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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/L.189 and Add.1, A/C.2/
L.283, A/C.2/L.284 and Corr.1, A/C.2/L.285,
A/C.2/L.286, A/C.2/L.287) (*continued*)**

1. Mr. SERRANO (Philippines) emphasized that his Government attached great importance to the programmes of technical assistance. In a deeply troubled and divided world, the United Nations Expanded Programme of Technical Assistance was perhaps the main-spring of progress and union.

2. Like every human undertaking, the Programme was open to improvement. Despite the very sound principles on which it was based and the praiseworthy efforts of those responsible for its administration, it was not without its faults. That was what the Philippine representative had wished to stress in his statement at the 395th meeting. His intention had not been to criticize any person or institution, but simply to remind members of the Committee that it was the duty of the United Nations to strive unceasingly to improve its work.

3. Mr. ALLOUNI (Syria) said that the Syrian Government had always followed the implementation of the Expanded Programme with great interest. It firmly believed that technical assistance was an essential factor in the achievement of progress, because the under-developed countries willingly turned to the United Nations, whereas they were sometimes reluctant to appeal for help to a particular country lest they should endanger their independence.

4. At a time when the political situation was tense, it was encouraging to note that all nations approved and actively supported the Programme. Syria, though making a great effort on a national basis, had not hesitated to double its contribution to the Expanded Programme.

5. Currency utilization was a matter of interest to all countries contributing to or benefiting from the Expanded Programme. The Syrian delegation considered that the Programme should retain its multilateral character; but it should not be forgotten that contributions were voluntary. The Assembly might ask those Govern-

ments which were large contributors to make, so far as possible, the greater part of their contribution in convertible currencies; but it should not imitate the Economic and Social Council which, in operative paragraphs 2 and 3 of its resolution 623 B III (XXII), had seen fit to name a specific figure as a guide. Like the Egyptian representative, he was ready to support any proposal to refer the question to the Technical Assistance Committee (TAC).

6. The composition of TAC was closely dependent on that of the Economic and Social Council. While the Assembly would doubtless expand the membership of the Council, it had so far taken no decision in the matter, and it would be premature at the present stage to raise the question of the composition of TAC—a question which, incidentally, was not on the agenda.

7. The Syrian Parliament and Government considered that greater provision should be made in the technical assistance programmes for the training of local staff. It was advisable to increase the number of fellowships granted to students and interns and, as the Ecuadorian representative had remarked, a closer relationship should be established between the implementation of projects and the granting of fellowships, so that the Fellows could be employed in carrying out the programmes as soon as they returned.

8. The question of equipment also deserved fresh study, since it should be possible to furnish the scientific equipment used in the training of staff out of the appropriations under the Expanded Programme.

9. Mr. MISALLATI (Libya) said that while his country had only recently attained its independence, it had received very special attention from the Technical Assistance Administration (TAA). The Technical Assistance Committee and most of the specialized agencies had started large-scale projects in Libya, among which mention should be made of the Technical and Clerical Training Centre, which had given valuable service to the Libyan Government, the Census Office, the Central Statistics Office, the Libyan Meteorological Service and activities connected with agricultural research, the Maternal and Child Health Centres, hides and skins improvement and teacher training.

10. The Libyan Government noted with satisfaction that the resources made available to the Expanded Programme were constantly increasing. It hoped that the General Assembly would see fit to adopt the draft resolution which Libya had presented jointly with Denmark and other countries (A/C.2/L.287).

11. The Libyan government was very grateful to the United Nations and to TAA for the help which they had given it.

12. Mr. RECABARREN (Chile) gave a brief account of the Expanded Programme of Technical Assistance and the noteworthy results achieved since its initiation, 50 per cent of which could be ascribed to the generosity of the United States of America.

13. Chile, which had never ceased to press forward its economic, social and cultural development ever since it attained independence, could not do otherwise than give the technical assistance programme its whole-hearted support. It had done so from the very outset, actually imparting the initial impetus, for it was the Chilean delegation which had introduced resolution 200 (III) on technical assistance for economic development at the General Assembly in 1948.

14. Up to 1955, Chile had received assistance totalling some \$2 million. The assistance received in 1956 had amounted to \$850,000 and had been applied to the execution of thirty-six projects with the participation of a large number of United Nations experts. For 1957, the Technical Assistance Board (TAB) had allocated \$353,000 for Category I projects, but the total figure for assistance might amount to \$1,750,000 if Category II and supplementary projects were also taken into account.

15. Chile, meanwhile, had contributed towards financing the Expanded Programme according to its means and had tried to increase its contribution whenever it could. It had contributed 22 million non-convertible pesos in 1955 and had just announced a contribution of 55 million pesos for 1957. Although the 1957 contribution was the equivalent in dollars of the 1955 contribution, owing to the devaluation of the peso, it nevertheless represented an increase of 250 per cent in national currency.

16. The Chilean Government had requested and obtained the appointment to Santiago de Chile of a resident TAB representative. It had placed premises and staff at his disposal in the actual building of the Ministry of Foreign Affairs, and included an appropriation of 800,000 pesos in the current budget to cover the initial costs of that new form of direct assistance. In addition, it had granted nine fellowships that year to foreign students and had sent twenty-eight of its experts to Latin American countries and another to Burma.

17. Chile had always advocated the closest possible co-operation between United Nations technical assistance bodies and the Economic Commission for Latin America (ECLA). It had therefore welcomed the Secretary-General's decision to send certain staff members from Headquarters to the ECLA offices at Santiago de Chile and Mexico City; for ECLA, since its establishment, had acquired valuable experience in technical assistance of which advantage should be taken. The Chilean delegation accordingly gave its unqualified backing to the arrangements made by the Secretary-General and TAA, and hoped that the experimental measure would become permanent.

18. Chile was also in favour of regional projects. It considered the Andean-Indian programme for example, which concerned Bolivia, Ecuador and Peru, to be an initiative of more than ordinary importance. The same applied to the Central American economic integration programme. The Chilean Government itself was studying a development plan covering its three southernmost provinces. It intended to ask the United Nations for technical assistance in implementing the plan, and would be sure to draw on the experience gained in executing the regional projects he had mentioned.

19. The essential purpose of the technical assistance programme being to remove obstacles in the way of economic and social development, its implementation could not be expected to yield immediate results. How-

ever, there was one field in which technical assistance had enabled rapid progress to be made—the field of public administration. That form of technical assistance was provided for in General Assembly resolution 246 (III.) Chile had taken advantage of the possibilities afforded by that resolution and at present had the services of several experts of various countries who were assisting it in preparing a fiscal code, making a census of taxpayers, improving the system of accountancy, etc. The cost of the assistance of that kind which it had received in 1956 amounted to \$40,000, or 4 per cent of the total funds expended by TAA on assistance in public administration. Such assistance was of prime importance, for inexperience in that field, as the President of the International Bank for Reconstruction and Development had pointed out, was one of the main obstacles hampering the development of the underdeveloped countries. It was easy to understand why the representative of Canada had stated that his country would not support a reduction in technical assistance funds for public administration.

20. Chile would be glad to see Germany and Japan, which occupied an important place in the world both economically and culturally, join the United Nations. Consideration might be given to admitting them to TAC, the expansion of which was under review. He hoped his suggestion would be well received.

21. Turning to the draft resolution submitted by Romania and Czechoslovakia (A/C.2/L.283), he wondered whether the adoption of the proposed measures would not detract from the universality of the Expanded Programme, which was one of its key features. It might leave the soft-currency countries at the mercy of those who accepted their currency—and who would not always do so in a spirit of altruism or philanthropy. The obligation to make the part of the contribution exceeding \$500,000 in convertible currency was the essential condition for ensuring that the Programme remained multilateral and disinterested in character.

22. Chile, a country imbued with the spirit of justice and liberty, knew how difficult it was for a people to ensure the maintenance of democracy if it did not enjoy a reasonable degree of prosperity. That was why it lent its full assistance to the technical assistance programmes which sought to raise standards of living throughout the world. There was still a wide gulf, however, between the needs to be satisfied and the resources available. He would revert to that aspect of the problem when the Committee discussed the question of the establishment of the Special United Nations Fund for Economic Development.

23. Mr. OWEN (Executive Chairman, Technical Assistance Board), speaking on behalf of TAB and all the organizations participating in the Expanded Programme, thanked the members of the Committee for having given such careful attention to the technical assistance activities, and for their constructive comments. The very frank exchange of views which had taken place had been most useful, and TAB would certainly take into account all the opinions expressed during the debate, particularly by the representatives of recipient countries.

24. Several important ideas had been put forward or re-emphasized, and they were all worthy of careful consideration. The representative of Laos, for example, had mentioned the possibility of setting aside funds for the newly independent States and establishing a minimum level of assistance; the representative of Saudi Arabia, the possibility of issuing a series of rules, or moral code, to govern the granting of technical assistance;

and the representative of Sweden, the possibility of bringing together from time to time the members of various national technical assistance committees to examine common problems. The Technical Assistance Board would bear those suggestions in mind together with many other comments on such matters as the useful part played by the resident representatives, the importance of scholarships and fellowships and the specialized training of nationals of recipient countries, and the provision of scientific equipment. He was convinced that the system of country programming would help the recipient countries to integrate the technical assistance they received more fully into their own development programmes than they now did. For instance, if a given country was more interested in fellowships or equipment than in the services of experts there was no reason why its wishes should not be met within the limits of its allocation.

25. He thanked the Swedish Government for having increased its contribution. Thanks to its generosity, the total was now very close to the target figure of \$31 million.

26. Replying to the representative of Egypt who had asked for further information on currency utilization, Mr. Owen explained that the situation as it had stood in July 1956 had been clearly set out by TAB in the first part of its eighth report to TAC (E/2842-E/TAC/REP.66, Chap. IV). At the beginning of the financial year 1956 there had been a carry-over of \$5,764,000, of which \$3,279,000 had been unobligated. Of the \$3,279,000, \$2,198,000 had been in currencies which it was difficult to use, and special measures had had to be taken. It was currently estimated that the carry-over at the end of the financial year would be in the neighbourhood of \$400,000, but that estimate might be rather over-optimistic and, bearing in mind all the factors involved, the carry-over might well be between \$1 million and \$1.5 million. It was difficult to say there and then how that sum would be composed, but it could be expected to consist in equal parts of convertible and non-convertible currencies. It was unlikely, however, that there would be more than \$400,000 in any one currency. As for the financial year 1957, TAB had based its programme on the assumption that all available resources would be used, and it had every intention of achieving that result.

27. Mr. KEENLEYSIDE (Director General Technical Assistance Administration) associated himself with the previous speaker. He too had taken careful note of the comments advanced during the Committee's very useful debate on technical assistance. He had noted in particular that the members of the Committee had stressed certain questions to which TAA also attached particular importance: he had in mind such things as the surveys of natural resources which were essential to the preparation of any sound development programme, the provision of scientific equipment, industrialization, and the organization of training facilities actually in recipient countries.

28. He was grateful for the tribute paid to the work of co-ordination accomplished by the resident representatives, who were to some extent TAA's regional ambassadors.

29. Like the members of the Committee, TAA was worried by the upward trend of administrative and operational expenses and would continue to make every effort to reduce them; nevertheless, efficiency, and not economy, must be the first consideration.

30. All the representatives who had spoken had insisted on the need for retaining and even accentuating the international character of the technical assistance programme. In that connexion he was happy to inform the Committee that the 150 officials attached to TAA at Headquarters came from thirty-three different countries and that nine countries were represented among the eleven senior officials in TAA. That was an indication of the extent to which TAA sought to make the technical assistance programme truly international at the administrative as well as at the operational level.

31. In conclusion he expressed his own gratitude and that of his colleagues for the unfailing support they received from all the governmental agencies which helped to carry out the programme.

32. Mr. GURINOVICH (Byelorussian Soviet Socialist Republic) asked whether TAA intended to add to the number of countries to be asked for assistance in providing the experts, supplies and training facilities required for the application of the regular technical assistance programme and, if so, whether it intended to apply to certain countries, such as the Byelorussian SSR, which were not yet participating in the programme.

33. Mr. KEENLEYSIDE (Director General, Technical Assistance Administration) replied to both questions in the affirmative. He pointed out that in the past five years TAA had enlisted the help of sixty countries, and he expressed the hope that that number would increase as initial difficulties were overcome with respect to the recruitment of qualified experts and the conditions imposed by certain recipient countries. The situation already showed a definite improvement, and the prospects for the future were promising. To solve recruitment problems, TAA had adopted certain measures which he had had occasion to outline to the Committee in his first statement (389th meeting); it had, for instance, increased its recruiting staff at Headquarters and at Paris from eighteen to twenty-two persons. The additional expenditure involved would undoubtedly be offset by the greater efficiency of the services concerned.

34. The CHAIRMAN declared the general discussion closed. He invited the Committee to take up consideration of the draft resolutions before it.

QUESTION OF CURRENCY UTILIZATION (A/C.2/L.283, A/C.2/L.286)

35. Mr. MOLDOVAN (Romania), presenting the draft resolution sponsored by Czechoslovakia and Romania (A/C.2/L.283), recalled that he had already (390th meeting) explained the reasons which had prompted the two delegations to make their proposal. He again declared that Economic and Social Council resolution 623 B III (XXII) was inspired less by the desire to develop technical assistance than by considerations of a political nature. The real situation concerning the utilization of contributions was due to causes totally unrelated to the currency in which the contributions were made. The figures just cited by Mr. Owen were conclusive in that respect. The only way in which TAB could ensure the full utilization of the funds it administered was by determining precisely what the economic possibilities of the contributing countries were and what projects the recipient countries wished to carry out. Furthermore, the TAB report on the subject (E/TAC/50) contained a whole series of practical measures designed to ensure full utilization of funds,

having regard to the fact that certain contributions were made in domestic currencies.

36. His delegation considered that resolution 623 B III (XXII), in the form in which it had been adopted, might adversely affect the Expanded Programme of Technical Assistance and, in particular, the total sum of contributions. It would be remembered that in a resolution (E/2923, para. 76), TAC had urged Governments participating in the Expanded Programme to continue to support it and wherever possible and as far as possible to increase their support. The participating countries were hardly likely to comply with that request if the General Assembly adopted resolution 623 B III (XXII), since under the terms of that resolution they would be obliged to make a contribution in convertible currency, if at a given time their contributions were not utilized, and such an obligation might create serious difficulties for them. One of the essential principles underlying United Nations technical assistance was embodied in operative paragraph 8 of Council resolution 222 (IX), which provided that contributions might be made in the form of services or materials on the basis of credits in domestic currencies which Governments were prepared to make available. It was because of that fundamental principle that the number of participants in United Nations technical assistance was so large and the programme so popular; yet it was precisely that principle which resolution 623 B III (XXII) sought to abolish. That was why his delegation considered that the Economic and Social Council should re-examine the problem of currency utilization with a view to retaining the possibility of making contributions in domestic currencies.

37. Some representatives had argued that the fact that certain contributions were made in non-convertible currency adversely affected the multilateral character of the Programme, and that the precise purpose of adopting resolution 623 B III (XXII) had been to remedy that situation. He could not share that view. The draft resolution presented by Romania and Czechoslovakia proposed that the General Assembly should endorse the provisions of the Council resolution with the exception of those contained in paragraphs 2, 3 and 4. One of the

provisions to be retained was a declaration to the effect that the multilateral character of the Expanded Programme should be scrupulously respected and that no contributing country should receive special treatment or privileges with respect to its contribution. By advocating the intention of that provision, the Romanian and Czechoslovakian delegations had shown that they prized the principle of universality, which was among those their Governments had accepted when announcing their desire to participate in the United Nations Expanded Programme of Technical Assistance and to contribute to the fund set up for that purpose.

38. Other members of the Committee had maintained that the provisions of operative paragraphs 2, 3 and 4 of resolution 623 B III (XXII) were designed precisely to preserve the multilateral character of the Programme. That argument was not valid: all contributions, whether large or small, whether made in domestic or in convertible currencies, flowed into the common technical assistance fund; no contributing country had asked, or could ask, that its contributions should be so allocated as to ensure that it was used in a particular country or in a particular way. The Technical Assistance Board was responsible for allocating the funds in the light of the requests it received and of a number of other considerations designed to ensure the smooth conduct of operations.

39. In the circumstances, his delegation was convinced that the adverse effects which Council resolution 623 B III (XXII) would have, if adopted by the General Assembly, would be incomparably greater than the difficulties which might arise from the fact that contributions to the technical assistance fund were made in domestic currencies.

40. Mr. ALLOUNI (Syria) said it was his understanding that many delegations were not prepared to state their views on the draft resolutions proposed and, moreover, that a number of amendments were being prepared. He accordingly proposed that the meeting adjourn.

The motion for adjournment was adopted by 27 votes to 22, with 16 abstentions.

The meeting rose at 5.10 p.m.