



Chairman: Mr. Walter GUEVARA ARZE (Bolivia).

AGENDA ITEM 40

Operational activities for development (continued):

- (a) **Activities of the United Nations Development Programme: reports of the Governing Council (A/8003 and Corr.1, chap. X, sect. A; A/8068; E/4782, E/4884/Rev.1);**
- (b) **Activities undertaken by the Secretary-General (A/8003 and Corr.1, chap. X, sect. B; A/8069; E/4782, E/4884/Rev.1)**

AGENDA ITEM 41

**United Nations Capital Development Fund (continued)
(A/8003 and Corr.1, chap. X, sect. A; A/8070; E/4782, E/4884/Rev.1)**

1. Mr. KANKA (Czechoslovakia) said that his delegation had already had occasion to put forward certain criticisms with regard to the technical assistance activities. Since, however, there seemed to have been some improvement in the operation of the system in recent years, Czechoslovakia had been able to increase its contribution to UNDP by almost five times. It should be made clear, however, that UNDP should be based on the principle of universality; it was therefore regrettable that the German Democratic Republic was not a member. The socialist countries, together with many developing countries, had made constructive criticisms of the shortcomings of the system and had submitted positive proposals on the subject. His delegation endorsed a number of the recommendations made in the *Study of the Capacity of the United Nations Development System*,¹ in particular those concerning country programming, but there were other proposals with which it could not agree. Moreover, it was imperative that the structural changes proposed should not be contrary to the principles of the Charter and that the principle of the sovereignty of States should be respected. Consequently, Czechoslovakia could not support some of the changes proposed, in particular the proposal for the creation of the post of Director-General. Nor could it accept the type of link which had been proposed between the activities of UNDP and those of IBRD. It was common knowledge that IBRD followed a policy that was designed to serve the interests of the advanced capitalist States and private investors.

2. The work of the ninth and tenth sessions of the Governing Council of UNDP had aroused the hope that the

principles upheld by the Czechoslovak delegation would be respected. With regard to the consensus approved by the Governing Council at its tenth session (see E/4884/Rev.1, para. 94), his delegation agreed with the principles of programming upon which the long-term cycle of operations would be based. It was, of course, essential that recipient Governments should play a decisive role in the preparation of the programmes and that other forms of assistance provided should be taken into account. The merging of the two present components of UNDP seemed to be a sensible measure but the funds of the existing programmes should be frozen at their present levels. His delegation agreed with the proposed allocations of funds and supported, in principle, the practice of sub-contracts. At the special session of the Governing Council which had been held in March 1970, it had made known its position with regard to other recommendations in the Capacity Study, in particular those concerning collaboration with IBRD and the strengthening of the role of the Governing Council and that of the resident representatives.

3. In conclusion, he stressed that Czechoslovakia considered it essential that greater efforts should be made both by United Nations bodies and by Member States and that it was prepared to intensify its co-operation with UNDP. Indeed, it had recently offered to prepare a project for the training of specialists from the developing countries.

4. Mr. BRADLEY (Argentina) said that Argentina had always attached great importance to its participation in UNDP and to the work of co-operation carried out by the Programme. Nineteen projects of concern to Argentina had been approved during the past ten years and nine of them had already been completed. His Government was satisfied with the type of relations that it had established with the UNDP authorities and the executing agencies. The projects in question had been carried out thanks to close co-operation between the Argentine technicians and those of UNDP and the specialized agencies.

5. As it was not a member of the Governing Council of UNDP, Argentina had not taken part in the consensus adopted at the tenth session, but it had voted in favour of Economic and Social Council resolution 1530 (XLIX) which had endorsed the consensus, and it intended to take the same position when the draft resolution contained in that resolution was submitted to the General Assembly for adoption. His delegation thought that the proposed reorganization was yet a further illustration of the dynamic nature of UNDP, which adapted itself to the changing situations resulting from economic and social development.

6. In his introductory statement at the preceding meeting, the Administrator of UNDP had shown his capacity for adaptation in his ideas for the reorganization of UNDP and

¹ United Nations publication, Sales No. E.70.I.10.

for the necessary decentralization which the regular increase in the activities of the Programme demanded. He had pointed out that UNDP, as at present organized, could administer programmes amounting to a total of \$200 million but that that would not be the case if the total reached the figure of \$1,000 million in 1975. Consequently, the Argentine Government fully supported the proposed reorganization.

7. His Government considered that the new system of country programming was the only one that would allow of adequate planning of the activities of UNDP and of the Governments themselves. The system included projections of the technical and financial resources and those projections would make it possible to avoid improvisation and inadequate resources and to raise the technical level of the projects. The system had begun to be applied in Latin America and in practice it was producing excellent results. The Inter-American Committee of the Alliance for Progress was playing a co-ordinating role in that respect.

8. His Government felt that it was imperative that the resident representatives should be given an essential role in the development activities of the United Nations. They should be given the necessary technical and financial support to enable them successfully to carry out the activities entrusted to them. Within the framework of their activities, the resident representatives should play an advisory role in helping Governments to prepare the projects and programmes of their choice and in accordance with their priorities.

9. UNDP should establish closer relations with UNIDO, FAO, UNESCO, the ILO and IBRD, in order to avoid duplication and waste. In view of their special knowledge of the questions within their competence and of the problems of the regions in which they had representatives, the specialized agencies were irreplaceable for the execution of the projects.

10. The restructuring of the services of UNDP headquarters on the basis of regional decentralization was the logical consequence of the new country programming and would place UNDP in a better position to interpret directly the points of view of the various regions and of the countries of the regions, not only in the framework of statistics or econometrics but also by taking into account the socio-political motivations of the development programmes of each country. That factor, to which the developing countries attached special importance, could not be overlooked.

11. The tremendous work that UNDP was preparing to undertake called for corresponding financial support, which both the developed and the developing countries should provide. The figure of \$1,000 million projected by the Administrator of UNDP for 1975 was not excessive. Balance-of-payments problems and persistent inflation represented great difficulties, but those difficulties could be overcome if countries showed a spirit of determination allied to a certain capacity for sacrifice. It was in that spirit that Argentina had consistently increased its contribution to UNDP, which would amount to \$700,000 for 1971, an increase of 40 per cent over the figure for 1970.

12. In all the activities it undertook, UNDP was playing a constructive role and his country would help it in future, as it had in the past. UNDP's activities covered the whole range of programmes which were essential to a country's development. The Administrator was to be commended on his personal efforts, which had enabled UNDP to obtain such remarkable results; everyone should wish him even greater success in the future.

13. Remarkable results had been achieved by the United Nations programme of technical co-operation, considering its limited budget.

14. Mr. BENNANI (Morocco) said that despite the disappointing results of the First United Nations Development Decade, UNDP's work had been particularly constructive. UNDP had been assigned a vital operational role in the International Development Strategy for the Second United Nations Development Decade (General Assembly resolution 2626 (XXV)) and intended to adapt its methods to the conclusions of the Capacity Study. The changes involved would demand bold decisions, the application of which would transform the entire system. One of the most important innovations was country programming and his country had already embarked upon a structural reform which would culminate in the establishment of a co-ordination body within the Secretariat of State for the Plan.

15. The completed country programme should be the factor linking the indicative planning figures and the parts of the national plan upon which the programme was based. An innovation of that kind presupposed many structural reforms and UNDP would in future operate in a global context, in which it would act as co-ordinator and rely on United Nations or other agencies as executing organs. His delegation suggested that UNDP should strengthen and extend the range of its co-operation with those agencies with a view to fostering, among other things, follow-up investment; co-operation between IBRD and UNDP could stimulate that type of investment, through the investment insurance institution which was about to be set up, and in other ways; similarly, UNDP could, in its relations with UNCTAD, stimulate investment by taking advantage of the interest rebate fund which was in the process of formation.

16. Speaking of regional economic integration, he said that his delegation supported the proposal that 82 per cent of resources should be allocated to country programmes and 18 per cent to inter-country programmes. Nevertheless, flexibility should be exercised in that respect and, where country and inter-country programmes overlapped, the assignment of priority should be based, with the agreement of the Governments, on the degree to which the execution of the project would contribute to regional economic integration; the concept of an integrated programme should be the sole criterion.

17. Co-operation between UNDP and the regional development banks was the keystone in the implementation of those concepts. UNDP's help in the operation of those banks, particularly the African Development Bank, which it had helped through its pre-investment studies, deserved the highest praise. His delegation hoped that UNDP would give the same support to the establishment of an African development fund.

18. The limited resources of the United Nations Capital Development Fund had prevented it from performing its task; the Fund might, however, make a valuable contribution to development if it were to be given a new shape which would induce all Member States to support the Fund and thus give it adequate resources. General Assembly resolution 2525 (XXIV) should, in his delegation's view, bring about such a result and he hoped that the exploratory study proposed in the resolution would be undertaken promptly. All possible solutions, and their bearing on the objectives of the Fund, should be explored. His delegation would support any draft resolution to that effect.

19. In conclusion, his delegation commended the efforts of UNDP and expressed the hope that the International Development Strategy for the Second Development Decade would receive the reinforcement it required through the implementation of the whole of the consensus annexed to the draft resolution submitted by the Economic and Social Council, which would receive his delegation's supporting vote.

20. Mr. KOVALEV (Union of Soviet Socialist Republics) said that the tenth session of the Governing Council of UNDP had been a specially important one, since it had dealt, not only with matters of current interest, but with the reappraisal of UNDP's activities in the light of the Capacity Study by Sir Robert Jackson. His delegation had repeatedly asserted that within UNDP's activities there were serious shortcomings, as well as practical achievements. Examples of such shortcomings were the fact that UNIDO was inadequately represented in UNDP's assistance projects in developing countries and that there was undue emphasis in UNDP's activities on IBRD, the financial instrument of major capital interests. He drew attention, in that connexion, to the well-judged comments which the Brazilian representative had made at the preceding meeting.

21. The development programmes were marked by an almost complete absence of pilot projects, which should form an essential link between UNDP's pre-investment and investment activities.

22. The Programme had not yet developed into a genuine instrument of universal co-operation among States. His delegation had repeatedly stressed that international economic co-operation should be based on a continuing exchange among all States of scientific and technical information, and the fact that the German Democratic Republic could not participate in the work of UNDP adversely affected the interests of the developing countries.

23. There was a great deal of delay and vacillation in the execution of projects. It had been found necessary to reappraise the activities of UNDP and the executing agencies. His delegation had supported the idea of reorganizing the United Nations technical assistance system. The Governing Council of UNDP had, on the threshold of the Second United Nations Development Decade, made particularly important decisions in that connexion, the outstanding one being the decision to adopt long-term country programming and indicative planning figures for periods of three to five years. It had also been decided to draw up UNDP assistance programmes for groups of countries, at the subregional and interregional levels. Finally, there were

the altered responsibilities of the Governing Council, the Administrator of UNDP and United Nations system in the matter of executing the assistance programme.

24. The socialist countries' attitude to the Second United Nations Development Decade had been expressed in their joint statement of 21 September 1970 (A/8074). His delegation believed that the Second Development Decade could make a substantial contribution to economic and social development only if decisive measures were taken to improve the international situation. The Second Decade should witness major changes in the realm of general and complete disarmament, the destruction of stockpiles of nuclear, chemical and bacteriological weapons and the means of delivering them, the elimination of foreign military bases and the peaceful settlement of territorial disputes. The resources released as a result of general and complete disarmament in developed and developing countries could be applied to solving difficult social and economic problems, and in particular to financing regional, interregional and global projects whose implementation would raise the level of living of hundreds of millions of people.

25. The experience acquired by the socialist countries in economic and social development showed how vital it was for the developing countries to mobilize their domestic resources. Similarly, the mutual co-operation of developing countries on a regional and interregional basis was very important for the achievement of development aims. However, the mobilization of domestic resources must not obscure the developing countries' need to find external sources of financing. At the same time, those sources of financing, such as economic and technical assistance, governmental loans and credits, and loans from international financial agencies, must play a complementary role and could not replace domestic resources.

26. External aid, particularly that of UNDP, must be given with due regard for the national interests of the developing countries. It must not be used to establish neo-colonialist forms of economic and financial exploitation. It must be given without strings attached and without any interference in the domestic affairs of the recipient countries.

27. In accordance with the international agreements it had concluded, the Soviet Union extended large-scale bilateral aid to many Asian, African and Latin American countries. At the moment, the Soviet Union had economic, scientific and technical co-operation agreements with forty developing countries. Under those agreements, with the assistance and collaboration of the USSR, provision had been made for the construction or reconstruction of nearly 700 industrial and other installations in the countries in question. Nearly 300 installations were already in operation. To facilitate payment for such installations and technical assistance, the Soviet Union had granted the developing countries credits under favourable conditions, for a total amount exceeding \$5,000 million. More than 70 per cent of the credits granted by the Soviet Union had been earmarked for the development of industry and the power sector. Much of its assistance to the developing countries was designed to train national cadres. With the help of the Soviet Union, 115 establishments and centres of secondary and higher education had been built in the

developing countries. Out of that total, seventy were already in operation. During the last decade, Soviet specialists had trained nearly 150,000 skilled workers and technicians on construction sites. Thirty-five thousand nationals from developing countries had received technical and industrial training in the USSR. The Soviet Union intended to pursue its policy of bilateral assistance to the developing countries to enable them to overcome the economic consequences of colonialism, to establish an independent national economy and to accelerate the rate of economic development. The Soviet Union would continue to use methods of economic and technical co-operation fully adapted to the socio-economic plans and programmes of the developing countries, with scrupulous respect for their national sovereignty and their right to dispose of their natural resources.

28. The reorganization of the technical assistance system of the United Nations was not yet complete. It remained for the Governing Council of UNDP to consider, during its eleventh session, in January 1971, the problems of restructuring the Programme in accordance with the needs of the developing countries. His delegation had stated its opinion on those problems during the last three sessions of the Governing Council. The Soviet Union approved of the reorganization of the technical assistance system; that should strengthen the role of the Economic and Social Council and increase the authority of the Governing Council, which should approve of the long-term country programmes and the projects included in them, and also supervise their execution. The executive heads of the specialized agencies or their accredited representatives must take part in the sessions of the Governing Council in order to consider the country programmes and to provide the Council from time to time with information on implementation. The USSR fully supported the consensus which had been reached by the Governing Council during its tenth session and which had been approved by the Economic and Social Council in its resolution 1530 (XLIX). It also supported the draft resolution which the Council had submitted^d for the approval of the General Assembly.

29. The regular technical co-operation programme, financed from the United Nations budget, should be entrusted to UNDP and financed by voluntary contributions, since so far it had been ineffective and had duplicated the Programme's activities.

30. Mr. OGISO (Japan) stressed the importance of the Capacity Study and said that his Government was ready to support the consensus approved by the Governing Council. While accepting the principle of country programming, he felt that the representatives of UNDP should co-operate in the formulation of programmes from an early stage. Close co-operation between the recipient countries and UNDP was essential. With regard to paragraph 7 of the consensus, it was important to define precisely the priority sectors. As much authority as possible should be delegated to the resident representatives. One of the crucial points in the system was the establishment of regional bureaux, which was proposed in paragraph 57; it was to be hoped that their functions and responsibilities would be as recommended in the Capacity Study.

31. Mr. FERNANDEZ (Venezuela) pointed out that his country was represented on the Governing Council and had

participated actively in the work described in the reports of UNDP; he would therefore make only a few brief remarks.

32. The consensus embodied a series of measures which would enable UNDP to administer with the greatest possible efficiency a total amount of resources which was expected to double in four or five years. It represented the first stage in a vast enterprise of reorganization which, if it was to be fruitful, should be accompanied by a substantial increase in contributions.

33. His delegation fully accepted the principle of country programming which should allow the international co-operative effort to concentrate on economic sectors which, according to national plans, could receive really effective assistance. Even before the conclusions of the Capacity Study were known, a meeting devoted to the evaluation and programming of the activities of the various United Nations bodies had been held in October 1969 at Caracas, with the participation of officials from different governmental administrations. The results had been very encouraging.

34. However, his delegation had certain doubts about the methods to be followed in establishing the first series of indicative planning figures which would serve as the basis for programming. By basing his calculations on the percentage devoted to each country of the total earmarkings of programmed resources during the five years 1966-1970, the Administrator would be perpetuating the injustice done to the Latin American countries in the allocation of those resources. It was to be hoped that the Governing Council would use the discretionary power granted to it in paragraph 16 of the consensus and would study those figures in the light of existing criteria, adjusting them where necessary to correct inequalities arising from historical circumstances. Moreover, the procedure was purely experimental: the figures must be reviewed periodically, in consultation with the Governments concerned, by the Administrator and the Governing Council, in the light of progress in the implementation of the country programme, as stated in paragraph 17.

35. Furthermore, he emphasized the importance of inter-country programming, which should serve as a useful complement to development activities undertaken at the national level. The fact that the proportion of resources which might be allocated to such projects had been fixed at 18 per cent was a rigid arrangement and would lead to inequalities of treatment between different recipient countries. There was, however, every reason to welcome the fact that the authors of the consensus had provided that subregional, regional and interregional projects, particularly those designed by interested countries to accelerate the process of economic and social integration and to promote other forms of regional and subregional co-operation, would have the first claim on resources for inter-country programming.

36. The consensus had certain defects and it was understandable that several delegations had expressed reservations in that regard. His delegation, however, considered it to be an important element which would make it easier to achieve the goals of the Second United Nations Development Decade; it therefore recommended that the Com-

mittee should adopt the draft resolution in Economic and Social Council resolution 1530 (XLIX) unanimously, on the understanding that the Governing Council of UNDP could go on improving and supplementing the reorganization of UNDP, the broad lines of which had just been laid down.

37. Commenting on the United Nations Capital Development Fund, he said that his delegation had always whole-heartedly supported General Assembly resolution 2186 (XXI), which had established the Fund. He drew attention to paragraph 4 (c) of article IV of its Statute, according to which the bulk of the contributions to the Fund should come from the economically more developed countries in a readily and economically usable form. It was regrettable that thus far the developed countries had not seen fit to fulfil their obligation under that provision.

38. In conclusion, he expressed the hope that the developed countries, whether they belonged to the socialist group or to the Western group, would change their attitude to the Capital Development Fund before long and would increase their contributions so that the Fund could function satisfactorily for the benefit of all the developing countries.

39. Mr. MÖLLER (Sweden) said that his delegation welcomed the fact that the Governing Council of UNDP had considered the Capacity Study promptly and hoped that the consensus subsequently reached by the Council would become effective without delay. The implementation of the measures suggested would make UNDP better equipped to handle a much larger volume of assistance than at present; that was indeed the purpose of the reorganization now being undertaken. His delegation agreed with the Yugoslav representative (1339th meeting) that the resources of the Programme should be considerably increased. At the last Pledging Conference quite a few countries had made noteworthy increases. Moreover, an increasing number of countries made forward pledges for the years to come, thereby facilitating the formulation of medium- and long-term programmes. Forward pledges were of particular importance as a departure from the "full-funding" system was agreed upon. The target of doubling the resources of UNDP within a few years, therefore, should be attainable.

40. His delegation wished to comment briefly on the provisions of the consensus approved by the Governing Council. First, it welcomed the decision to adopt country programming, so that assistance projects would be adjusted to the plans and priorities of the recipient countries in a more systematic way. The project by project approach must be given up, in order to make the most rational and efficient use of the resources at the disposal of UNDP and to produce the maximum impact on the economic and social development of the developing countries. In that context a unified economic-social approach was of utmost importance, since the International Development Strategy for the Second United Nations Development Decade had established the principle that the ultimate objective of development was the well-being of the individual. In general, the International Development Strategy should provide guidelines for the policies of UNDP and contents of the programmes in the years to come. Secondly, while his

delegation was convinced that the indicative planning figures would provide valuable guidance to the developing countries for the formulation of their development plans or priorities, it hoped that the financial resources of UNDP would increase at least at the same rate as the average of the last few years. The resources of UNDP should, to the greatest possible extent, be allocated to the least developed countries and when local costs were assessed, the special circumstances of those countries should be taken into account. Thirdly, he emphasized the importance of co-ordinating all sources of assistance within the United Nations system, since the objective was the achievement of joint programming and complete integration of all technical and pre-investment assistance provided by the United Nations system. Fourthly, he pointed out that the specialized agencies were to play a greater role in the setting of norms and formulation of new ideas under the new provisions adopted by the Governing Council. Therefore they should not be overburdened with the executive work-load; services available outside the United Nations system should be used whenever appropriate. Fifthly, certain organizational changes should be made in the UNDP system. First of all the Governing Council should begin to give greater attention to its long-term functions, particularly with regard to over-all policy-making and review of activities, leaving the work of appraising individual projects to the administration. Moreover, the twin principle of the Administrator's full accountability and the decentralization to the country level should be reflected in certain changes, both at headquarters and in the field. In his delegation's view, the establishment of four regional offices with wide responsibilities and the strengthening of the role played by the resident directors were central elements in the reorganization process. The establishment of direct communication between the resident director and the regional office, on the one hand, and the UNDP Administrator, on the other, would doubtless help to improve the efficiency of UNDP activities. At the Field level, the resident directors should be responsible for co-ordinating all the Field activities of the United Nations system and for relations with the Government concerned. It would thus be possible to formulate and implement country programmes within the framework of a common policy of the United Nations and the specialized agencies.

41. Lastly, his delegation expressed the hope that the provisions of the consensus could be rapidly implemented and that at its coming sessions the Governing Council would be able to settle a number of outstanding questions regarding the flow of information, the accounting system, and so forth. The Governing Council should also give priority consideration to the important question of "follow-up" investments, since the results recorded in that regard had thus far been somewhat disappointing: efforts should be made to attract investment funds for "follow-up" activities, not only from the World Bank Group but also from other multilateral, bilateral and, not the least, national sources.

42. His delegation had noted with interest the information supplied at the preceding meeting by the Commissioner for Technical Co-operation on the United Nations regular programme of technical co-operation and considered that the sending of interdisciplinary advisory teams to assist developing countries, at their request, in formulating their

national plans was a good example of the work which could be done under the programme.

43. Mr. SHRESHTHA (Nepal) noted that, in the space of a decade, considerable progress had been made in the assistance provided by UNDP to the developing countries, in both quantity and quality. It was therefore by no means surprising that the organization of UNDP had shown signs of stress and strain, and it was commendable that the Administrator had taken the timely initiative of arranging for a thorough review of its machinery by asking Sir Robert Jackson to prepare the Capacity Study. In his delegation's view, the Study gave a penetrating analysis of the present system and provided an unprecedented opportunity to re-orient the Programme by adapting it more closely to the needs of the developing countries. There was every reason to believe that the present system was perfectly capable of improvement.

44. It had long been his delegation's conviction that financial and technical assistance through bilateral and multilateral channels should be adapted to the real needs of recipient countries and should fit in with their development objectives and priorities. It therefore whole-heartedly supported the principle of country programming, for it was convinced that only at the country level could realistic plans for economic and social progress be conceived. It was to be hoped that country programming would lead to a more rational and efficient utilization of UNDP resources and ensure greater co-ordination of the various inputs.

45. Nepal was aware of its own need for co-operation and assistance from the United Nations system in formulating multi-sectoral projects or activities. The establishment of the development objectives of the recipient countries should be a joint exercise between the authorities of the country concerned and the representatives of the United Nations, under the leadership of the UNDP Resident Representative, within the framework of the indicative planning figures. It was of fundamental importance to prepare specific projects. Whatever economic planning and programming methods were used, it was essential that a set of mutually compatible projects which were technically complete and economically feasible should be drawn up. His delegation appreciated UNDP's efforts in that direction but would like to see more consideration given to the needs of countries like Nepal, which should be helped to prepare technically-sound projects so that they would be in a better position to share in the allocation of UNDP resources. In that regard, the establishment of multinational interdisciplinary development advisory teams was a welcome initiative.

46. While he recognized the value of experimental criteria for establishing the first series of indicative planning figures and noted that special consideration would be given to the situation of the least developed countries, he hoped that similar consideration would be given to the various factors which had led to some countries being granted an unduly low percentage of UNDP resources during the base period. Nepal hoped, too, that the programming of UNDP assistance would be synchronized with its own five-year development plan for the period 1970/71-1974/75. As the Commission on International Development had pointed out

in its report,² the allocation of aid on an annual basis created many problems for the developing countries.

47. With regard to the over-all disposition and control of UNDP resources, his delegation was pleased to note that it was planned to set aside at least 82 per cent of net available resources for country programming. The effectiveness of the Programme would, however, depend to a great extent on the size of those resources, which were still inadequate. Unless the developed countries increased their contributions considerably, any reform of the United Nations development system would be unsuccessful. There were no grounds whatsoever for stating that the absorptive capacity of the developing countries was limited; as was pointed out in the report of the International Development Commission, there was an unfortunate tendency to mistake the problems caused by the donors' restrictions on the use of their aid for inadequate absorptive capacity on the part of the developing countries, whereas, if they could rely on a continued flow of foreign aid, those countries could devote considerably more resources to their development efforts. His delegation hoped that wherever possible the least developed countries would be exempted from counterpart obligations. His delegation was also extremely interested in agricultural projects for planting high-yield crop varieties in the developing countries and was eagerly awaiting the results of the first global project on research and training in the development of high-lysine maize.

48. Mr. KELSO (Australia) said that the statements by the Administrator of UNDP and the Commissioner for Technical Co-operation had been of great interest since they had followed closely upon extremely important decisions taken by the Governing Council. Australia was pleased that it would shortly be participating in the work of that body which it felt should not overlook the interests of observer delegations. It endorsed the draft resolution contained in Economic and Social Council resolution 1530 (XLIX) and much appreciated the way in which the Governing Council had discharged its functions. Operational activities for development were extremely important and Australia supported any measures which would lead to a more rational use of available resources. As perhaps the largest single source of funds for technical assistance, UNDP had a vital role to play. Questions of assistance, however, should be a matter for debate not only between developing and donor Governments but within the individual countries. In many countries, discussion had tended to centre on practical problems rather than theoretical issues and, for Australia, the over-riding concern was the effectiveness of activities and the profitability of operations. Since there were likely to be critics of foreign aid in any donor country, it was important to be able to show that such assistance was being used rationally.

49. New guidelines had just been adopted following an extensive review of the system. He endorsed some of the comments made by the representative of Sweden and, among the various points in the consensus, he stressed the importance of the proposed planning unit. Now that the Capacity Study and the reports of the Commission on

² Commission on International Development, *Partners in Development* (Praeger Publishers, Inc., New York, 1969).

International Development and the Committee for Development Planning³ had been submitted, it might be better to start applying the recommendations which had been adopted rather than undertaking further studies. The new machinery should be strictly practical and more attention should be paid to achieving specific results than to over-ambitious programmes. It should also be noted that the problems were qualitative as well as quantitative. He welcomed the statement by the President of IBRD⁴ concerning co-operation between the Bank and UNDP; the rationalization of international effort was vital and Australia had always favoured a judicious division of labour at all levels.

50. In conclusion, he thanked UNDP for the assistance it had given to the Australian Government in the dependent Territories under its administration and he looked forward to an increase in that co-operation in the future.

51. Mr. FRANZI (Italy) congratulated the Governing Council of UNDP which had devoted a great deal of time to the consideration of the Capacity Study. Many of the recommendations adopted were useful guidelines for the future and it was encouraging to note that at the recent Pledging Conference forty countries had stated their intention of increasing their assistance.

³ Towards an Accelerated Development (United Nations publication, Sales No. E.70.II.A.2).

⁴ See *Official Records of the Economic and Social Council, Resumed Forty-ninth Session, 1730th meeting.*

52. Nevertheless, as other delegations had stated, more detailed information would be welcome. His delegation regretted that it had been unable to obtain adequate information on certain decisions, and in particular on the work of the Inter-Agency Consultative Board. Moreover, some criticism had been voiced, particularly with regard to delays in project execution. Existing methods of recruiting experts did not seem to be very satisfactory and his delegation had already made some suggestions in that connexion based on the experience acquired by Italy. Furthermore, a panel of experts had been established to advise the Administrator, without the principal organs being consulted. From the scanty information at his delegation's disposal, there was reason to wonder whether, in view of their other obligations, those experts could give the Administrator more effective assistance than that provided by his own colleagues, who numbered about 200 and included a number of high-level personnel. In any event, the panel should not have been established until the competent organs had given their views on the matter.

53. In conclusion, he said that, following the decision to take collective action to help Peru (see E/4884/Rev.1, para. 175), the Italian Government had considerably increased its contribution to UNDP. It hoped that as a result of that additional assistance, the Governing Council would soon be able to adopt a series of projects to assist that country.

The meeting rose at 1.10 p.m.