



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

*In the absence of the Chairman, Mr. Brito (Brazil),  
Vice-Chairman, took the Chair.*

**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.2/264, A/C.2/L.1147, A/C.2/L.1148 and Add.1)**

1. The CHAIRMAN announced that several delegations had requested that consideration of the draft resolution contained in document A/C.2/264 should be deferred, since consultations between interested delegations were in progress.

2. Mr. DIALLO (Upper Volta), supported by Mr. GUPTA (India), said that he would like document A/C.2/264 to be dealt with before the end of the week.

3. Mr. VOLOSHIN (Ukrainian Soviet Socialist Republic), supported by Mr. PATAKI (Hungary), said that it would be desirable if consideration of the draft resolution was deferred until a later stage.

4. The CHAIRMAN suggested that the Committee should defer a decision until Friday, 22 October, when it would be able to review the matter in the light of the progress made in its work programme and in the consultations on the draft resolution.

5. He invited the Committee to begin discussion of the draft resolution on the World Tourism Organization (A/C.2/L.1147).

6. Mr. GUPTA (India), introducing the draft resolution (A/C.2/L.1147), stated that Guinea, Madagascar and Nigeria had joined the list of co-sponsors and that the resolution should be entitled "Co-operation between the United Nations and the World Tourism Organization".

7. In accordance with General Assembly resolution 2529 (XXIV), the Secretary-General, in his report (E/4861 and Corr.1), has suggested a broad division of responsibilities between the United Nations and the World Tourism Organization (WTO) in the field of tourism. The division was seen as the basis of a formal agreement between the United Nations and the International Union of Official

Travel Organizations (IUOTO) following the latter's conversion into an intergovernmental organization through a revision of its statutes. In a note (E/4955), the Secretary-General had stated that negotiations would shortly begin with a view to preparing a draft agreement on co-operation and relationships between the United Nations and WTO, reflecting the views of the Secretary-General, the Administrator of UNDP, the Secretary-General of IUOTO, interested specialized agencies and other United Nations organizations, for submission to the Economic and Social Council at its fifty-first session.

8. Three strange facts had emerged, however. In the first place, no account had been taken of the views of member Governments, although Governments had expressed themselves on the matter in Assembly resolution 2529 (XXIV) and in the statutes of WTO, both of which recognized the central role that WTO would play in the field of tourism. Document E/4861 and Corr.1 appeared to have completely overlooked the matter.

9. Secondly, with regard to the division of responsibilities between the United Nations and WTO, the Secretary-General had himself stated (see E/4653, para. 42) that the existing pattern of United Nations bodies involved in tourism as well as their activities showed a rather scattered image, as a result of the institutional pattern developed over the years. Moreover, no document had been submitted to any intergovernmental organ which coherently and meaningfully described exactly what action the United Nations family performed in the field of tourism. The CPC work programmes of the last two or three years clearly indicated that there were very few projects in the field of tourism, that there was virtually no staff, and that nobody knew where any information on the subject could be found. The basis for the division of responsibilities suggested in document E/4861 and Corr.1 was therefore totally unclear.

10. Thirdly, the statement of the Secretary-General's representative to the 308th meeting of CPC completely contradicted both what the Secretary-General himself said in his note (E/4955) and the obvious intention of General Assembly resolution 2529 (XXIV).

11. For those reasons the draft resolution on co-operation between the United Nations and WTO had now been placed before the Committee. It endorsed the elements of the Economic and Social Council's decision of 20 May 1971 (see A/8403, para. 760) which was in turn an endorsement of the recommendations of CPC at its eighth session (see E/4989, para. 90).

12. The draft resolution had a threefold purpose. In the first place, it sought an early initiation of detailed negotiations between the United Nations and IUOTO with a view

\* Resumed from the 1382nd meeting.

to drawing up a draft agreement between the United Nations and WTO. It was hoped that, once the draft resolution was adopted, the controversy regarding the timing of the negotiations and the designation of participants would be finally resolved and the Secretariat would then respect intergovernmental opinion and decisions. The second aim of the draft resolution was to define the nature of the agreement by outlining the role and sphere of competence of WTO. The arbitrary divisions suggested in document E/4861 could then be forgotten once and for all. A suitable *modus vivendi* would subsequently be worked out, through ACC, regarding the division of responsibilities between the specialized agencies and WTO. Thirdly, the draft resolution appealed to Governments to accord early approval to the statutes of WTO so that the organization could start functioning.

13. Mr. CAVIGLIA STARICCO (Uruguay) proposed that, in recognition of the leading role played by UNESCO in the promotion of cultural tourism, the words "which would include specifically the provisions adopted by UNESCO in the field of cultural tourism" should be inserted at the end of operative paragraph 6.

14. Mr. YEGEN (Turkey) said that his delegation fully supported draft resolution A/C.2/L.1147. Under the draft resolution, the fundamental aim of WTO would be the promotion and development of tourism, and particular attention would be paid to the interests of the developing countries. Another important aspect of the draft resolution, which he hoped would be adopted without objection, was the recommendation in operative paragraph 7 that measures should be initiated to enable WTO to be designated as a participating and executing agency of UNDP; if that was not done, WTO would be unable to carry out its functions.

15. Turkey attached great importance to the establishment of WTO within the existing machinery of the United Nations, and with that in mind his Government had already submitted to the legislature for ratification the statutes of WTO adopted at Mexico City in September 1970. Turkey had participated in the IUOTO meetings held at Sofia in 1968, Dublin in 1969, Mexico City in 1970 and Helsinki in 1971, and was currently acting as host for the twenty-second General Assembly of IUOTO being held in Ankara.

16. In conclusion, he wished to renew his Government's offer of Istanbul as the future seat of WTO.

17. Mr. DUNN (United States of America) observed that his Government had been active in the recent negotiations aimed at establishing a World Tourism Organization. It awaited with interest the outcome of the IUOTO General Assembly meeting currently being held in Ankara, where some of the issues dealt with in draft resolution A/C.2/L.1147 might be resolved.

18. With regard to operative paragraph 3 of the draft resolution, his Government had no objections to provisional consultations being held between the Secretariats of the United Nations, UNDP and IUOTO on the future relationship between the future WTO and the United Nations. In that connexion, his delegation wished to propose that the Secretary-General of the United Nations should submit a brief progress report to a future session of the Economic

and Social Council on the status of such negotiations. Furthermore, when a preliminary draft agreement had been prepared, it would be useful to make such a draft available to the Economic and Social Council for information and possible comment. However, his delegation continued to believe that no legally binding agreement concerning the future relationship of WTO and the United Nations could be concluded until after WTO came into existence.

19. With regard to operative paragraph 5, it would be better for the Secretary-General to submit a progress report on negotiations between the United Nations and IUOTO, as he had suggested in connexion with operative paragraph 3, than for the report on co-operation and relationships between the United Nations and IUOTO to be revised.

20. Concerning operative paragraph 7, his delegation had more serious reservations. While he appreciated the difficulty of entering into negotiations with UNDP at the current stage, it should be pointed out that article 3 of the WTO statutes provided that WTO should seek a co-operative relationship with and participation in the activities of UNDP, as a participating and executing agency. However, at the present time, and until WTO actually came into existence, it would be impossible for WTO to take a final decision on important questions such as size and membership, scope of the work programme, financial regulations, scale of assessments, and the like. At its current meeting, the General Assembly of IUOTO might take decisions on those fundamental issues. However, the Second Committee should await the results of that meeting before proceeding to the initiation of measures to designate WTO as a participating and executing agency of UNDP, as recommended in operative paragraph 7. His delegation therefore proposed that operative paragraph 7 should be deleted as being premature until the final form which WTO would take was more clearly established.

21. Mr. MINIKON (Liberia) said that his Government was extremely interested in developing tourism and to that end was arranging to establish a Bureau of Tourism. He fully supported draft resolution A/C.2/L.1147, which covered all aspects of the tourism question.

22. Mr. GOBBA (Egypt) said that his delegation would willingly support the draft resolution. However, it would prefer operative paragraph 6 to be amended as proposed by the representative of Uruguay.

23. Mr. NDUNGÚ (Kenya) said that his delegation fully supported the draft resolution. Kenya attached great importance to tourism, which was its second largest industry.

24. Mr. GUPTA (India) said that he would accept the amendment proposed by the representative of Uruguay. He wished to announce that the delegations of Kenya, Ethiopia and Turkey had joined the list of sponsors of the draft resolution.

25. With regard to the comments made by the United States representative, he said that it had been the co-sponsors' intention that the report referred to in operative paragraph 5 should act as a progress report on the status of negotiations between the United Nations and IUOTO. In

addition, however, the report of the Secretary-General on co-operation and relationships between the United Nations and IUOTO in revised form would provide information not just on how far the negotiations had proceeded but on their content, thereby enabling intergovernmental organs to ensure that their wishes were respected. In the past, the Secretariat had deliberately flouted intergovernmental opinion, and in that connexion he wished to make it clear that he expected the Secretariat to carry out decisions of intergovernmental organs in the future.

26. Regarding operative paragraph 3, he fully agreed with the United States representative that there could be no legally binding agreement concerning the future relationship of WTO and the United Nations without the consent of the governing organ of WTO and of the Economic and Social Council.

27. With regard to the United States representative's objections to operative paragraph 7, he drew attention to the recommendation contained in paragraph 760 of the report of the Economic and Social Council, which stated that steps should be taken to enable the designation of WTO as a participating and executing agency of UNDP, and also to the provisions in paragraph 5 (b) of General Assembly resolution 2529 (XXIV) to the same effect. Reference to that point was also made in the statute of WTO. For that reason, the sponsors had felt it appropriate to include a similar reference in the draft resolution. However, the start of operative paragraph 7 might be amended to read: "*Recommends* that steps, as appropriate, should be taken with due regard to procedures . . .".

28. The draft resolution aimed to overcome the procedural confusion which had existed in the informal contacts between IUOTO and the United Nations.

29. Mr. OSMAN (Sudan) said that, despite the fact that the representative of India had accepted the Uruguayan amendment, he feared that its insertion would lead to some confusion. The draft resolution related specifically to activities of the United Nations, not of organizations in the United Nations system. The point raised by the representative of Uruguay was amply covered by point (d) of the recommendation contained in paragraph 760 of the report of the Economic and Social Council. If the representative of Uruguay insisted on his amendment—which he hoped would not be the case—the relevant part of operative paragraph 6 should be amended to read "a report on activities of the United Nations system"

30. Mr. GUPTA (India) recalled that the representative of Uruguay had originally suggested his amendment at a meeting of the Group of 77. He had attempted to dissuade the representative of Uruguay from pressing his amendment at that stage, on the grounds that agreement should first be reached between IUOTO and the United Nations and only thereafter between IUOTO and the specialized agencies. At the fiftieth session of the Economic and Social Council and the eighth session of CPC it had been clearly understood that the role and functions of the specialized agencies, particularly UNESCO, in the field of tourism would be respected. He agreed with the representative of Sudan that to insert the Uruguayan amendment would change the meaning of operative paragraph 6 drastically. In order to be

consistent with the heading of the draft resolution, and the remainder of the text, operative paragraph 6 should be left as it stood. If it was decided to add the Uruguayan amendment, to which he had only agreed in the interest of unanimity, the words "United Nations" should be replaced by "United Nations family"

31. Mr. CAVIGLIA STARICCO (Uruguay) said that he had introduced his amendment in order to take account of the very important role played by UNESCO in the field of cultural tourism. However, in view of the explanations given by the representative of Sudan, he would not press his amendment.

32. Mr. GOBBA (Egypt) said that he had supported the Uruguayan amendment because of the valuable work performed by UNESCO in the field of tourism, particularly in connexion with Abu Simbel. However, he had made it clear that he would support the draft resolution in any case, and in the light of the explanation given by the representative of Sudan, he would not press for the adoption of the Uruguayan amendment.

33. Mr. GUPTA (India) said that UNESCO was also doing extremely valuable work in India in the field of cultural tourism and that his Government was equally interested in preserving that role.

34. Mr. SPENCER (Canada) asked whether operative paragraph 6 of draft resolution A/C.2/L.1147 was intended to supersede point (d) of the recommendation in paragraph 760 of the report of the Economic and Social Council or to supplement it.

35. Mr. GUPTA (India) said that the two texts were complementary. The proposals referred to in point (d) of paragraph 760 of document A/8403 would be covered by the report of ACC to CPC and the Economic and Social Council.

36. Mr. NONOYAMA (Japan), referring to operative paragraph 1 of the draft resolution, said that since Japan's ratification of the statutes of WTO was likely to take some time, he would prefer the expression "at the earliest possible date" to be replaced by "as soon as possible"

37. Mr. GUPTA (India) said that he appreciated the need to take into account the constitutional procedures of different countries in the ratification process. Although he did not feel that the substitution of the words "as soon as possible" would substantially alter the meaning of the paragraph, he was prepared to accept that wording.

38. Mrs. DE GROSSMAN (Dominican Republic) announced that her delegation wished to become a co-sponsor of draft resolution A/C.2/L.1147.

39. Mr. DELPRÉE-CRESPO (Guatemala) said that tourism had a very important role to play in promoting economic development and fostering international understanding. Accordingly, his delegation attached great importance to the draft resolution and wished to join the list of co-sponsors.

40. Mr. WOLTE (Austria) said that tourism played a very important role in the Austrian economy and that his

delegation was basically in favour of the draft resolution. However, the Austrian Government, although considering ratification of the statutes of WTO, was faced with a constitutional problem, since tourism lay within the competence of Austria's provincial Governments and parliaments. If his delegation voted for the draft resolution, therefore, it should be understood that the process of ratifying the WTO statutes was likely to take rather longer in Austria's case because of its constitutional system.

41. Mr. DUNN (United States of America) said that his delegation's reservations regarding operative paragraphs 5 and 7 had been met by the Indian representative's explanation. His vote on the draft resolution would not prejudice his Government's position concerning operative paragraph 1.

42. The CHAIRMAN said that if there was no objection he would take it that the Committee agreed to replace the words "at the earliest possible date" by the words "as soon as possible" in operative paragraph 1 and to replace the words "the initiation of measures" with the word "steps" in operative paragraph 7.

*It was so agreed.*

43. Mr. ISAKSEN (Denmark) said that he would abstain in the vote because his country did not wish to join the World Tourism Organization at the present time.

44. Mr. MVOGO (Cameroon) said that, in keeping with the importance which his delegation attached to tourism, it wished to become a sponsor of the draft resolution.

45. The CHAIRMAN invited the Committee to vote on draft resolution A/C.2/L.1147, as amended.

*The draft resolution, as amended, was adopted by 91 votes to none, with 5 abstentions.*

46. Mr. HOEUR LAY INN (Khmer Republic) said that he had voted in favour of the draft resolution. His Government had unfortunately been obliged to close the temple at Angkor Wat, a major monument of Khmer civilization, because of attacks by Viet-Cong and North Viet-Nameese aggressors. The temple should be neutralized under international control.

47. Mr. OHIAMI (Togo), explaining his vote in favour of the draft resolution, said that his Government had initiated steps to enable Togo to take part in the World Tourism Organization. Operative paragraphs 4 and 7 reflected his delegation's views.

48. Mr. TEMBOURY (Spain) said that he had voted for the adoption of the draft resolution in the light of the considerable importance which his Government attached to tourism as a means of promoting economic development. Spain was prepared to share its experience in the field with all countries for the benefit of mutual understanding. His Government had recently recommended that the *Cortes* approve the statutes of the World Tourism Organization.

49. The CHAIRMAN invited the Committee to consider the draft resolution on regional and subregional advisory

services (A/C.2/L.1148) and the statement of its financial implications (A/C.2/L.1148/Add.1); he also announced that Ethiopia had joined the list of sponsors.

50. Mr. GUPTA (India) announced that the delegations of Guinea, Indonesia, Lesotho, Madagascar, the People's Democratic Republic of Yemen, Rwanda and Sweden had also joined the list of sponsors.

51. Introducing the draft resolution on behalf of the sponsors, he said that the following phrase should be inserted after the words "operational fields" in the sixth preambular paragraph: "have a distinctive identity of their own without duplication of UNDP activities and that they". The word "that" should be inserted before the words "any distinction" in the same paragraph.

52. Many General Assembly and Economic and Social Council resolutions called for the decentralization of the economic and social activities of the United Nations, the strengthening of the regional economic commissions and the enhancement of regional and subregional co-operation through expanded advisory services. Economic and Social Council resolution 1601 (LI), in particular, fully justified the desirability of adopting the draft resolution at the current General Assembly. It was now time to translate the resolutions into action.

53. The purpose of operative paragraph 3 was to ensure that decisions regarding regional and subregional advisory services could be taken more rapidly, thereby rendering the services more effective.

54. Mrs. THORSSON (Sweden) said her delegation had become a sponsor of the draft resolution because it recognized the importance of United Nations activities at the regional level. In the regional economic commissions, Member States could exert an optimum influence on shaping policies for co-operation in development within their regions. The commissions were therefore key bodies within the United Nations system, and should be strengthened and given additional resources, partly through decentralizing some resources which were at present administered from Headquarters. The draft resolution would provide exactly that.

55. An important part of the assistance given to Member States by the regional commissions, including the United Nations Economic and Social Office at Beirut, had been the provision, on request, of advisory services, mostly on a fairly short-term basis. In the past, regional adviser posts had been allocated to the commissions as part of the annually approved regional projects of the regular programme for technical co-operation. Her delegation believed that the main responsibility for administering the advisory services, which was one of the key tasks of the United Nations in development assistance, should be decentralized to the regional economic commissions, since they were better equipped than Headquarters to make detailed decisions as to the fields for such assistance, within the framework of the budgetary expenses allocated to them for that purpose. The total sum available for regional advisory services would be divided among the commissions in accordance with basic principles agreed upon between the Secretary-General, the Executive Secretaries and the Di-

rector of UNESOB, and those responsible for activities at the regional level would then decide how the funds should be utilized.

56. Adoption of the draft resolution would constitute an important step towards making more effective use of the scarce resources available to the Secretary-General within the United Nations budget for key functions in development assistance. It would also be in conformity with her delegation's support for the regular programme of technical co-operation that, in accordance with operative paragraph 2 of the draft, the programme would be maintained at its current level of \$5.4 million after the arrangements proposed in operative paragraph 1 had been implemented. That would have an immediate beneficial effect on a technical co-operation programme which had suffered from the joint effects of a financial ceiling which had been fixed for years and of continually rising costs. Her delegation therefore hoped that the draft resolution would enjoy wide support within the Committee. It also hoped that it would be carried in the General Assembly, which would involve the Fifth Committee approving the financial implications contained in document A/C.2/L.1148/Add.1.

57. Mr. OHIAMI (Togo) announced his delegation's intention of becoming a co-sponsor of the draft resolution.

58. Mr. VISESSURAKARN (Thailand) said that his delegation had frequently stressed the importance of decentralizing the activities and resources of the United Nations; it accordingly supported the draft resolution, and welcomed the opportunity to become a co-sponsor.

59. Mr. SULEIMAN (Libyan Arab Republic) said that decentralization of the economic and social activities of the United Nations through strengthening of the regional economic commissions and UNESOB was an excellent step towards the implementation of the goals and objectives of the International Development Strategy for the Second United Nations Development Decade. His delegation also wished to become a co-sponsor of the draft resolution.

60. Mr. RINGNALDA (Netherlands) said it was quite clear that decentralization was desirable, and that the regional economic commissions should be strengthened and given more resources for the extremely important task of providing advisory services, particularly in the context of review and appraisal of the implementation of the International Development Strategy.

61. However, his delegation was not convinced as to the rightness of the technical budgetary proposals which the draft resolution contained. It was not clear which elements of section 13 of Part VI (Technical programmes) of the budget would be transferred to the new section, or how the remaining elements in section 13 would be increased if the allocations under the section were maintained at their current level. Indeed his delegation had reservations with regard to the proposal that the sum of \$5.4 million should be maintained. The Fifth Committee, in its discussions of the budget as a whole, was experiencing great difficulties in resolving questions of income and expenditure.

62. Mr. GUPTA (India) welcomed the new co-sponsors of the draft resolution. The budgetary implications of the

draft were in fact quite simple. The original Part V of the budget, which was now Part VI, had two sections, 13 and 14. Section 14, which consisted of an allocation of \$1.5 million for advisory services in industrial development, would not be affected. Of the total of \$5,408,000 under section 13, \$1,825,000 was spent on regional and sub-regional advisory services. That sum would be removed and section 13 would then be restored to its current level by the replacement of an equivalent sum. However, even if sections 13 or 14 were increased, there would be no incidental implication for other sections of the budget.

63. Mr. RINGNALDA (Netherlands) said he had no intention of initiating a budgetary debate. However, he noted that there were in section 13 various elements, including economic development, social development and public administration. Presumably it was purely coincidence that the estimated expenditure on social development in 1972 was almost exactly the same as the sum which the draft resolution proposed to transfer out of the section. Nevertheless, he would welcome information as to what amount would be transferred from within each element of section 13 to make up the new section.

64. Mr. MALIKOV (Union of Soviet Socialist Republics) said that the financial implications set out in document A/C.2/L.1148/Add.1 raised a point which for his delegation was a matter of principle. His delegation recognized that there had been a number of widely supported decisions aimed at decentralization of the development activities of the United Nations and at strengthening the regional economic commissions. It also agreed that the commissions should be strengthened, since their activities were of great value to the countries within their regions, especially the least developed among them.

65. However, individual problems must not be solved in isolation from the need to improve the functioning of over-all United Nations machinery for international co-operation in development. Resources must be used profitably, and there must not be an excessive increase in administrative expenditure. The draft resolution would tend to contradict the imperative of increased efficiency by increasing the allocation to the regional economic commissions out of the regular budget of the United Nations. It was clear from the Secretary-General's statement of financial implications that the creation of a new section would involve an increase in the budget, by the considerable amount of almost \$2 million. His delegation was firmly convinced that the additional resources necessary for the strengthening of the regional economic commissions through increasing their advisory service functions could be obtained from within the existing budget, by reallocation of the resources already available under the various sections of the budget relating to economic matters. His delegation would therefore vote against the draft resolution.

66. Mr. McCARTHY (United Kingdom) recalled that his delegation had been opposed to a proposal, comparable to the draft resolution, that had been introduced at the fifty-first session of the Economic and Social Council. Although he was grateful to the co-sponsors of the resolution for arranging a meeting in order to explain the proposal in greater detail, his delegation was still not convinced that it should be adopted. The first obvious



implication of the draft resolution was a financial one, involving an addition of at least \$1,825,000 per annum to the expenditure with which section 13 of Part VI of the regular budget was concerned, at a time when the United Nations own finances were in a perilous condition.

67. More important than the financial implications, however, were two fundamental questions which would prevent his delegation from accepting the draft resolution even if money were abundant. The first question was whether the action advocated was the best way of meeting any need which was not currently being met. The second concerned the complete financial and administrative devolution requested in operative paragraph 3.

68. With regard to the first point, he did not wish to dispute the view of the sponsors that there was a deficiency in the technical and advisory services available to developing countries. His delegation was not convinced, however, that the kind of arrangement suggested in the draft resolution was the only way of remedying the situation. Although it was true that the regular budget's provision for advisory services had remained unchanged for some years, there had been frequent increases in the budgets of the specialized agencies, most of which should have provided the kind of services which the co-sponsors had in mind. There were, in addition, several specialized funds in the United Nations system, various regional arrangements in the Caribbean and elsewhere, as well as technical assistance and advisory services provided through IBRD and IDA. Above all, UNDP had recently been specially restructured for the purposes of the Second Development Decade. It was well known that the United Kingdom Government attached great importance to the kind of rationalization of development activities described in the Capacity Study.<sup>1</sup> It had emphasized the need to make UNDP the repository of new or additional financial resources so that there should be a concentration of finance and a rationalization of effort for development rather than a dispersal and duplication of both. As one of the major contributors to UNDP and to the regular budget of the United Nations, his Government felt it wrong to increase the level of section 13 of Part VI of the budget, which had been intended for pilot projects and not as an expandable and more general fund for the purposes suggested in the draft resolution. If the question was merely one of lack of funds, then any increase which Governments were able to afford should go to UNDP rather than into the regular budget.

69. The second fundamental question—that the financial resources removed from section 13 should not be subject to any central supervision—was a new idea. Before taking a decision on it, the Committee should hear the views of the Under-Secretary-General for Economic and Social Affairs. At first sight, the proposal would appear inconsistent with the general tenor of the recommendations contained in the reports of the Secretary-General and of the Joint Inspection Unit on the Department of Economic and Social Affairs. His delegation felt that the particular form of devolution advocated in the draft resolution would increase rather than reduce the administrative burden of the regional commissions and reduce interregional flexibility rather than add

flexibility to advisory services. Although the Capacity Study recommended greater scope for regional commissions, it also included some sober warnings of possible pitfalls, both general and in relation to the concept of UNDP. It was not regarded as sensible or effective to give the regional economic commissions the main responsibility for co-ordination and development at their present state of administrative capacity, still less to place some of the financial resources of the regular budget under their sole control.

70. For those reasons, his delegation considered that the draft resolution was misconceived and urged that Governments who professed to support the role of UNDP should put their efforts behind it and not encourage any action that might conflict with its operational rationale.

71. The draft resolution, like other resolutions adopted in the past, placed general emphasis on regional and sub-regional arrangements. His delegation could not fully understand why, at a time when much effort had been devoted to the reorganization and improvement of UNDP and to the enhancement of central control, there should be such an emphasis on decentralization. It would appear that there might be a danger of the United Nations pursuing the interests of groups, rather than of the developing countries as a whole.

72. Mr. PATAKI (Hungary) said that the draft resolution now had the impressive number of 34 sponsors, with the result that delegations which had reservations with regard to it were placed in a somewhat embarrassing position.

73. His delegation fully supported the regional and sub-regional advisory services, and believed that they provided useful assistance to Member States. However, it was somewhat concerned at the financial implications of the draft resolution. An increase of \$1,825,000 in the regular budget was particularly serious in the light of the critical financial situation in which the United Nations currently found itself. In his statement (A/C.5/1376) at the 1427th meeting of the Fifth Committee, the Secretary-General had said that “The Organization is, as of now, in a state of near and hopeless insolvency”. In the Introduction to his report on the work of the Organization, he had supported that gloomy conclusion by pointing out that

“The . . . Working Capital Fund has been fully utilized. Debts incurred for past and present peace-keeping operations remain unpaid. The authority provided annually to borrow from special funds and accounts in the Secretary-General's custody has been nearly exhausted. . . . With the depletion of working capital and the erosion of net liquid assets, this need to borrow has in fact tended to become permanently recurrent” (see A/8401/Add.1 and Corr.1, para. 120).

74. His delegation could therefore see no justification for a further increase in the financial burden on the United Nations. While the activities of the United Nations should be further expanded, financial realities must be respected, or the consequences would be detrimental rather than beneficial to the Organization. The Committee should therefore consider the financial implications of the draft resolution very seriously. His delegation believed that the

<sup>1</sup> *A Study of the Capacity of the United Nations Development System* (United Nations publication, Sales No.: E.70.I.10).

regional and subregional advisory services could be carried on effectively under the present arrangement; the debates at the fifty-first session of the Economic and Social Council had not convinced it that a change was needed. It could therefore not support the draft resolution. It believed that the financial implications should have been studied in greater detail by the Economic and Social Council before the proposal was submitted to the General Assembly. One solution would perhaps be to obtain the necessary amount from within the existing allocations of the regular budget, by adjustment of priorities.

75. Mrs. THORSSON (Sweden) said her delegation respected, but did not fully share, the views of the United Kingdom with regard to the future of United Nations development assistance. She had no doubt as to the increasing capacity of UNDP, both quantitative and qualitative. Her delegation supported the draft resolution because it believed that the technical assistance programme of the United Nations itself should have, as indeed it had, a distinct identity, which would be retained whether the programme was implemented from Headquarters or at the regional level. A main feature of that programme should be the provision of advice at the regional level, in particular to the least developed among the developing countries, and such activities should also be planned at the regional level, rather than at Headquarters. They would not thereby be detached from the supervision of the Department of Economic and Social Affairs, since the regional economic commissions were part of the United Nations Secretariat, and came under the authority of that Department. The regional economic commissions had an extremely important role to fulfil, and should be given the necessary resources.

76. The representative of the Netherlands was right to assume that the similarity between the sum which the draft resolution sought to remove from section 13 of the budget and that allocated in that section to social development was purely coincidental. Each of the five elements within the section included an allocation for regional and subregional advisory services, and the sum of \$1,825,000 was derived from the total of those five separate allocations.

77. Mr. BRADLEY (Argentina) said his delegation fully supported the aims of the draft resolution and endorsed the arguments advanced for enabling the regional economic commissions themselves to provide regional and subregional advisory services, especially to the least developed among the developing countries.

78. However, the budgetary implications of the proposal were not fully clear. No explanation had been given of whether the additional \$1,825,000 which were required would be obtained through reallocation from other sections or parts of the budget, or through an increase in its over-all level. The latter alternative would institute a dangerous trend. If a vote was taken at the present stage, his delegation would have to abstain. However, after obtaining more information as to the budgetary aspects of the matter, it might be able to vote for the draft resolution in the General Assembly.

79. Mr. GUPTA (India) said that the additional allocation would be required to replace the sums transferred from

section 13 of the budget to the separate section on regional and subregional advisory services. He could not endorse the position of principle of the Soviet delegation concerning the regular budget. Member States were bound under the Charter to support economic and social development efforts.

80. Referring to the United Kingdom representative's remarks, he said it was not true that the sponsors of the draft resolution questioned the capacity of UNDP to contribute to advisory services. The United Kingdom was to be commended for increasing its contribution to UNDP by one third; the fact remained, however, that the contributing countries had not lived up to the expectations of the recipient countries.

81. Calls to realism were valid only if all States were willing to demonstrate a realistic approach to financing. The financial plight of the United Nations must be ascribed primarily to the failure of certain States to pay their assessed contributions. He could see no connexion between the United Nations debt problem and an increase of \$1,825,000 in the regular budget. Moreover, it was more difficult for the developing countries to provide their contributions to the regular budget in convertible currencies than it was for the developed countries.

82. The United Kingdom representative was to some extent correct in saying that the draft resolution sought to promote the interests of certain groups of countries, since it stipulated that section 13 of Part VI of the budget should cover technical assistance primarily for the least developed among the developing countries. Furthermore, the only decentralization involved was at the operational level. Lastly, he, too, would welcome the comments of the Under-Secretary-General for Economic and Social Affairs on operative paragraph 3 of the draft resolution.

83. Mr. OSMAN (Sudan) pointed out to the Soviet representative that the draft resolution called not for an increase in the regular budgetary allocations for advisory services in 1972, but rather for the replacement, for other aspects of technical assistance, of funds which would be transferred out of section 13.

84. The United Kingdom representative's remarks suggested that he was in fact more concerned with the actual financial implications than with the concept of financial and administrative devolution. That position was regrettable, for the sponsors did hope that it would be possible to increase the regular budget for technical assistance after 1972.

85. As to the Hungarian representative's reservations regarding the financial implications of the draft resolution, he said that concern over financial difficulties should not interfere with such basic United Nations activities as the provision of advisory services.

86. Fears concerning duplication between the work of the regional economic commissions, on the one hand, and UNDP and the specialized agencies, on the other hand, were unfounded; their activities were in fact often complementary.

87. The regional advisers dispatched by the regional economic commissions met the need for experts capable of producing integrated recommendations on economic and social matters within a short period of time and for high-level personnel available on short notice for short-term assignments to meet urgent requests from Governments. They were called in for assistance which often led to pre-investment projects, took part in missions organized jointly with specialized agencies and would be participating in United Nations Development Advisory Teams.

88. Mr. McCARTHY (United Kingdom) said that the representative of the Sudan appeared to have misunderstood his argument. He had indeed referred to a number of points which would have to be made if the question of money was all that was involved. However, he had dealt at greater length with a number of fundamental issues which his delegation would have felt important even if money were abundant. That money was not his Government's main concern was clear from the fact that the additional assessment which the United Kingdom could expect to pay if the draft resolution was adopted was only one sixty-fourth of its recent increase in its contribution to UNDP. He had also not said that the regional and subregional advisory services duplicated the activities of UNDP. His point had been that any increase in resources should go to UNDP, in view of the stress currently being placed on its activities.

89. He agreed with the representative of India as to the origins of the budget deficit of the United Nations. However, there were other factors involved, such as borrowing and the issue of bonds. Moreover, the deficit continued to increase not as a result of past events, but because of current activities. It was in the effort to curtail that increase that a realistic approach was necessary. Of course, development activities should not be the first to suffer from that approach; however, an equally valid case could be made for many other aspects of United Nations activities, and an exception could not be made in every instance.

90. Mr. JOSEPH (Australia) said that, in general, his delegation was in favour of decentralizing development activities to the regional economic commissions. One way of encouraging that process was to provide them with greater operational capacity through the strengthening of their advisory services. His delegation could therefore support operative paragraphs 1 and 3 of the draft resolution.

91. However, it had considerable difficulties with operative paragraph 2. It sympathized with the problems of the least developed among the developing countries, and agreed that the sum which was involved, when spread among the Member States of the Organization, would involve only a very small increase in their assessments. Nevertheless, the current state of United Nations finances must be taken into account; it was arguable whether in such circumstances there should be any increase at all in the budget.

92. His delegation had nevertheless intended to vote for the draft resolution, but the compelling argument from the representative of the United Kingdom had convinced it that it should not do so. It agreed that, apart from the matter of

finding resources, a point of principle was involved in that it was difficult to reconcile the persistent stress on increasing the resources of UNDP with the draft resolution's appeal for an increase in the regular budget.

93. His delegation's support for operative paragraphs 1 and 3 should not be interpreted as an endorsement of unrestrained expansion in regional advisory services, but as an expression of its belief that those services could be strengthened through their inclusion in a separate section of the budget. He welcomed the reassurances given by the representative of Sudan that such an expansion was not the intention of the co-sponsors.

94. Mr. RINGNALDA (Netherlands) said he wished to stress that his delegation fully supported the goal of strengthening the regional economic commissions. It agreed with the representative of Sweden that advisory services would be more effective if planned at the regional level rather than from Headquarters. However, it felt that the proposal was so substantial in terms both of finances and of new activities that it should have been supported by more detailed documentation describing the purpose of the proposed changes and the nature of expected future developments. In particular, his delegation would welcome more specific information as to the level of resources to be transferred from each of the five elements of the present section 13. If after their transfer the section was to be restored to its current level, there was a case for adding to it a sixth element dealing with assistance to the least developed among the developing countries.

95. Mr. de SEYNES (Under-Secretary-General for Economic and Social Affairs), replying to questions by the representative of the United Kingdom said, first, that operative paragraph 3 of the draft resolution was compatible with the approach to decentralization of the Department of Economic and Social Affairs. The Executive Secretaries of the regional economic commissions and the Director of UNESOB had a fairly free hand in administering the funds allocated to them; they were, however, bound by certain regulations relating to personnel and financing, and any difficulties which arose were solved promptly in consultations with the Department. Agreement had been reached concerning the varied functions of regional advisers, and more effective utilization of available manpower could therefore be expected.

96. Secondly, although he was not in a position to comment in detail on the confidential aspects of the Management Survey in so far as they related to the restructuring of the Department of Economic and Social Affairs, he could state that the Administrative Management Service had expressed the view that advisory services should be strengthened. Lastly, the report of the Joint Inspection Unit referred to by the United Kingdom representative also suggested that such activities should be further developed.

97. In the light of the provisions of the International Development Strategy, he believed that top priority should be given to regional and subregional advisory services and that they should not suffer because of the present budgetary austerity.

98. Mr. McCLEAN (Barbados) said his delegation supported the draft resolution, and regarded operative para-



graph 2 as raising not only a question of the amount of expenditure, but also a point of principle concerning the desirable growth of regional and subregional advisory services. He appreciated the desire of the representative of the Netherlands for more detailed documentation, but did not believe it was the task of the Second Committee to decide on the optimum allocation of budgetary resources within the budget. There would be a certain flexibility in the distribution of the resources used to replace the allocation for advisory services.

99. His delegation did not endorse the principle referred to by the representatives of the United Kingdom and Australia. If there was a clear case for increasing the allocation to a particular activity within the budget, the increase should be granted, regardless of other problems. There were many other United Nations activities which could be reduced in priority with a view to raising the sum of \$1,825,000 which was required.

*The meeting rose at 6.40 p.m.*