.

50. In conclusion, he renewed his country's commitment to continue as a participant in multilateralism as manifested in the operational activities of the United Nations system.

51. Mr. ALBORNOZ (Ecuador) extended his condolences to the Government and people of the Soviet Union on the death of Mr. Leonid Brezhnev, a great leader and champion of the cause of disarmament, peace and development.

52. Although external factors were conspiring against them, the operational activities of the United Nations system continued to play a leading role in the fight against ignorance, poverty and disease.

53. UNDP had been created to facilitate the transfer of technology, promote pre-investment activities and accelerate development. Those activities accounted for 80 per cent of all activities of the United Nations system. Indeed, in the developing countries, they were seen as the *raison d'être* of the United Nations.

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(Mr. Albornoz, Ecuador)

54. In that connection he noted the concern expressed by the Committee on Information at the fact that public opinion, particularly in the industrialized countries, did not fully comprehend that promotion of development was a major aspect of the work of the United Nations system. The Committee had recommended, inter alia, that an appeal should be addressed to the international media to obtain their support for the efforts of the international community towards global development and, in particular, for the efforts of the developing countries for their own economic, social and cultural progress and that an appeal should be addressed to the United Nations system to co-operate in a concerted manner, through its information services, to promote the development activities of the United Nations. Those appeals were intended to contribute to a better understanding and more realistic image of the activities of the Organization throughout the world. In that connection, the Committee had called for closer co-ordination of information activities between the Department of Public Information and UNDP both at Headquarters and in the field. The decision adopted by the Governing Council of UNDP at its twenty-ninth session to establish a development study programme was particularly welcome.

55. While the proliferation of new funds did not help to increase the resources of longer-established programmes, it nevertheless reflected the real needs of the developing world. The establishment of the International Fund for Agricultural Development was encouraging, as was the support given to it by the developing countries members of OPEC, although the drop in contributions to IDA was most regrettable. He expressed the hope that the World Food Programme would continue its encouraging work particularly with regard to the use of food as an incentive in the promotion of local development projects. UNFPA and UNICEF also were engaged in valuable activities and should be supported.

56. The decline or stagnation of contributions, combined with inflation, had led to a real reduction in programmes and threatened ultimately to nullify the developmental impact of operational programmes just when those activities were needed most. Moreover, the growing tendency towards bilateralism in multilateral programmes was alarming. His delegation had nothing against bilateralism per se as a supplement to multilateral programmes and, in the case of government programming, as an additional input to such programmes in the service of national development plans.

57. Programme efficiency could be increased through continued support for the system of UNDP resident co-ordinators. The experience achieved so far in that regard was encouraging and his delegation was pleased to see that steps were being taken to ensure that the arrangements could respond effectively to the particular requirements of each country.

58. In the Intersessional Committee of the Whole, his delegation had supported the position taken by the developing countries that the Committee should endorse any action designed to promote broader financing of UNDP and the dissemination of information concerning UNDP's work and to preserve the principle of programming by Governments without any alterations in practice so as to avoid possible interference by some Governments in the sovereign programming of other States. It had also upheld the need for the greatest austerity with regard to administrative costs.

(Mr. Albornoz, Ecuador)

59. The outcome of the 1982 Pledging Conference could not have been more discouraging. For the first time, the total amount pledged had fallen, and that at a time when an increase was most needed in order at least to keep pace with rising costs. The effect of inflation on programmes was particularly evident in countries - such as those in the Latin American region - whose nominal IPF allocation had remained the same in all three programming cycles. To illustrate his point he noted that, whereas in 1960, the cost of expert services for one year had been \$US 12,000, by 1982 it had risen to \$US 70,000. As the Administrator of UNDP had pointed out, the \$US 666 million provided for 1982 was less in terms of the services that that sum could finance than the \$US 307 million provided in 1973.

60. The time had come for the Committee, the Economic and Social Council and the General Assembly to deal with that alarming situation and with the hostility shown towards the developing countries in their attempts to improve their situation. The fact that contributions for development activities were negligible compared to the fortunes spent on armaments was a clear indication of that hostility. The well-being of the rich countries depended to a large extent on that of the poor since the value of the former's exports to the latter far exceeded that of their imports of raw materials. At the same time, the credibility of the industrialized countries regarding their responsibilities in an interdependent world was at stake. Bankers should want their clients to prosper so that they could repay their debts. In that connection he reminded the Committee that the combined debt of the developing countries came to \$626 billion. The reduction in voluntary contributions must lead the developing countries to conclude that a new policy was being adopted by the developed world and that even harder days were ahead. The countries of the South were aware of their increasing isolation and were determined to redouble their attempts to achieve development through their own efforts.

61. Speaking on behalf of the Latin American region, he said that it was more than ever necessary to reaffirm the principles of universality, of government programming and of UNDP's voluntary nature. Every effort must be made to ensure that the IPFs for the third programming cycle were not reduced, to enforce the commitment to provide an overall average annual rate of growth of 14 per cent in UNDP resources and to increase the funding of other operational programmes at the same rate.

62. Mr. McBARNETTE (Trinidad and Tobago) said that the developing countries were facing an external environment extremely hostile to their efforts to achieve meaningful development. The world economic crisis had generated responses that were capable of changing the very fabric of international relations: the international community had become more inward-looking and defensive, the tide of protectionism was rising and the spirit of international co-operation was on the wane.

63. UNDP had been created by the international community to offer a unique service to developing countries. The question was whether that community was now willing to see it dismantled. Over the past few years, UNDP had experienced a general lack of commitment by major donors, culminating in a decline in voluntary contributions in real terms. It was possible that programme delivery in the third programming cycle

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(Mr. McBarnette, Trinidad and Tobago)

might not even approximate the level achieved in the first cycle. Several reasons had been advanced for the crisis, the current state of the international economy being the most frequently heard. The developing world did not altogether discount those reasons, but it had noted a growing trend among the major donors to avoid multilateral channels of concessional development assistance and opt for bilateral channels or institutions which emphasized geopolitical considerations and stricter conditionality.

64. UNDP's resource crisis would have a serious impact on the efforts of developing countries to extricate themselves from dependence and under-development. In the Latin American and Caribbean region, UNDP had acted as a catalyst in providing the technical and managerial infrastructure upon which many countries had been able to build. The contribution of those countries in terms of matching funds, support costs and cost-sharing arrangements had been far in excess of their IPFs.

65. Expectations from UNDP would have to be revised downwards in the wake of the recent Pledging Conference. For countries in the Caribbean, particularly those covered by the multi-island programme, that was a serious setback. Their economies were already constrained by their small size, narrow resource base, lack of appropriate infrastructure and paucity of technical and managerial expertise. Several projects for 1982 and 1983 to which scarce resources had already been committed would have to be deferred.

66. UNDP had been in the front line of the development effort of the United Nations system. In most countries it was the hub around which all other agencies and organizations of the system rotated. A reduction of its activities would limit its representational function and thus weaken the whole dynamic of operational activities. The probable loss of experts and consultants, to which the Administrator had referred, would also be critical for UNDP's performance and the development effort.

67. Many delegations had hoped that the Intersessional Committee would be able to ensure significant progress towards solving the resource crisis; they were yet to be convinced that the developed countries were serious in that endeavour. The Intersessional Committee had heard objections already made in other forums, even to the point of challenging the consensus of 1970 and Governing Council decisions 80/30 and 81/16. The firm commitment to increase contributions by 14 per cent had been dismissed as merely an indicative figure. His delegation, however, remained committed to the effort of the Intersessional Committee of the Whole to arrive at modalities for contributions that would allow for the provision of resources on a more predictable, continuous and assured basis. It believed, however, that it was a strengthening of the commitment to international economic co-operation rather than technical considerations that would solve the current crisis.

68. His delegation also wished to put on record its appreciation of those countries in the developed country group which had remained firm in their support of multilateral co-operation and of UNDP in particular.

(Mr. McBarnette, Trinidad and Tobago)

69. His delegation associated itself with the condolences offered by the Chairman and other speakers on the death of Mr. Leonid Ilyich Brezhnev. On behalf of the Government of Trinidad and Tobago, he requested the delegation of the USSR to convey his country's deep sympathy to the people and Government of the Soviet Union.

70. Mr. RAKOTONAIVO (Madagascar) also extended his Government's condolences to the Union of Soviet Socialist Republics on the death of Mr. Brezhnev.

71. For the past two years, the international community had been engaged in a detailed examination of the various operational programmes of the United Nations system. His delegation had contributed to that review process: at the thirty-fifth session of the General Assembly, it had expressed its views regarding the general orientation of operational activities; its definition of the conceptual framework remained the same. At the thirty-sixth session, circumstances had led it to concentrate on the programme's financial problems. At the current session, it would again concentrate on that important aspect in the light of recent developments and the grave world economic situation.

72. The Director-General for Development and International Economic Co-operation had attached special importance in his report (A/37/445) to the mobilization of resources. It was appropriate that he should have placed them in the context of the overall prospects for official development assistance. The short-term problems, however, should be separated from the consideration of a long-term financing system. The latter was a complicated task that would demand much thought from Governments and the entire United Nations system. It was desirable that the various formulas proposed, such as replenishment, direct financing, reinforcement of statutory contributions and the establishment of a technical co-operation working capital fund should be examined as part of the global negotiations on the transfer of real resources to the developing countries, independently of the study to be made by the Intersessional Committee.

73. The short-term mobilization of resources, on the other hand, was a matter of great urgency, in view of the deteriorating financial position of most of the agencies responsible for operational activities. His delegation was particularly concerned by the alarming decline in the rate of growth of UNDP's resources. The report indicated, that on current assumptions of resource inflows, 1982 expenditures would be \$100 million less than in 1981, while in real terms third cycle expenditures would have to be reduced by 32 per cent from the target and would be 25 per cent less than those of the second cycle. There were other alarming indications: contributions to the World Food Programme's regular resources were only 77 per cent of the target figure; IFAD's resources had grown very little in real terms over its initial funding; contributions to the Interim Fund for Science and Technology for Development had been only \$23 million as against the \$250 million forecast; the Industrial Development Fund had reached only 28 per cent of its target figure in 1981 and 24 per cent in 1982; lastly, IDA's resources had dropped from \$4.1 billion to \$2.6 billion for the fiscal year 1981-1982. The disappointing results of the recent Pledging Conference marked a continuation of the trend. It was inconceivable that the resources of UNDP, the central body for financing technical co-operation should have declined consistently over the past four years. Yet, the Administrator had noted that the contributions announced so far for 1983 were less in real terms than those of 1973.

(Mr. Rakotonaivo, Madagascar)

74. It was generally recognized that the financial crisis of the operational agencies was essentially the result of lack of support by some of the major donors for multilateral development programmes because of the priority they gave to bilateral co-operation and their domestic economic difficulties. The situation had grown worse recently because of the devaluation of contributions resulting from fluctuating exchange rates (\$96 million for UNDP in 1981). The Secretary-General and the agency heads, in particular the Administrator of UNDP were to be thanked for their untiring efforts to draw the attention of Governments to the gravity of the situation. The consequences for the development efforts of the developing countries were obvious. Their need for financial assistance was greater owing to the economic difficulties with which they were faced as a result of the world economic situation.

75. The vital necessity of attaining agreed targets must therefore be reaffirmed and the resources of those programmes must be assured of adequate growth in real terms. That need had been widely recognized in the relevant discussions of various United Nations bodies and had been reaffirmed in Council resolution 1982/53. Madagascar did not agree that such a course was not realistic. The international community must make every effort at the current session to find a means of solving those problems in answer to the appeal made to it by the Council in paragraph 7 of the resolution.

76. Among possible solutions, the Director-General had advocated in his report a whole series of practical steps that could give new impetus to the mobilization of resources, and the delegation of Madagascar was in general agreement with his recommendations. The suggestion concerning targets would allow the agencies to engage in forward planning for the mobilization and allocation of resources. It would also allow the donor countries to schedule and budget their contributions in a more balanced fashion, and the recipient countries would find it easier to integrate external resources into their national planning cycles. To be effective, targets should as far as possible be set in the light of the real needs of programmes. Lastly, to be realistic, the review and appraisal process should be the outcome of negotiations among the various partners, the voluntary nature of contributions notwithstanding, and should be based on firmer political undertakings.

77. The need to improve the functioning of the Pledging Conference was also obvious. Organizing meetings of the Intersessional Committee type would make countries more aware of the seriousness of problems and their shared responsibility. The appraisal process should also include the type of goodwill mission instituted in connection with the long-term Financing System for Science and Technology for Development. Agency heads could take a similar course in order to give the authorities of donor countries as much information as possible. It would seem useful to go on requesting Governments to provide information on the probable trend of their contributions for operational activities, in accordance with General Assembly resolution 36/199, paragraph 5. Lastly, all the recommendations in the second part of the report on the efficiency and effectiveness of operational activities could help to improve the agencies' financial situation by making it possible to release additional resources for programmes. His delegation had always been in favour of efforts in that direction.

(Mr. Rakotonaivo, Madagascar)

78. All those practical measures would remain a dead letter, however, without the effective participation of Member States. While recognizing the voluntary nature of contributions, his delegation stressed that the ideal solution would be to establish a system of participation proportionate to the capacity of each country to pay. Delegations would be able to form their own judgement of the efforts of their Governments in that respect in the light of the detailed statistical information in the Director-General's report. An examination of recent trends in contributions showed that there had been an increase of almost 48 per cent in the contributions of middle and higher income developing countries; also, a disproportionate share of the cost of financing programmes had been borne by a few countries with relatively small economies while the five largest OECD economies had contributed to UNDP only one quarter of the contributions from such countries. In 1981, the official development assistance of an important OECD member had declined by 26 per cent in real terms, which had meant a reduction of one half in its multilateral contributions.

79. The current difficulties of the developed countries were well known. Nevertheless, they were far less than those of the developing countries. The money needed by the developing countries for development was insignificant in comparison with the amounts being spent on arms. His delegation accordingly associated itself with the appeal to all wealthy countries to make substantial contributions to the development efforts of the international community in exercise of their joint responsibility recognized in the Charter and the International Development Strategy for the Third Development Decade.

80. His delegation reserved the right to speak again on the agenda item. In the meantime, he reaffirmed his Government's support for the operational programmes and expressed gratitude for the help they had afforded to Madagascar. In conclusion, he paid a tribute to the Administrator of UNDP for his dynamism and initiative.

81. Mr. FREYBERG (Poland) expressed his delegation's condolences to the USSR, Byelorussian and Ukrainian delegations on the death of Mr. Leonid Ilyich Brezhnev.

82. Poland attached great importance to United Nations operational activities for development, which played an ever-growing role in the common effort to accelerate the economic and social development of all countries and of the developing countries in particular. Technical co-operation within the United Nations system played a valuable part in promoting multilateral economic co-operation among all countries regardless of their economic and social systems. That co-operation encouraged better understanding among the nations and thus contributed to the consolidation of détente and international security, which was indispensable to development.

83. UNDP was the most important instrument of multilateral technical co-operation in the United Nations system. Its role, which had emerged from the consensus of 1970, had been reaffirmed in decision 82/5 of the Governing Council. The strength of UNDP depended to a great extent on maintaining the principles of that consensus, which was based primarily on universal and voluntary participation in giving and receiving technical assistance without discrimination against any group of countries. It was the sovereign right of each participant in the Programme to decide whether or not to benefit from technical assistance provided through UNDP.

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(Mr. Freyberg, Poland)

84. In view of UNDP's difficult financial situation the Administration should make every effort to find a procedure for ensuring the full utilization of all the funds placed at its disposal, including contributions in non-convertible currencies. An improvement in that direction would ease the current financial difficulties. The proliferation of separate funds and technical assistance programmes, which undermined UNDP's central role and did not add to the flow of technical assistance, was also a matter for concern. In 1981, UNDP had provided less than half the total technical assistance of the system. All multilateral technical co-operation activities should be financed through UNDP voluntary funds.

85. Poland endorsed the desire of the UNDP Administration to create conditions whereby contributions would be made on a more predictable, continuous and assured basis. That endorsement was a logical consequence of its continuing support for the concept of long-term country programming embodied in the 1970 consensus. The issue of multi-year pledging had been discussed on various occasions and Poland had expressed support for the concept. Such pledging should, however, be a matter for the sovereign decision of each country.

86. The Intersessional Committee had been set up to deal with the question of UNDP's long-term financing and Poland was prepared to play an active role in its work, on the understanding that it would not seek to alter the 1970 consensus but would look for ways and means of building a more secure and stable financial future for UNDP that would utilize every possibility to the full. His delegation looked forward to further discussions and to studying the many reports that the Administration was preparing for the Committee's consideration at its second session in February 1983. It would not press its original proposal that one report should deal with the best way of utilizing the accumulation of contributions in non-convertible currencies, but hoped that some new suggestions would come from the Administrator in that regard.

87. The twenty-ninth session of the Governing Council had witnessed attempts by some States to introduce the policy of confrontation, discrimination and political pressure into the field of technical assistance. According to the 1970 consensus, the Programme was universal, and technical assistance should not and must not therefore, be used for political purposes.

88. UNICEF, which had a long record of achievements, played an important role in multilateral technical co-operation. Poland had enjoyed a particularly close relationship with UNICEF from its inception, and supported the report and recommendations adopted at the most recent session of its Executive Board. The Executive Director of UNICEF could be assured of Poland's continued support for UNICEF activities and its readiness to develop its participation further.

89. His Government was interested in broadening its co-operation with UNFPA and was ready to organize in Poland, in co-operation with it, seminars and training programmes for participants from developing countries on demographic problems and matters related to maternal and child care.

The meeting rose at 6.15 p.m.