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> UNITED NATIONS SURVEY PROGRAMME FOR THE DEVELOPMENT OF NATURAL RESOURCES

Additional Note by the Secretary-General

1. This note is presented with reference to a number of questions raised in the first four meetings of the <u>Ad Hoc</u> Committee and in the hope that it will facilitate the further discussions in the Committee. It briefly recapitulates the purposes and scope of the survey programme before turning to the initiation of preparatory work, analysis of the programme and assessment of ways and means of financing it as called for in the terms of reference of the Committee.

Recapitulation of the purposes and scope of the survey programme

2. The substance of the surveys has been studied in considerable detail by three expert groups of consultants and worked out by them in reports included in document E/4302. The Secretary-General has accepted their recommendations and the Economic and Social Council, in resolution 1218 (XLII), approved "the broad outlines of the survey programme as formulated by the three groups of consultants as a basis for a long-term survey programme in the field of natural resources".

a. The Mineral Resources Survey

3. This survey is designed to be a regional mineral resources analysis covering all developing countries "as a basis for identifying opportunities and needs for resource development". The group of consultants on minerals has defined the

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meaning of their proposed mineral resources analysis as follows: "by regional mineral resources analysis, the consultants, here and in the following text, mean compilation and analysis of information, intended for economic development action rather than a mere physical or scientific inventory. It will be designed on a geographic basis, determined primarily by economic and geologic characteristics and approached in the first instance on a country basis. The word 'regional', therefore, used in this economic-geographic-geologic sense, does not have the same meaning in the designations of some United Nations bodies". The mineral resources programme "would have as its prime objective the identification of existing and potential opportunities for mineral rescurce exploration and development in the developing countries - opportunities that might be followed up by governmental or private organizations, or by United Nations organizations through various means, including Special Fund projects". Furthermore, the survey would cover all non-fuel mineral resource surveys of economic significance both metallic and non-metallic. The survey should also include the economic potential of abandoned mines as well as favourable ground in off-shore areas. The consultants have proposed a four-step programme, namely, "(1) preliminary collection and evaluation of data including efforts to enlist aid in compilation by other public and private organizations; (2) country visits; (3) analysis of data for purposes of further developmentoriented action; and (4) publication".

b. The Water Resources Survey

4. The group of consultants on water resources have suggested that the survey on water needs and water resources in potentially water-short developing countries and the survey of the potential for development of international rivers should be separated though both surveys should be carried out by the same administration and field visits should be combined where feasible. The purpose of both surveys should be: (a) to achieve a systematic compilation and analysis of available information; (b) to assess over-all availabilities and needs; (c) to examine matters of water policy, institutions, technical manpower needs, training programmes, and research; (d) to identify gaps and (e) to recommend, where possible, measures for improvement and for possibilities of further water resource development.

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5. In the survey for water-short areas, water shortages are classified as: (a) physical water shortage; (b) economic water shortage; and (c) apparent water shortage. The needs of water should include: "(a) domestic and municipal water supply; (b) industrial; (c) livestock; (d) irrigation; (e) power generation; (f) water transport; (g) water quality control; and (h) tourism and recreation". The assessment of availabilities of feasible and economic development of water resources should include: "(a) surface; (b) inter-basin transfers; (c) underground supplies; and (d) desalination". The countries to be included in the survey of potentially water-short areas should be determined by the United Nations after detailed bibliographical and other research.

6. In the case of international river basins, the surveys might include proposals with regard to further data collection, co-operation among countries and possibilities of common action. The group of consultants has suggested that "significant research should not be undertaken in advance of the time that watershort areas and international river basins to be surveyed have been well defined and concurred in host countries".

c. The Energy Resources Survey

7. The group of consultants in the field of energy has recommended an energy survey which would consist of "(a) the identification of needs and opportunities for increased energy resource exploration development and utilization in developing countries and geographically coherent regions; and (b) formulation and recommendations for further action that will help increase the availability of energy". The energy survey will focus "on the analysis of available information rather than the acquisition of new field data, the programme proposed will utilize information primarily collected and analysed by others, but field visits to obtain geologic, technical and economic information, and to discuss problems with local authorities, will be an integral part of the programme". Emphasis will be placed on problems and possibilities of electrification and on resources for which there may have been little earlier interest and little published information such as geothermal energy and oil shale in many countries and in some others such as oil, gas, coal, lignite, tar sands and hydropower. The survey is proposed to cover all those countries in need of energy development and should be started with a data gathering and analysis stage.

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8. The preceding summary of the main elements of the three parts of the natural resources survey programme show that within certain limits the three components of the surveys are all directed to the same purposes, namely, to systematize and analyse resource knowledge and to bring out opportunities for development where opportunities or needs exist. Work on each of the surveys will start with a detailed assessment of existing information to be followed by field visits, by analysis of the results and by publication.

Initiation of preparatory work

9. The Economic and Social Council in resolution 1218 (XLII) has requested the Secretary-General "to initiate preparatory work for the execution of the survey programme to the extent that funds from various sources, including the United Nations Development Programme, permit, drawing upon the data available from Member States of the United Nations and from the United Nations system of organizations".

10. When adopting the resolution, the Council had before it a statement of financial implications (E/AC.6/L.358/Rev.1/Add.1) making clear that a sum of \$146,000 would be the minimum cost involved in undertaking the preparatory work in the initial year.

11. In the absence of any further development, for lack of the minimum sum so far, the Secretary-General has been unable to present a progress report on the substantive preparatory work envisaged to the present session of the <u>Ad Hoc</u> Committee. The latter is therefore unfortunately handicapped in carrying out sub-paragraph (a) of its terms of reference at the present time.

Analysis of the programme and assessment of the ways and means of financing it

12. The other two parts of the terms of reference of the <u>Ad Hoc</u> Committee call for an analysis of the programme and assessment of the ways and means of financing. 13. As the Committee will recall from the Secretary-General's earlier report (E/4302, para. 36), "the crucial question is now the financing".

14. It may be relevant to recapitulate the present state of financial resources that are prospectively available for the natural resources survey programme. In addition to the United Nations Development Programme offer mentioned below and to the expected contribution of \$146,000 from the regular budget of the United Nations,

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there is a cash offer by the Government of Iran of \$10,000 per year for five years. As regards contribution in kind, there is also an offer by the Government of Italy for an expert in geothermal energy for a period of two years. Other Governments which have in broad terms indicated their willingness to make contributions in kind or laboratory services, have not yet informed the Secretary-General of their specific offer.

15. The offer of the Administrator of the United Nations Development Programme is reported on separately to the <u>Ad Hoc</u> Committee (E/AC.55/2). While the Administrator has offered to recommend to the Governing Council approval of assistance at least for an initial period and a limited survey, a question has arisen - on which the Secretary-General has no suggestion at this time - as to how to obtain funds for counterpart contributions in view of the offer of the Administrator to agree "to the use of voluntary funds, such as may be pledged for the survey programme, in lieu of counterpart contributions".

16. The Committee may find it useful to consider further implementation of the survey programme in terms of a limited survey with UNDP assistance and concurrent preparatory work for the global survey.

a. Limited survey with UNDP assistance

17. The Administrator of the United Nations Development Programme in his letter dated 28 August 1967 (E/AC.55/2, annex II) stated that "we envisage that preliminary survey work might start early in 1968 with an allocation for 'preliminary operations' to be approved by the Governing Council at its session in January 1968. This preliminary work would be restricted at the beginning to one area covering a limited number of countries".

18. The Secretariat has carried out preliminary estimates of the cost of a limited survey covering five countries. The results indicated that such a survey extending over two years and covering all the three components would cost about \$520,000. Consequently, if the Governing Council of the United Nations Development Programme in its meeting in January 1968 would feel it possible to allocate \$500,000 for such a two-year survey and, if the <u>Ad Hoc</u> Committee would be prepared to recommend acceptance of this offer including a solution to the cost of counterpart contributions, the limited survey could then start late in 1968.

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19. Among the considerations, and there are many, which might be taken into account in the selection of the five countries for the first limited survey, the Secretary-General feels that priority might perhaps be given to countries with a so far limited potential for development such as arid or semi-arid countries. It is in such countries that survey results, if favourable, may be of early and basic significance. Moreover, as in such countries the lack of water resources is one of the priority problems, no difficulty would arise in combining all the three components in the surveys of such countries.

b. Concurrent preparatory work for the global survey

20. The first survey for a limited number of countries would be akin to a regional Special Fund project, and as such contribute a part to the survey programme without however being a substitute for it. While drawing on the experience with the limited survey, it is envisaged that Member Governments would wish the Secretary-General to continue concurrently with preparatory work for the world-wide survey of developing countries pursuant to the Council's approval of "the broad outlines of the survey programme". This preparatory work presumably would have to be financed from other than UNDP resources.

21. In this connexion, the <u>Ad Hoc</u> Committee may recall the statement of financial implications mentioned above and the recommendation of the Council "that the General Assembly review at its twenty-second session the financing arrangements for initiating the preparatory work for the execution of the survey programme in the light of the voluntary contributions that may be made available or pledged, and to provide funds, as appropriate, from the regular budget of the United Nations for 1968, to meet the administrative costs of initiating the preparatory work".

Conclusion

22. Summarizing, it is felt that the <u>Ad Hoc</u> Committee may want to give priority to decisions on the means of financing the survey programme so as to enable the General Assembly and the Economic and Social Council, at its resumed forty-third session, to consider further action, both as regards the broad preparatory work and to provide a basis of action for the Administrator of the UNDP and the Governing Council in January 1968 as regards a limited survey.