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

AGENDA ITEM 44

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

- (a) United Nations Development Programme (A/C.2/L.1146, A/C.2/L.1150, A/C.2/L.1153);
- (b) United Nations Capital Development Fund (A/C.2/L.1151);
- (c) Technical co-operation activities undertaken by the Secretary-General;
- (d) United Nations Volunteers programme (E/5028; A/C.2/L.1145)

1. The CHAIRMAN informed the Committee that Lesotho wished to add its name to the list of sponsors of draft resolution A/C.2/L.1145.

2. Mr. DO RIO-BRANCO (Brazil) wished to say to Mr. Hoffman how deeply he appreciated the outstanding work he had done, first in the Special Fund and later in UNDP, with such dynamism, unshakable faith in the future of the poor countries and constructive optimism that they would inevitably leave their mark on UNDP. The boldness and wisdom of his thinking were clearly interwoven with his analysis of the evolution of United Nations machinery for development assistance and with the progressive emergence of the concepts on which the theory of development assistance was elaborated.

3. His delegation had consistently stressed the need to impart new vigour to United Nations activities in the field of development assistance and to ensure closer international co-operation, and that was why it welcomed the initiatives that had been taken to improve the system. Much progress had already been made in that direction and the Governing Council should be commended for its reform of the methods and structure of UNDP; by doing so, it had asserted its role as a policy-making body, under the guidance of the General Assembly and the Economic and Social Council, the bodies responsible for giving the Administrator the necessary directives. After adopting the country programming system and establishing regional bureaux, the Governing Council would, at its thirteenth session, be taking a decision on the draft omnibus statute. His delegation did not regard the draft omnibus statute as a mere catalogue of past decisions nor did it see it as a device for freezing UNDP in its present situation. Although his delegation had actively contributed to the preparation of the draft omnibus statute, it realized that in certain areas

there was still plenty of room for improvement. For instance, there was still a lot to be done about the procedures for the formulation, assessment and implementation of subregional, regional and interregional projects, and that despite the fact that such projects were sure to become increasingly important, mainly because of the need to promote the development of the least developed countries and to encourage regional economic integration. Multinational projects were nearly always planned at the level of United Nations bodies and only exceptionally at the level of Governments, and when that happened the Governments found it easier to turn to regional organizations outside the United Nations system. Perhaps that was why UNDP remained on the periphery of activities relating to regional and subregional integration.

4. With regard to global projects, he said that they were specially suited for the transfer and even the creation of technology to meet the needs of the developing countries. As the body responsible for long-term planning in UNDP, the Governing Council must endeavour to develop new global projects in which the emphasis would be on industrial development. Such projects had a particularly significant part to play in the attainment of the objectives of the International Development Strategy, and their implementation would be greatly facilitated by the co-operation of the Advisory Committee on the Application of Science and Technology to Development.

5. Another area of UNDP procedures where change was needed was the concept of local costs. The cost of each project should be clearly divided into two parts, that financed by UNDP funds, and the other by the counterpart contribution of the Government concerned. Because of a long-established bureaucratic procedure, it was now difficult to evaluate precisely the participation of Governments. It was that same out-of-date procedure which was responsible for the argument that the more developed among the developing countries should bear a greater financial burden for the execution of projects.

6. He was surprised to note that some delegations still failed to grasp the full implications of the concept of country programming, which entitled the Governments concerned to make the final decision. In its next sessions, the Governing Council would have to avoid freezing the programme and call a halt to certain tendencies which might jeopardize the future of UNDP. To be more precise, the prerogatives of the Governing Council—and consequently of Governments—must not be encroached upon by such bodies as the Advisory Panel on Programme Policy and the Inter-Agency Consultative Bureau. The last three sessions had shown that the Council was now quite capable of discharging its functions without outside help. In his

delegation's view, the Advisory Panel served no useful purpose.

7. Another important point was decentralization, which should be maintained if UNDP was to perform successfully the very important role it had to play in the Second Development Decade. As far as possible, authority should be delegated to the local level, on the understanding that it was for the Governments to take the final decisions. Generally speaking, whenever authority could not be vested in the resident representative because of the size of the commitment, it should be entrusted to the regional bureau, so as to ensure the necessary speed of action and give the decision-taking power to those who were more directly familiar with the problem. The regional economic commissions and the regional bureaux of UNDP should together co-ordinate the initiatives and programmes of the United Nations system at the regional level. Such co-ordination would, however, be impossible if the Inter-Agency Consultative Bureau or the Advisory Panel on Programme Policy were given an even greater role than they had at present.

8. Another matter to which his delegation attached particular importance was the question of relations between UNDP and IBRD. In its view the fundamental role of UNDP was to ensure the transfer of technology and, in the matter of feasibility studies, it should normally concentrate its attention on projects which, from a purely commercial point of view, did not qualify for the necessary credits. Under country programming it was, of course, exclusively for the Governments concerned to decide how to use the resources furnished in accordance with the indicative planning figures. In actual fact, however, the options offered to Governments in that area were largely conditioned by the conceptual framework within which UNDP itself operated and by the nature of its relationship with the World Bank and the other approved executing agents. Thus, if a Government had a preference for an institution which, although the best qualified, was not a member of the Inter-Agency Consultative Bureau, that Government had scarcely any hope of seeing its request for assistance processed rapidly. It would therefore be best for UNDP to adopt more flexible procedures, at least so far as the choice of executing agents was concerned. It should, moreover, refuse to become directly or indirectly an appendage of the World Bank, responsible for providing the latter with "bankable" projects and sparing it certain risks.

9. As to the resources of UNDP, it was disappointing to note the low rate of increase in contributions shown in 1970 and the choice of 9.6 per cent as a basis for determining the indicative planning figures. It was common knowledge that United Nations bodies responsible for development had an annual growth capacity of between 15 and 16 per cent and it was obvious that the percentage adopted for the calculation of the indicative planning figures bore no relation whatever to that rate of growth and that, in violation of the letter and spirit of the consensus, it had been calculated solely on the basis of the average percentage growth of contributions over the previous few years. Economic and Social Council resolution 1615 (LI) was, therefore, most appropriate, and the Committee ought to endorse it. Accordingly, on behalf of the delegations of Chile, India, Pakistan, Tunisia and Yugoslavia, as well as of his own delegation, he wished to introduce draft resolution

A/C.2/L.1150, and he hoped that the Committee would adopt it unanimously. In his view, the Governing Council should raise all the indicative planning figures on the basis of more positive estimates and he expressed the hope that the donor countries would increase their contributions at a rate corresponding to the rate of growth of the programmes.

10. With regard to the technical co-operation activities directed by the Secretary-General, his delegation agreed that the resources allocated for technical assistance out of the regular budget should be used mainly—but not exclusively—for the benefit of the least developed among the developing countries. It was to be hoped, however, that that contraction of the regular technical assistance programme would not soon be used as a pretext for the complete elimination of that programme.

11. On the question of the United Nations Capital Development Fund, he noted that very few United Nations initiatives had met with an attitude of such massive reserve as the Fund. It was to be hoped that the Governing Council of UNDP would be in a position at its thirteenth session to take appropriate action in order to make the Fund operative. Without the developed countries' support for the Fund at the next Pledging Conference, it would quite obviously remain paralysed.

12. With regard to the enlargement of the Governing Council, he was as one with the Philippines representative. As far as draft resolution A/C.2/L.1146 was concerned, however, he disagreed with the protagonists of the view that since UNDP's resources came from countries' voluntary contributions, a sort of parity would have to be established between donor countries and recipient countries. He considered, rather, that the recipient countries should be given a solid majority, for it was they that were primarily concerned and should hence have the final word.

13. In conclusion, he called renewed attention to the principle that it rested with each country to define the nature and scope of its development objectives. That in no way detracted from the vital necessity of United Nations recognition that industrialization, to varying degrees and in varying forms, was an organic component in the development of an integrated and independent economy. It was the duty of UNDP, UNIDO and UNCTAD to promote industrial development, and they must therefore be equipped to do so. The Economic and Social Council had recognized that fact in its resolution 1617 (LI), and it was to be hoped that the General Assembly would do likewise.

14. Mr. HILLEL (Israel) welcomed the major reform recently decided on by UNDP, and considered that the introduction of country programming, the establishment of indicative planning figures and decentralization would make it possible to ensure better co-ordination of projects by placing them within a broader context. UNDP would thus be enabled to apportion its development aid more effectively.

15. He was glad to note that consultations were already under way to prepare the first 20 country programmes. It was a matter of gratification that Governments now had responsibility for formulating their own programmes while

having the possibility, if they so desired, of soliciting UNDP assistance in that task. He was sure that the regional bureaux would be able to contribute effectively in that connexion.

16. It was vital, however, that UNDP should continue to act as a central body from the standpoint of programme co-ordination and relations with the executing agencies. One question arising, nevertheless, was whether UNDP would thenceforward act as a single agency or as four separate ones. It would be unfortunate, he submitted, if UNDP were to be any further decentralized. Its effectiveness in the past was largely attributable to the fact that its activities had been conducted in a centralized manner by its remarkable administrator, Mr. Hoffman. It was essential for the Administrator of the Programme to continue to direct and exercise close supervision over all aspects of the Programme's activities in accordance with the policies laid down by the Governing Council, so as to ensure that a proper balance was achieved.

17. He also felt that UNDP should pay greater attention to follow-up activities. While not recommending that UNDP should exercise day-to-day control over the activities of the executing agencies, he saw no reason why it should not undertake supervision of the observance, say, of the time-limits set for the execution of projects, or of the continuous evaluation of projects in course of implementation, or provide assistance in the investment phase and in the training of qualified personnel.

18. He was happy to note that the Inter-Agency Consultative Board now seemed to be focusing more attention on co-ordinating and harmonizing the operational activities of the United Nations system as a whole with a view to improving development performance in the field.

19. His delegation attached great importance to UNDP's global and interregional projects, and hoped that there would be more of them, for they held out benefits for a number of countries or—in the case of global projects—for the entire developing world. For their part, the developing countries should take the initiative in that respect and band together to formulate projects of common interest for presentation to UNDP.

20. One field to which UNDP should pay greater attention was the application of science and technology to development. UNDP should be one of the main channels for the transfer of science and technology to the developing countries, applying them wherever they could substantially contribute towards improving living conditions. His delegation held that UNDP should direct its efforts, specifically, to such areas as water desalination, solar energy, development of desert agriculture, fish farming and production of local materials for building construction. Those were the areas likely to have an immediate beneficial impact on economic progress. It was therefore essential to strengthen the links between the various United Nations bodies dealing with science and technology so as to facilitate decision-making on the subject.

21. Countries which had achieved promising results in that field should communicate their experience to UNDP for the widest possible dissemination of the results in the devel-

oping countries. Israel, which had registered very notable achievements in that field, was willing to share its experience with other developing countries through UNDP.

22. He wished, finally, to express his delegation's heartfelt thanks to Mr. Hoffman for the outstanding and constructive part he had played in promoting the development of the developing countries. Under his leadership, UNDP had become an instrument for international peace to a degree that could not but enhance the United Nations prestige.

23. Mr. WOLTE (Austria), after paying tribute to the work of Mr. Hoffman, said that his Government had welcomed the reform of UNDP as set out in the Consensus of 30 June 1970 annexed to General Assembly resolution 2688 (XXV). The reform would hopefully lead to greater efficiency by relating the Programme activities more closely to the needs and priorities of the developing countries. The adoption of country programming was of particular importance, especially with regard to the pre-investment and technical assistance sectors. That new approach implied additional efforts on the part of the recipient countries and of UNDP and resident representatives alike, but it could be confidently anticipated that the efforts would produce commensurate results.

24. In adopting the indicative planning figures for the period 1972-1976, the Governing Council's intention was to give each recipient country a reliable indication of the contribution it could expect from UNDP during that period. Considering the major role which country programming could play in the context of national development, particularly in the least developed among the developing countries, the further refinement of the criteria to be applied in calculating the indicative planning figures and making a realistic assessment of the resources at UNDP's command was essential. He was happy to announce that his Government had decided to make a substantial increase in its contribution to UNDP for 1972.

25. The decentralization of UNDP and the closer integration of its activities with national planning, as well as the growing volume of contributions, had stimulated the Governments' interest in active participation in the Governing Council's work. That, in his view, was one of the most important aspects of the proposal to enlarge the Council's membership. However, the increase in membership should not be seen solely in the light of the necessity of making the Council more representative of both developed and developing countries, but also in that of the specific functions assigned to it. Any decision as to the Council's size and composition should therefore take full account of the tasks for which it had been created. His delegation was in favour of enlarging the Council's membership, while trusting that any decision in the matter would reflect the considerations it had just enunciated.

26. The manner in which the Governing Council had discharged its mandate since 1966 demonstrated the wisdom of the decision taken by the General Assembly in resolution 2029 (XX) and of the formula for representation contained in the annex to that resolution. For that reason, the Austrian delegation would prefer to see that formula maintained as far as possible. The reorganization of UNDP and the reorientation and expansion of its activities

imposed an extremely difficult task on the Council. To deal with that task successfully, it was of the utmost importance that the Council should be able to function smoothly during the transitional phase; his delegation therefore hoped that the various aspects of any proposal concerning the enlargement of the Governing Council would be given careful consideration and that the decision finally adopted would command the broadest support.

27. In its resolution 1617 (LI) the Economic and Social Council had requested the Governing Council to instruct the Administrator of UNDP to give special attention to requests in the field of industrial development in accordance with the priorities assigned by the developing countries. The rather limited number of UNDP projects assigned to UNIDO could not only be regarded as due to the relatively low priority given to that field by the developing countries but also be attributed to the complex nature of industrial development and to the comprehensive effort needed for the preparation and implementation of such projects. His delegation therefore concurred in the Economic and Social Council's recommendations on the matter.

28. The Austrian delegation had, from the outset, welcomed the establishment of the United Nations Volunteers programme in the belief that it could not only contribute to the work of the United Nations in the field of economic and social development but also lead to a stronger involvement of youth in international co-operation and consequently strengthen the faith of the young generation in the United Nations in general. The importance which Austria attached to the work of volunteers in serving the cause of development was reflected in the growing size of its volunteers programmes in the context of bilateral co-operation between Austria and other countries. His delegation was gratified to note that the United Nations Volunteers programme was entering the operational phase and that Austria had already assigned several volunteers to it. It hoped that that participation would only increase in the future.

29. Mr. CAVIGLIA STARICCO (Uruguay) stressed the importance which his country attached to UNDP, and wished to associate his delegation with the other delegations in their tribute to Mr. Hoffman, who had devoted himself to the service of the developing countries for so many years. Special thanks were due to Mr. Hoffman for having given a new dimension to the concept of aid, which was now regarded as a contribution to development. He hailed Mr. Hoffman as a citizen of the world and wished to express his appreciation and gratitude for the legacy which Mr. Hoffman was leaving to posterity.

30. UNDP was too new for an assessment of its work to be made but, at its twenty-fifth session, the General Assembly had found that it was doing all it could to carry out its mandate satisfactorily. What had been done by UNDP in Latin America represented a real contribution to the progress of that region and was to the great credit of Mr. Hoffman.

31. UNDP programmes should be looked upon as an effort to induce countries to undertake the structural reforms required for raising the social, economic and technological level.

32. He wished to stress the achievements of UNDP in the field of pre-investment, however small they might be. It must not be forgotten that pre-investment activities were nearly always undertaken in the least developed among the developing countries, which did not have the complex of conditions necessary for development—the cultural, social, political, technical and scientific conditions—or the indispensable infrastructure. Experience in Latin America had shown, however, that while pre-investment projects did not always produce the expected results, they nevertheless contributed to raising the standard of living of the population. What was significant was that nothing had been lost and that if UNDP had not come to the aid of those countries, they would still be outside the sphere of development.

33. He wished to comment on some points in the report of the Governing Council of UNDP on its twelfth session (E/5043/Rev.1). With regard to the chapter on the capacity of the United Nations system, he referred to the introduction of country programming on a global basis and emphasized that, if the new approach was to be as successful as it should be, it would be necessary to make a rigorous analysis of the different elements that entered into the preparation of country programmes, in the context of the principles laid down in the Consensus of 30 June 1970. In his view, the new system would contribute to real progress provided that it was applied with care and under the supervision of the Administrator and the Governing Council. The least developed among the developing countries ought to be the main beneficiaries and the country programmes should serve as a basis for future planning.

34. As to UNDP's promotional role in the matter of consecutive investments, he hoped that UNDP would continue its efforts in that area to identify exploitable resources, promote scientific and technological training and research, and improve the capabilities of Member States in the sphere of administration and planning. Among experimental projects, he recommended the inclusion of projects especially concerned with agriculture. Such projects would help the Latin American countries to overcome the problems they were encountering owing to the shortage of technical personnel and skilled labour. It was with that in mind that the Uruguayan delegation was planning to submit a draft resolution with a view to promoting the objectives of the International Development Strategy for the Second United Nations Development Decade and facilitating the adoption of techniques and systems of exploitation that would mobilize human resources and contribute to the rational utilization of all the resources of the soil.

35. He then referred to the importance he attached to all the questions included in the chapter on technical co-operation activities. Until it saw the results, his delegation would withhold judgement on the policy—adopted for the regular 1972 programme—of limiting the number of recipient countries. It would also await with interest the conclusions which would appear in the report on the special advisory services in the field of natural resources and on the somewhat similar system of short-term assignments of experts in other spheres.

36. In his view, the United Nations Volunteers programme ought to be expanded as envisaged, with a greater use of

volunteers from developing countries. He also favoured the participation of youth in the elaboration and execution of the United Nations Volunteers programme, especially with respect to all that related to development planning. His delegation therefore would support draft resolution A/C.2/L.1145 and would like to be included among the co-sponsors.

37. With regard to the chapter on financial matters, his delegation hoped that action would continue to be taken to encourage developed and developing countries to show greater co-operation in the matter of finances, especially as the annual rate of growth of 9.6 per cent targeted for the next five years would not mean a doubling or quadrupling of UNDP resources by 1975.

38. The Uruguayan delegation favoured enlargement of the Governing Council of UNDP and called for scrupulous adherence to the principle of equitable geographical distribution.

39. In conclusion, he recalled that he had supported the proposal of the Philippine representative to reproduce the text of Mr. Hoffman's statement to the Committee and he endorsed the proposal of the Indian representative to include in the Committee's report the tribute to Mr. Hoffman proposed by that delegation.

40. Mr. DENIAU (France) thanked Mr. Hoffman for all he had done both for his own country and Europe, and for the advancement of the developing countries.

41. He wished to emphasize the need for UNDP to have adequate resources, a rational plan of action and efficient institutions for the attainment of its objectives.

42. Dealing first with the question of resources, he noted that one of the essential elements of UNDP's reorganization was the planning of its work in the context of the development plans of the recipient countries. That meant that UNDP would have to distribute its resources in advance among the various categories of expenditure and base its activities not on resources in hand but on estimated income over the coming five years. While his delegation hoped that UNDP would be able to double its resources by 1976, it did not consider that possibility very realistic and it favoured the approach of projecting an annual increase in resources of 9.6 per cent.

43. The French delegation had accepted the continuation of the technical assistance programme financed from the regular budget, but it would oppose a considerable expansion of that programme because it did not consider it advisable to make a substantial addition to the Organization's obligations.

44. The French delegation welcomed the decision of the Governing Council to establish a budget and finance committee and expressed the hope that that committee would consider the reduction of administrative costs not as an end in itself but as a means of improving the efficiency of UNDP. In its view, until some real savings could be made, the administrative budget and the expenditures of the executing agents would have to rise over-all at a less rapid rate than contributions, so as to keep an increasing

share of resources for the financing of technical assistance and pre-investment projects, which were the real *raison d'être* of UNDP.

45. As to UNDP's future activities, he recalled that the French delegation in the Governing Council had from the beginning supported the idea of country programming. UNDP should, however, not try to establish priorities itself but should be guided by those resulting from the development plans of the recipient countries; in addition, UNDP should bear in mind, in distributing its resources, the present needs of the least developed countries, many of which were in Africa. It was, indeed, for that reason that the French delegation had called for maintaining, in the budget estimates of UNDP, a reserve that would make it possible to meet the unforeseeable needs of the least developed countries and of countries that suffered natural disasters.

46. He stressed the usefulness of regional programmes and said that his delegation considered them a means of promoting the integration of developing countries linked by common geographical and historical interests.

47. He observed that the officials responsible for the United Nations Volunteers programme would fulfil their task more effectively if they were in Geneva within easy reach of the international organizations concerned with the activities of the volunteers.

48. With regard to the agencies and their effectiveness, he recalled that for some time the administration of the programme had been the responsibility of the regional bureaux, whose establishment had been supported by his delegation. However, he wondered whether that innovation might not lead to a fragmentation of the programme into as many parts as there were regions and consequently might create rivalries among the bureaux themselves. In order to avert that danger, he proposed that machinery should be established within the administration, to supervise the regional bureaux with a view to co-ordinating their activities under UNDP.

49. He considered it vitally important that the thirteenth session of the Governing Council should be given over to defining the role and competence of the Council in the context of the new organizational arrangements. The Governing Council should, in particular, take a decision on whether to give purely formal approval to country programmes or examine them in detail.

50. He recalled that the Council would set up a Budgetary and Finance Committee in 1972 to review and adjust the administration's budgetary proposals.

51. In conclusion, he said that he was not opposed in principle to enlarging the membership of the Governing Council. However, the seats on the Council should be distributed in such a way as to give donor countries a wider representation than that envisaged by the Philippine representative in his statement in the 1385th meeting of the Committee. Moreover, senior posts in the administration should be allocated not only on the basis of the economic interests of Member States but also in the light of linguistic and cultural attainment. In his opinion, a knowledge of one

language only would be detrimental to the functioning of the programme. Lastly, he considered that the best way of interesting rich countries in the cause of development was to induce more of them to take part in administering programmes which they themselves financed in order to make them more aware that they were actually contributing to the social and economic progress of the third world.

52. Mrs. THORSSON (Sweden) expressed her appreciation to the Administrator of UNDP and stressed the need for a continuous increase in the development assistance capacity of the United Nations system and for an increase in its resources. She considered it necessary, in order to observe the principles of the Consensus reached at the tenth session of the Governing Council and in order to achieve the most rational utilization of the resources at the disposal of the Programme at the country level, that the resident representatives should have over-all responsibility for the programme executed in the country where they were stationed. One of the decisive factors for achieving that fundamental aim, she said, would seem to be the integration of the representatives of the various United Nations agencies, which at the programming stage had an advisory capacity only, into the office of the resident representatives.

53. She recalled the decision taken by the Economic and Social Council at its 1714th meeting regarding the review of the organizational structure of the agencies responsible for carrying out UNDP projects.¹ She asked the representatives of the specialized agencies what had been done to heed the recommendation which advised the agencies that, within each of them, one organizational unit should have an over-all responsibility for the implementation of the Programme projects with the aim, *inter alia*, to achieve higher efficiency and speedier implementation of projects, not least as concerns swift recruitment and development of field staff.

54. In connexion with the discussions at the twelfth session of the Governing Council, she would comment on the Budgetary and Finance Committee, the review of the criteria to be followed in calculating indicative planning figures, and personnel for development assistance.

55. The Budgetary and Finance Committee would make it easier for the Governing Council to consider budgetary and financial matters in the light of the general direction and the rate of growth of the Programme.

56. At its eleventh session the Governing Council had decided that three basic factors should be taken into account when reviewing the criteria to be applied in calculating indicative planning figures. She stressed the necessity for special supplementary measures, if the least developed countries were to benefit significantly from general measures to improve the situation of all developing countries.

57. With regard to personnel for development assistance, she hoped that the comments made at the twelfth session of the Council, particularly concerning the importance of

the professional qualifications of resident representatives, would be of use to the Administrator in his study of that crucial matter.

58. She recalled that Sweden had supported the decision by the Governing Council of UNDP to assume that there would be an annual growth rate of 9.6 per cent in UNDP resources, and said that her delegation was prepared to support the Economic and Social Council's decision to request the Governing Council to reconsider the question. It should be understood that any further increase in resources would be primarily reserved for the least developed among the developing countries.

59. She also proposed that thought should be given to adopting new methods which would provide sounder and more long-term financing for the Programme.

60. Turning to the item concerning technical co-operation activities undertaken by the Secretary-General, she said that her delegation would continue to support the regular programme of technical co-operation, but hoped that its activities would not duplicate those of other United Nations bodies. The regular programme should have an identity of its own, redirecting its activities towards assisting the least developed countries. The Programme should, furthermore, concentrate increasingly on providing advisory services in the field of development planning through United Nations development advisory teams. Those teams should not be confused with the scheme of regional and subregional advisory services currently financed under the United Nations regular programme; the matter would be considered in connexion with the draft resolution on regional and subregional advisory services, which her delegation would support.

61. Mr. MOLINA DUARTE (Venezuela) paid a tribute to Mr. Hoffman on his achievements in the field of economic and social development.

62. Commenting on the policy to be adopted by UNDP, he said that, first of all, UNDP should take account of the needs of each geographical region by drawing up long-term policies. His delegation favoured measures to assist the least developed among the developing countries and hoped that the total volume of resources placed at the disposal of the Programme would increase.

63. With regard to the need to review the criteria for calculating country indicative planning figures, he stressed the importance, in determining that index, of the recipient countries' capacity to absorb technical assistance. He also emphasized the need for co-operation among the developing countries themselves.

64. As to the direction given by the Governing Council with regard to the various types of projects to be financed by the Special Fund and by the Technical Assistance component, his delegation was concerned that it might accentuate the tendency to approve second and third generation projects and restrict opportunities for undertaking new projects. However, it had welcomed the increase in the number of regional and interregional projects, particularly in the field of export promotion. It approved of UNIDO and UNCTAD participation in the execution of

¹ See *Official Records of the Economic and Social Council, Forty-ninth Session, Supplement No. 1*, p. 17.

the projects. Those agencies should play a more prominent role in technical co-operation activities in the light of the priorities established by Governments. Moreover, his delegation was in favour of direct agreements with subcontractors but felt that they should be concluded only after consultations with the Governments concerned and that they should not have the effect of increasing counterpart expenditures by Governments. Lastly, his delegation welcomed the Inter-American Development Bank's participation in project execution.

65. With regard to country programming, he recalled that Venezuela was among the 20 countries which would submit their national technical co-operation programme at the next session of the Governing Council of UNDP. It had endeavoured to relate technical co-operation programming very closely to the objectives of its fourth national plan. The programme had been prepared in stages: meetings had been held between representatives of national agencies and United Nations specialized agencies; following those sectoral meetings, an inventory of international technical co-operation needs had been drawn up; a meeting of the representatives of 23 developed countries accredited to Venezuela had been held in order to analyse the inventory of needs and to consider possibilities of international financing for each project; after problems had been identified at the sectoral level, priorities had been established at the national level and they had been co-ordinated in order to draw up a programme of technical co-operation which was both feasible from the financial point of view and in line with national development requirements.

66. His delegation fully shared the views of the delegations of Denmark and the Netherlands regarding the need to co-ordinate bilateral and multilateral assistance.

67. He wished to reaffirm that his Government remained faithful to the principles underlying establishment of the United Nations Capital Development Fund and to appeal to the developed countries, as Venezuela had done in past years, to change their attitude towards the Fund.

68. With regard to the United Nations Volunteers programme, his delegation fully supported draft resolution A/C.2/L.1145 and the programme of work submitted by the Co-ordinator.

69. Mr. OKELO (Uganda) said that the development problems were basically four: nutrition, employment, income distribution and trade.

70. Malnutrition was one of the major barriers to development. Unemployment and underemployment affected from 20 to 25 per cent of the labour force of several poorer nations, and they were rising at a rate of roughly 3 per cent annually. While most developing nations had registered significant growth in gross national product over the past decade, a number of them still had a *per capita* income of only \$100 per year, or even less, and, within a given developing country, it was not uncommon to find that meagre income very unequally distributed. Greater attention therefore needed to be given to employment and equitable income distribution. As to the question of foreign trade, the developing countries depended on exports for 75 per cent of their foreign exchange earnings, on foreign private capital for 10 per cent and on aid for 15 per cent.

71. Consequently, the success of UNDP depended on its ability to solve the problems he had mentioned. UNDP resources had increased from \$54 million in 1959 to about \$240 million in 1971, and there was every hope that they would reach \$500 million by 1976. If UNDP was eventually to achieve its objective and no longer have to provide aid at all, several conditions had to be fulfilled. First, the ability of developing countries to benefit from the assistance they received had to be increased. Also, there was a need to link development growth to the expansion of job opportunities and the distribution of wealth and to bring about uniform development of rural and urban areas. The Executive Secretary of the Economic Commission for Africa had forcefully brought the latter aspect of the problem to the attention of African planners at a conference held at Addis Ababa early in 1971. The planners were becoming more and more aware that malnutrition was hampering economic and social progress. In that connexion, he wished to point out that the fight against malnutrition required considerably less capital than had been anticipated; the will to succeed was in reality the most important prerequisite for success.

72. The countries of the third world were endeavouring to become more and more self-reliant, and, at the same time, were drawing more and more multilateral assistance, since bilateral assistance often benefited the donor more than the recipient and was likely to conflict with the non-alignment policies of recipient countries. That was why Uganda supported the United Nations Volunteers programme, the United Nations Capital Development Fund and enlargement of the membership of the Governing Council of UNDP. Unfortunately, his country was not yet in a position to pledge an increase in its contributions.

73. His delegation wished to pay a tribute to Mr. Hoffman, who had dedicated his life to the cause of development and would serve as an example to the younger generation.

74. Mr. MATSEBULA (Swaziland) said he wished to join other representatives in paying a tribute to Mr. Hoffman.

75. His delegation felt that UNDP had played a major role in the creation of greater economic and social opportunities. UNDP operational activities should be viewed in the framework of the International Development Strategy, and his delegation would therefore support draft resolution A/C.2/L.1146. The representative of Kenya had correctly pointed out at the 1388th meeting that eight countries which had been classified as donors were actually net recipients and that some previously recipient countries had in fact become donors. He wished to reiterate that the delegations which supported the draft resolution were not trying to obtain a majority of the votes in the Governing Council, and that the question of the Council's efficiency was not relevant, since an increase in membership could not in itself affect efficiency one way or the other.

76. His delegation welcomed the decision of the Governing Council outlined in paragraph 259 of its report (E/5043/Rev.1), but felt that there was a need to define the term "natural resources" concisely and clearly.

77. He supported the initial steps that had been taken to reorganize UNDP and welcomed the arrangements between

UNDP and FAO. However, similar arrangements should have been made with UNIDO, especially since industrial projects were few and UNIDO's participation was too modest. Referring to paragraph 40 of the report, he remarked that on the whole, UNDP had not really followed the priorities established by Governments with regard to projects in the industrial sector. Because of limited participation by UNIDO, especially in rural areas, migration of young people to urban and industrial areas continued to rise, thus increasing housing and unemployment problems. UNDP's Resident Representatives should help Governments to profit from their experience and should recommend to industrial development field advisers that they consider to what extent it was possible to locate industrial facilities away from cities.

78. Technical co-operation between UNDP and other United Nations agencies would, in the future, depend to a larger extent on the programming of UNCTAD. Referring to paragraphs (46) and (50) of the International Development Strategy, he said he wished to remind the UNDP administration that some developing countries were semi-capitalist and others semi-socialist.

79. His delegation supported draft resolution A/C.2/L.1145. However, it would find it difficult to grant immunity or special privileges to United Nations Volunteers, and considered it necessary to guard against infiltration by persons wishing to use the Volunteers programme for purposes other than those for which it had been established. It welcomed the decision by the United States to channel its volunteers through the United Nations programme.

Mr. Brito (Brazil), Vice-Chairman, took the Chair.

80. Mr. AYOUB (Tunisia) said that in the current period of economic instability the statement by the UNDP Administrator had been particularly encouraging. The world community owed a heavy debt of gratitude to Mr. Hoffman, and his delegation therefore supported the proposal to include in the report of the Committee a special paragraph expressing the gratitude of Member States.

81. The reorganization of UNDP would remain only theoretical if the Programme did not receive increased

financial resources. No one had voiced reservations about paragraph 49 of the Consensus of June 1970 when General Assembly resolution 2626 (XXV) had been adopted. However, it was disturbing to note that the rate of increase for UNDP resources had been established at only 9.6 per cent. For that reason, his delegation had voted in favour of Economic and Social Council resolution 1615 (LI), which requested a reassessment of that figure, and supported draft resolution A/C.2/L.1150. His delegation also endorsed draft resolution A/C.2/L.1146, but felt it necessary to remind the sponsors that they should continue their consultations so as to reach a broader agreement, particularly since the United Kingdom delegation had submitted an amendment to the draft resolution.

82. The Co-ordinator was to be congratulated for the progress achieved with respect to the United Nations Volunteers programme. It should proceed with caution, however, and the results achieved should be examined as early as possible. It would perhaps be wise to transfer the Central Co-ordinating Office of the Programme to Geneva, where it could work more effectively in consultation with other bodies. His delegation supported draft resolution A/C.2/L.1145, particularly operative paragraph 1.

83. Tunisia had always supported the United Nations Capital Development Fund and had deplored the fact that its future was so bleak. It wished to appeal urgently to the developed countries for contributions to the Fund. He introduced draft resolution A/C.2/L.1151 on behalf of its sponsors and expressed regret that the studies requested in General Assembly resolutions 2525 (XXIV) and 2690 (XXV) had not yet been submitted to the Assembly. Under operative paragraph 3 of the draft resolution, the original functions of the United Nations Development Fund were to be preserved until the study which UNDP was to prepare on the subject led to new decisions which would enable the Fund to operate normally. He requested the members of the Committee to study the draft resolution carefully so that they might adopt a more flexible position with respect to the Fund.

The meeting rose at 1.15 p.m.