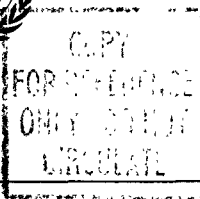


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SECOND COMMITTEE
53rd meeting
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at 3 p.m.
New York

SUMMARY RECORD OF THE 53rd MEETING

Chairman: Mr. DIETZE (German Democratic Republic)

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The meeting was called to order at 3.45 p.m.

ORGANIZATION OF WORK

1. Mr. GIBSON (New Zealand) speaking in his capacity as Vice-Chairman of the Committee, said that delegations, bearing in mind the deadlines established by the Chairman, had actively endeavoured to reach a consensus on the draft resolutions with financial implications in the course of informal consultations. In particular, they had been able to draw up a new version of draft resolution A/C.2/38/L.16, which appeared in document A/C.2/38/L.91. Some delegations wished to consult their Governments about the new text and requested that the Chairman accord them extra time for that purpose.
2. Draft resolutions A/C.2/38/L.12 and L.13, concerning industrial development co-operation and the conversion of UNIDO into a specialized agency, and draft resolution A/C.2/38/L.74 concerning the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, had also been the subject of intensive negotiations. However, some delegations wished to be accorded additional time in order to be able to join the consensus which was emerging.
3. MR. ZIADA (Iraq), speaking in his capacity as Vice-Chairman of the Committee, requested the Chairman, on behalf of delegations, to extend the deadline within which the Committee had to decide upon draft resolutions A/C.2/38/L.30 (Transport and Communications Decade in Africa), L.35 (Development of the energy resources of developing countries); and L.47 (United Nations Institute for Training and Research), so that a consensus could be achieved.
4. Mrs. MORENO (Mexico), speaking on behalf of the Group of 77, requested the Chairman to extend the deadline for the submission of draft resolutions concerning operational activities, monetary and financial questions, and science and technology.
5. Mr. FAREED (Pakistan) drew the Committee's attention to document A/38/566 (United Nations Emergency Operation Trust Fund) which had just been circulated and said that additional time would be needed if a decision was to be taken in that respect within the context of the consideration of item 78.
6. The CHAIRMAN said that strict deadlines had been established by the President of the General Assembly. He had been consulted, however, and it would be possible to accede to the requests made.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

Draft resolution A/C.2/38/L.28/Rev.2

7. Mr. FAREED (Pakistan) introduced draft resolution entitled "Protection against products harmful to health and the environment", which was the result of consensus. He wished to note that it was understood that, when drawing up the reports requested in that resolution, the Secretary-General would consult other institutions of the United Nations system, as agreed during informal consultations.

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8. The CHAIRMAN said that, if there was no objection, he would take it that draft resolution A/C.2/38/L.28/Rev.2 was adopted.

9. It was so decided.

10. Mr. MILLER (United States of America) said that his Government had participated actively in the negotiations on the draft resolution and welcomed the spirit of conciliation and compromise which had produced a consensus. At the previous session, the United States had opposed the adoption of General Assembly resolution 37/137 providing for the preparation of a consolidated list of products whose consumption and/or sale had been banned or restricted by Governments partly because of the financial implications involved for the United Nations in drawing up such a list and also because it had serious doubts about the practical value of such a list. His Government had sent two notes to the Secretary-General on that subject. Although the General Assembly had adopted resolution 37/137, by 146 votes to 1, a large number of countries, when replying to the Secretary-General's questionnaire, seemed to have realized that the preparation of the list gave rise to considerable problems. They had probably noted in turn that the list was likely to be uninformative or misleading, and that probably accounted for the small number of replies.

11. His Government fully supported the General Assembly's concerns in that respect. It believed that Member States, and particularly developing countries, should have detailed information regarding products that could be harmful to health or the environment. His Government made public more information on the subject than did any other country, on a bilateral and a multilateral basis. However, it was not convinced that the process envisaged in General Assembly resolution 37/137 was the best way of achieving the goals sought. It did not believe that enough attention had been given to information systems in other international agencies which could be augmented or improved in order to provide more accurate information. Moreover, Member States and experts should be able to discuss among themselves the various approaches which Governments could take in reporting on their regulatory actions, so that the list would be objective and truly informative. Thus his delegation attached particular importance to the review process envisaged in paragraph 7 of draft resolution A/C.2/38/L.28/Rev.2.

12. The United States continued to have reservations about paragraph 6 of the draft resolution concerning co-operation with non-governmental organizations. The list called for in General Assembly resolution 37/137 related to products controlled by Governments and therefore concerned only the Secretary-General and Member States. Questions relating to the drawing up of the list should be addressed to the appropriate government authorities and the information in the list should clearly be based only on official sources.

13. In sum, the United States supported the consensus that had been achieved on the draft resolution, but maintained its reservations about the process which had been begun at the thirty-seventh session of the General Assembly. The subject deserved serious consideration on the part of all Member States. It was gratifying to note that draft resolution A/C.2/38/L.28/Rev.2 left room for improvements and the possibility of new approaches.

14. Mr. PLECHKO (Union of Soviet Socialist Republics) said that his delegation had supported the draft resolution concerning protection against hazardous substances because the question was of considerable practical interest to developing countries and the USSR attached great importance to it. In accordance with General Assembly resolution 37/137, his Government had already sent the Secretary-General a list of chemical products that were banned in the Soviet Union. It remained to be hoped that a full list of harmful products, particularly chemical and pharmaceutical products, and of their exporters, would be drawn up as rapidly as possible.

15. Unfortunately the work of the United Nations in that important field had been hampered by the efforts made by certain western countries to protect their transnational corporations which sold prohibited products, which they knew to be harmful, to developing countries. It was those practices of transnational corporations which essentially caused the problem. A solution must be found with the active assistance of the United Nations Centre on Transnational Corporations, as envisaged in resolution 37/137. So far, the Centre had not participated in the activities of other institutions of the system in that respect. The draft resolution just adopted should serve a useful purpose, in the interests of developing countries.

16. Mr. SEVAN (Secretary of the Committee) pointed out that the Ivory Coast had joined the sponsors of draft resolutions A/C.2/38/L.28/Rev.2 and A/C.2/38/L.4.

17. Mr. DON NANJIRA (Kenya) pointed out that, in the voting on draft resolution A/C.2/38/L.69/Rev.1, his delegation had been recorded as absent whereas in fact it had voted against the proposed amendment and in favour of keeping paragraph 8. He requested that the record be corrected.

AGENDA ITEM 79: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (continued)

(e) UNITED NATIONS VOLUNTEERS PROGRAMME

Draft resolution A/C.2/38/L.95

18. Mr. BHANDARI (Bhutan) announced that Australia, Lebanon, Pakistan, Philippines and the Sudan had joined the sponsors listed in document A/C.2/38/L.95. The General Assembly had established the United Nations Volunteers programme under resolution 2659 (XXV), because it was convinced that voluntary service could make a substantial contribution to the success of development assistance by the provision of an additional source of trained manpower. The programme had developed over the years and now covered 1,000 volunteers recruited from over 75 countries, both developed and developing, in 90 developing countries. The volunteers, often highly motivated people, were used as middle management and co-operated actively in the development of the countries to which they were assigned. The sponsors hoped that the draft resolution would be adopted by consensus.

(g) UNITED NATIONS CHILDREN'S FUND

Draft resolution A/C.2/38/L.93

19. Mr. DE ROJAS (Venezuela) announced that the Ivory Coast, Nigeria and Togo had joined the sponsors listed in the document under consideration. He drew attention to the role UNICEF played through its relief operations, which made it possible to save many children, and through its work in the "silent emergency" which affected millions of children who were neglected and in a critical condition because of poverty and the results of underdevelopment. He asked the Committee to adopt the draft resolution by consensus.

(h) WORLD FOOD PROGRAMME

Draft resolution A/C.2/38/L.7

20. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to adopt draft resolution A/C.2/38/L.7 entitled "Target for World Food Programme pledges for the period 1985-1986".

20a. It was so decided.

21. Mr. SAAD (Egypt), like many previous speakers on the item, drew attention to the importance of operational activities and to the encouraging results of the recent pledging conference; consideration of the difficulties facing the system should be aimed at reaching a common understanding on possible solutions to the financial difficulties.

22. Recalling some basic points, he said that, in terms of principles, objectives and scope, multilateral co-operation differed from bilateral co-operation. In order to achieve the objectives set for it in the Charter multilateral co-operation must be independent. The partnership of the developing countries in international relations was a reality which involved rights and duties. The changing development requirements of the developing countries called for concomitant adaptation of technical assistance. The increasing capabilities of developing countries, particularly in terms of trained personnel, must be accompanied by increased participation of their experts and technicians in multilateral co-operation activities. The increasing technical co-operation among countries of the south and the positive impact of international support on such co-operation could only lead to healthier relations between north and south. The United Nations system was a significant instrument in translating the principles on which multilateral co-operation was based into action; accordingly, it must be made as effective as possible based on a consensus that respected the views and concerns of all Member States.

23. His delegation had studied the report of the Director-General with interest; it disagreed with some of the ideas and approaches contained in it. On the subject of mobilization of resources, the report dealt only superficially with the causes

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of the erosion of resources. In his view, that erosion, was a result of - and not the reason for - the current difficulties. In that connection he drew attention to certain contradictions between paragraphs 93 and 96 of document A/38/258. The former suggested that consideration be given to a better balance between stability and assuredness in contributions at an agreed target level but with a greater degree of political commitment to the attainment of the desired levels; the latter suggested that targets should reflect agreement and not anticipate it. While the first suggestion indicated that failure to attain targets was due to lack of political commitment, the second could be interpreted as a justification for that lack of political commitment. It should be recalled that, in the past, some donor countries had used that argument to justify their smaller contributions.

24. The mechanism of consultations among donors, recipients and the organizations participating in the pledging conference in order to seek a distribution of resources among programmes in a manner that reflected the priorities of the developing countries (para. 98 of the report) was neither practical nor sound. It could allow for discrimination among organizations and consequently raised strong doubts regarding the possibility of reflecting the priorities of developing countries rather than the preferences of donors. That was confirmed in paragraph 100 which stated that some of the new modalities for financing technical co-operation enabled donors to exercise a greater degree of involvement in the selection of countries and projects and in the utilization of resources provided by them for the procurement of goods and services. Such an attitude violated the principle on which multilateral co-operation was based and could seriously jeopardize the entire system.

25. He expressed grave concern at the growing tendency to provide tied aid. It was obvious that the donors were interested in getting the most for their contributions; however, that in no way justified imposing conditions on their aid. He therefore welcomed the proposal that a periodic review be held of overall trends to monitor the distribution of resources and to determine if they corresponded to the needs of developing countries as well as to the overall strategies and priorities set by the General Assembly and Economic and Social Council. It would be worth checking, at the same time, whether the principles embodied in the Charter were being observed.

26. In order to pursue the effort on a sound basis account must be taken of the concerns of all countries. The new system of consultations established by UNDP could restore the Programme's funding on a more predictable and assured basis.

27. The success of the operational activities system could be measured by the system's ability to achieve its objectives over time at lower cost without sacrificing quality. Experience showed that the participation of national personnel in the implementation of projects was a major factor in that regard, as was the participation of nationals belonging to the international body of experts provided by the organizations of the system. Those organizations should give due consideration to that point when drawing up their policies and programmes. Needless to say, training and its multiple effects were an important element in

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that regard. In any event, he strongly recommended that the policy of using experts from developing countries in the system's technical assistance projects and programmes should be broadened. In the medium and long terms, such a policy would entail savings that would benefit projects and would make technical assistance more responsive to changing needs. In that connection, the execution of some projects by Governments was another logical way of promoting technical assistance and achieving the best possible utilization of resources. Some international organizations were known to oppose that policy. While appreciating their concerns he assured them that, if the policy was established on a sound basis, it could only promote the ultimate goal of technical co-operation, which was the fostering of self-reliance so that countries could manage their own development according to their national priorities.

28. Evaluation of the effectiveness of the system's operational activities had become the subject of long discussions and continued to give rise to controversy. Guidelines should be established: the nature of the evaluation process should remain technical and aim at ensuring the high quality of operational activities carried out in the developing countries. A clear distinction should be drawn between the responsibility of the Governments of recipient countries in monitoring and evaluating projects financed by the United Nations system and the responsibility of the governing bodies of the organizations concerned in monitoring project execution. The identification of priority areas in which assistance was required was the sole responsibility of Governments; evaluation should not influence the choices made and should not be a precondition for the provision of external resources. More must therefore be done to help recipient countries strengthen their evaluation capacities; in that way, development administration and programme effectiveness would be improved. At the same time, the Organization must improve its own evaluation system for the sake of rationalization and effectiveness. That two-fold effort must result in a harmonization and co-ordination of activities in order to avoid duplication of effort. Finally, the evaluation process should be viewed within a broad perspective that took into account the interaction between projects and programmes carried out in various sectors. The efforts of UNDP, ACC and JIU in the area of evaluation were being followed with interest.

29. His delegation had studied with care the report of the Department of Technical Co-operation for Development. While it would have preferred the analyses presented to have been supported by more statistical information, it had nevertheless been able to gain a relatively clear picture of the activities carried out, and it welcomed the high programme-delivery rate. In that connection, his delegation believed that the two major principles on which the Department's policy was clearly based should be highlighted: increasing reliance on national capabilities in project execution and the deliberate involvement of Governments in project management and execution. That approach greatly helped in integrating the technical co-operation activities of the United Nations system into national, subregional and regional plans and programmes and facilitated the rationalization of procedures in a spirit of economy.

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30. For the first time since the Department had been established, the Department's growth was threatened. In view of the implications of that situation for the developing countries, he proposed a three-pronged series of measures: the executing capacity of the Department as a United Nations body having special capabilities, competence and experience in the field of operational activities should be strengthened; co-ordination measures should be taken to avoid duplication of effort throughout the system in those areas in which the Department was directly involved, and the functions of funding and executing agencies should be redefined; finally, all possible steps should be taken to find solutions to deal with the lack of resources, on the understanding that the Department would also seek to reduce its administrative costs while ensuring that the effectiveness and efficiency of its activities were not affected.

31. Mr. TEP (Democratic Kampuchea) said that, despite the serious concern of the international community and the developing countries, particularly with regard to the stagnation and decline in contributions to United Nations funds and programmes, and the stirring calls to donor countries to increase their contributions in a substantial, continuous and assured way, the agencies of the United Nations system were currently suffering from an alarming crisis with regard to their financing. Since 1979, United Nations funds and programmes had shown virtually no dollar growth. Despite encouraging signs at the recent United Nations Pledging Conference for Development Activities, the level of financing set by the relevant intergovernmental bodies to allow an adequate response to the needs of developing countries was far from being reached. That crisis in financing was an impediment to the development activities carried out by United Nations organizations, particularly UNDP, and had caused some projects and programmes to be abandoned. Nevertheless, the crisis was only one manifestation of the overall weakening of multilateral economic co-operation in all major sectors. The slow pace at which the International Development Strategy was being implemented and the disappointing outcome of the sixth session of UNCTAD sufficed to illustrate that tragic situation. The developing countries, which were not only suffering the effects of the world economic crisis but were also losing the support which they had been receiving from United Nations funds and programmes, were bearing the brunt of the crisis. The crisis had also diminished the capacity and effectiveness of international co-operation, one of the key elements enabling developing countries to achieve collective self-sufficiency in the context of South-South co-operation, and affected economic co-operation among those countries.

32. Although his delegation acknowledged the influence of the four crisis factors referred to by the Director-General in his report (A/32/258), namely the prolonged recession, constraints in public expenditure programmes, the desire to ensure that the aid portion of such expenditure programmes played its full role in promoting export opportunities and domestic employment benefits in donor countries and donors, perceptions of the efficiency of the system's operations, it believed that the international community's economic difficulties represented too great a burden. The crisis affecting operational activities could not, therefore, be solved in isolation, since it was related to the overall deterioration in international economic relations and to the very structures of the world economy.

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In that connection, his delegation hoped that the General Assembly would renew its efforts during the current session to see that global negotiations were launched without delay. In the meantime, a number of measures must be taken to meet the immediate needs of the developing countries, and the Director-General's report (A/38/258 and Add. 1) provided a solid foundation in that respect.

33. With regard to the mobilization of resources, his delegation welcomed the efforts of the governing bodies of the United Nations system to mobilize increased resources for operational activities for development on a more predictable, continuous and assured basis. The establishment of the Intersessional Committee of the Whole by the UNDP Governing Council was of crucial importance, as the Committee could formulate meaningful proposals for increasing the predictability of contributions.

34. In the current situation, the search for maximum operational efficiency and the reduction of administrative and overhead expenses were praiseworthy efforts. Although the efficiency and cost effectiveness of activities were, to a large extent, determined by the will and capacity of recipient countries, the strengthening of evaluation systems within organizations should be pursued. Neither the United Nations system nor donor and recipient States had adequate information on the effectiveness and the results of activities. The very considerable efforts made by UNDP and the Department of Technical Co-operation for Development, particularly in reducing administrative expenses, were but a first step. One wondered, for example, whether the services of the kind of experts to whom the agencies had had recourse over the previous 20 years should continue to be relied upon. His delegation supported the use of qualified national personnel, not only because that would reduce expenditure on the services of experts but also because it would assist in developing the capacities of recipient countries, which were suffering from a brain drain as a result of foreign aggression and invasion.

35. Much remained to be done to correct that negative trend which, if not reversed, would undermine the authority of the United Nations system. However, his delegation was comforted by the fact that, at the most recent United Nations Pledging Conference for Development Activities, so many developed and developing countries had demonstrated their confidence in the United Nations system and their determination to work together to fill existing gaps and overcome obstacles.

36. The successful implementation of operational activities was rendered even more difficult by foreign invasion and occupation, and that was the situation which Democratic Kampuchea had been in over the previous five years. His country, the victim of a veritable war of racial extermination, had lost not only the development aid which should have been forthcoming from the United Nations system but also much of what had been acquired over several generations. The authorities in Hanoi, who had long dreamed of absorbing Democratic Kampuchea into an "Indo-Chinese Federation", had engaged more than 200,000 soldiers in his country and were carrying out a policy of Vietnamization which was preventing the people of Democratic Kampuchea from meeting even their daily subsistence requirements. The

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war impeded the development of all the peoples of the region, as well as of the people of Viet Nam itself, whose current economic and financial situation was disastrous. More than a million men and women had been mobilized and almost all national resources were absorbed by the war effort. Millions of Vietnamese suffered from a serious food crisis which had led hundreds of thousands of them to take to the sea at the risk of their lives. Against such a background, it might be asked whether a Government which was more concerned with invading its neighbours than with fulfilling the needs of its own population in disregard of the provisions of the United Nations Charter deserved to receive United Nations technical and economic assistance. It should not be forgotten that between 1975 and 1978, Viet Nam had received assistance totalling \$9 billion from the international community, with more than one third of that aid provided by Western European countries and international organizations. Unfortunately, that aid had been used not to improve the living conditions of the people of Viet Nam but to prepare for a full-scale war against Democratic Kampuchea. To provide aid and assistance to Viet Nam was tantamount to encouraging the authorities in Hanoi in their expansionist aims or at least tolerating the crimes which they were committing against the people of Democratic Kampuchea, as well as prolonging the unspeakable sufferings of the peoples of Democratic Kampuchea and Viet Nam. Unless an end was put to that policy of regional aggression, those peoples would never enjoy peace and security, nor would they be able to take advantage of the technical and economic assistance provided to ensure their economic development.

37. The time had come to force the authorities in Hanoi to comply with the relevant resolutions of the General Assembly and to withdraw their troops from Democratic Kampuchea. Only after such a withdrawal could peace be restored and the peoples of Democratic Kampuchea and Viet Nam live together as neighbours and devote themselves to building a future of their own choice. For its part, the drained and destitute people of Democratic Kampuchea would need bilateral and multilateral assistance in every sphere. It would co-operate fully with all competent agencies in the system to reconstruct its country and to be able to take advantage of modern scientific and technical progress, like all other peoples of the world.

38. Mr. PIRSON (Belgium) emphasized the importance of the principles contained in General Assembly resolution 32/197 in relation to operational activities for development. On the basis of those principles, his country wished to make a number of suggestions on the role of the United Nations system in the field, the objective being to assist recipient countries in making optimum use of their human, financial and natural resources.

39. The General Assembly, by resolution 32/197, had created the post of Director-General for Development and International Economic Co-operation and had mandated the holder of that post to ensure overall co-ordination of the operational activities of the United Nations system and their efficient management within the Organization. The Belgian Government had supported the execution of that mandate from the outset, although it could not be said that the intersecretariat machinery had evinced the same concern. The text of the Director-General's report (A/38/258 and Add.1) seemed to indicate that little progress had been achieved since the

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adoption of the resolution. The recommendations of the Ad Hoc Committee on the Restructuring of the Economic and Social Sectors of the United Nations System which appeared in paragraphs 33 and 34 of the annex to the above-mentioned resolution had not been implemented. A reading of the report (paras. 141-152) revealed that there was no question of integrating contributions from the system at the country level. Special emphasis had been placed on the strengthening of inter-agency co-ordination and collaboration to ensure greater coherence of action at the country level. Some of the measures referred to, for example the preparation of an annual country evaluation report, would enable real progress to be made towards a unified approach. That goal was still far from being achieved.

40. Some organizations had not even reached the stage of exchanging information on projects at the country level. In that connection, his delegation was in no way criticizing the Director-General or the governing bodies of the system. The latter had welcomed the recommendation contained in paragraph 34 of the annex to General Assembly resolution 32/197 according to which overall responsibility for and co-ordination of operational activities should be entrusted to a single official. In fact, it was the secretariats of the United Nations organs and other institutions in the system which were reluctant to have real co-ordination in the field. It was those agencies, however, which had all the necessary data: very large sums of money had been spent on the establishment of data systems.

41. It was therefore essential for practical and immediate measures to be taken to ensure substantive inter-agency co-ordination in the field and, if recipient countries so desired, to have data bases at the country level include imports from other institutions not belonging to the United Nations system, bilateral assistance programmes and, in short, everything that could enable the parties concerned to make optimum use of the resources at their disposal. The establishment of an overall data base would also facilitate the holding of the round-table conferences recommended for a number of least developed countries. The Administrative Committee on Co-ordination must therefore act. Moreover, resident co-ordinators should be appointed on the basis of the provisions of General Assembly resolution 32/197, namely taking account of the sectors of particular interest to the countries concerned. The observation made before the Second Committee by the representative of a specialized agency in that connection was quite appropriate.

42. In order to establish a coherent set of general guidelines based on the changing needs of developing countries, the United Nations system, in the absence of the single governing body recommended by the General Assembly, should have a central intergovernmental forum. Such a forum should bring together officials of Member States at a high level at least every three years. It could be organized within the framework of the General Assembly, at the plenary or Second Committee level, and the Director-General for Development and International Economic Co-operation could be entrusted with the preparation of the work as part of the triennial review of operational activities. All relevant organs and institutions of the United Nations system could participate in the forum.

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43. The report of the Director-General showed that the volume of operational activities had greatly increased over the years. However, donor States had only a very limited right of inspection with regard to the use of resources and the elaboration of programmes. The fact that the organizations of the system no longer enjoyed a growth in resources equivalent to the growth of the total amount of official development assistance could perhaps be attributed, in part, to that situation.

44. A forum of the kind envisaged would make it possible to demonstrate the effectiveness of operational activities to the ministers concerned and to examine problems of a more general nature, such as the causes of the decline or erosion of multilateralism, the systematic use of evaluation as a management tool, the role of central technical-assistance mechanisms, and the various roles of the agencies and institutions of the system.

45. At the close of each session, the forum could recommend to UNDP, which must retain a central role, as well as to other United Nations bodies and the intergovernmental bodies of the specialized agencies, any measures to improve the functioning of operational activities.

46. The mobilization of increased resources on a predictable, continuous and assured basis was another of the objectives of the restructuring resolution. Belgium's official development assistance would reach 0.62 per cent of its GNP in 1983, a figure close to the established goal of 0.7 per cent of GNP. Such assistance had increased by almost 40 per cent in five years, and over the past three years the part devoted to multilateral programmes had been greatly increased. Moreover, Belgium had just established a survival fund for the third world, which had the goal of helping to ensure the survival of people threatened by hunger, malnutrition and underdevelopment in the most severely affected countries.

47. Although for the world as a whole, the total amount of official development assistance had increased by 25 per cent in current dollars over the past four years, the resources of the programmes and funds covered by the United Nations Pledging Conference for Development Activities had increased by only 15 per cent. In 1982 there had been stagnation in terms of real value and the recent Conference had not reversed that trend because of the economic situation and fluctuations in exchange rates. It was therefore necessary, first of all, that those developed States which did not belong to the Development Assistance Committee of OECD should be asked to participate more fully in meeting the cost of operational activities. Secondly, the goal of an annual increase of 14 per cent in contributions to UNDP, which had been too ambitious, should be abandoned, and programmes should be prepared on a more realistic basis. Thirdly, too great a tendency towards tied assistance, which was often a disguised form of bilateral assistance, should be avoided, for otherwise there was a danger of changing the very character of the multilateral institutions. Fourthly, the central funding and co-ordinating role of UNDP in technical co-operation activities should be strengthened. Lastly, an effort should be made to increase effectiveness and, to that end, to rationalize activities and reduce costs. That was another important objective of the restructuring measures, particularly at a time of economic crisis.

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48. In spite of the efforts of the Joint Inspection Unit, the system was scarcely beginning to carry out an evaluation of at least some degree of seriousness of programme effectiveness. In general, States were badly informed of the facts. For years, institutions had postponed the compilation of a common computerized register of operational activities. The General Assembly and the Economic and Social Council had requested the Administrative Committee on Co-ordination to take action to that end. It was essential to collect standardized data on programmes and projects, indicating fields covered, persons employed, capital expenditure, results obtained and the like.

49. Projects should include some indicators of results, making it possible to reach a summary evaluation of their impact. Such internal evaluation should be combined systematic external evaluation exercises which would be less frequent because they would apply only to selected projects. Only such dual evaluation would make it possible to ensure the effectiveness of operational activities. In that regard, his delegation noted with pleasure that UNDP had recently established a central evaluation unit.

50. Under such an analysis, it seemed logical to propose the creation of an intergovernmental committee to be entrusted with evaluating operational activities. It would be an external evaluation to which the Joint Inspection Unit, in particular, could contribute from time to time. Such a committee, which would include senior members of the governing bodies of the specialized agencies and experts from donor States and recipient States, could take the form of a consultative group to an existing body, such as the Economic and Social Council, the General Assembly or the Second Committee. His delegation shared the feeling expressed by the representative of Canada that the system might prove its effectiveness but that evaluation must be genuine. When programmes did not attain their objectives, it was necessary to have the courage to propose reforms and avoid any dilution of responsibilities.

51. Great efforts still remained to be made for the reduction of administrative and management expenditures. Belgium welcomed the initiatives taken in that regard by UNDP and the Department of Technical Co-operation for Development. The Department should, in a systematic manner, become the executing agent for technical co-operation projects not falling within the purview of the specialized agencies and not entrusted directly to beneficiary States.

52. The most recent information given by the Advisory Committee on Administrative and Budgetary Questions on support staff for extrabudgetary programmes was disturbing to his delegation. In 1982, there were apparently more than 23,000 officials assigned to that sector, or one official per \$100,000. That point was worth considering. Moreover, with regard to the quality, level and nature of experts, a differentiation should be made according to the degree of development of the recipient country. For very advanced countries, Belgium recommended using a consultant who assisted national experts with his advice; for less advanced countries, the use of experts from developing countries would no doubt be justified. In any case, Belgium was not convinced that service as an expert should become a semi-permanent career.

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(Mr. Pirson, Belgium)

53. In conclusion, he said that the central role of UNDP as the co-ordinating and funding body for assistance should be strengthened. At the same time, UNDP should concentrate on the general direction to be given to operational activities, supporting the efforts of the Director-General, and should entrust the executing agents with responsibility for executing projects and ensuring their follow-up in co-operation with the beneficiary States. Resources thus made available should be devoted to the evaluation of completed projects, with the co-operation of the resident co-ordinators.

54. Mr. DIECKMANN (Federal Republic of Germany) said that the item under consideration, namely, the United Nations system's operational activities for development, was of particular importance. While world economic problems were far from being resolved, most economic indicators pointed to a recovery not only in the countries of North America but also in the other OECD countries. The economic crisis had affected both the developed countries and the developing countries, and they were therefore partners in seeking means to overcome the crisis and to attain the common goal of development.

55. The economic recession had naturally had an impact on the operational activities of the United Nations system, not only with regard to the funding of those activities but also with regard to their objectives. Together, the developing and developed countries must seek the means to make the system more effective. In keeping with the title of a UNDP publication, those activities gave the impression of "unfinished business" in the sense that a great deal remained to be done in the field of operational activities, more specifically in the field of technical assistance to developing countries, and also in the sense that operational activities had to be the result of a joint effort undertaken in a spirit of partnership.

56. Multilateral and bilateral technical assistance complemented each other. In 1982, the official development assistance furnished by the Federal Republic of Germany had amounted to a record 0.48 per cent of its GNP, well above the OECD average of 0.39 per cent. Multilateral-aid contributions represented roughly 30 per cent of official development assistance. Bilateral aid to the land-locked developing countries under official development assistance had amounted to 0.12 per cent of the GNP of the Federal Republic of Germany in 1982 and had doubled since 1977. The most seriously affected countries had received concessional loans and debt relief had been extended to 20 of the least developed countries, in accordance with UNCTAD resolution 165 (S-IX). Furthermore, the Federal Republic of Germany had largely met the requirements of the Substantial New Programme of Action and was striving to make further improvements in its development-aid instruments, especially by giving priority to satisfying basic needs such as food, health, housing, clothing and education, and concentrating its development co-operation on rural development, energy supply, environmental protection, training, transfer of know-how, institution-building and the promotion of trade and market access. In addition, private voluntary agencies had provided sizeable grants and flows of private capital had reached almost \$3 billion, which brought the total flow - official development assistance, private grants, and private capital flow at market terms -

(Mr. Dieckmann, Federal
Republic of Germany)

to \$7 billion net, which was equivalent to 1.06 per cent of the GNP and was thus fully in line with the target of 1 per cent recommended by international organizations.

57. But such assistance, no matter how broad, could only complement the efforts made by the developing countries themselves, which must draw up sound development policies, implement the needed social and economic reforms and remove obstacles to development by strengthening the development of rural areas and by devising - and above all, implementing - national food strategies. Experience had shown that it was equally necessary to pursue policies that provided incentives to private initiative, thus promoting the people's active co-operation in the development process.

58. The recent Pledging Conference had had varying results. Some States had expressed disappointment with the amounts pledged in dollar terms, but it should be recognized that most of the major donors had increased their contributions in their national currencies, even though that effort had been to some extent countervailed by the unfavourable dollar exchange rates. Moreover, a large number of developing countries not only had increased their contributions to the system but had made their pledges in United States dollars. Generally speaking, a positive trend had emerged from the Pledging Conference, especially in view of the global economic situation, in which immediate spectacular results could hardly be expected. It was regrettable, however, that the Eastern European countries had still made only negligible contributions to operational activities and had not changed their policies regarding payment in non-convertible currencies, which continued to accumulate within UNDP and regarding the withholding of amounts due under the regular budget of the United Nations, in particular for the Department of Technical Co-operation for Development. When the Eastern European countries had for the first time circulated some very rough figures concerning their involvement in development activities for 1982 and 1983, his delegation had asked the countries concerned for some clarifications on the figures, so that they could be compared with those of the major donors, the OECD countries. No satisfactory answers had as yet been received. Thus the figures provided by the Eastern European countries on their development assistance had not led to a fruitful dialogue. In that connection, the figures given for the Federal Republic of Germany in the press release issued by the Soviet Mission on 25 November 1983 could hardly be taken seriously since they omitted the fact that the amounts indicated by his delegation had been net amounts. Its figures had in any case been reviewed by the OECD Development Assistance Committee, which had applied the same criteria to them as to those of the other DAC members. However, the documents submitted by the Eastern European countries indicated a growing sensitivity on their part to the mounting criticism which third-world sources were also voicing concerning those countries' insufficient contribution to development. It was to be hoped that they would admit the responsibility they shared in that field.

59. On the subject of UNDP, his delegation applauded, first of all, the decision of the Governing Council to establish a Committee of the Whole for a pilot period

(Mr. Dieckmann, Federal
Republic of Germany)

of three years, which should make it possible to conduct constructive discussions on a number of items that were of great importance to UNDP. Second, the Governing Council had rightly reaffirmed the voluntary nature of the contributions to UNDP. Third, his delegation held the view that country programmes should not only classify projects by sector but also list individual projects and their costs. Fourth, it appreciated the Administrator's efforts to cut administrative expenditures and make more rational use of the limited resources available. Fifth, it noted with great concern the continuing erosion of the central co-ordinating role of UNDP owing to the increased number of representatives of the specialized agencies in the various countries in addition to the UNDP field networks. The Joint Inspection Unit should look into that question and such matters as co-ordination, funding and cost-effectiveness. The establishment of country representations by the specialized agencies at the request of the countries seemed to be at odds with the increased country support for UNDP. If their confidence in the UNDP field offices was indeed dwindling, the developing countries should put their problems before the Governing Council of UNDP, so that any shortcomings in the system might be rectified. Whatever the reasons for setting them up, the representations of specialized agencies were prejudicial to the United Nations system's operational activities for development and the co-ordinating role of UNDP.

60. His Government had been a staunch supporter of UNFPA, politically and financially, since its inception, and would continue to support it. He especially welcomed the fact that UNFPA had complied with the Governing Council's decisions, particularly with regard to priority countries and increased allocations to family-planning projects (decision 81/7). He commended the Secretary-General of the 1984 International Conference on Population for his fund-raising ability, which would ensure that the Conference would operate within its envisaged budget.

61. The Federal Republic of Germany had increased its contribution to UNICEF, by more than 20 per cent, and that would be further augmented by private contributions through the German National Committee for UNICEF.

62. The special assistance programmes for specific countries were not always fully in line with the objectives of the resolutions on which they were based. In fact, complete country programmes were being presented, rather than programmes calling for immediate action by the donor community. It was admittedly often difficult to make a distinction between emergency assistance or rehabilitation and development assistance in general, but it was also a fact that widely scattered activities could have a negative impact on actions taken by donors, and that point should be more fully discussed.

63. Mr. BELINGA (United Republic of Cameroon) said that he agreed with the main conclusions of the report of the Director-General for Development and International Economic Co-operation on the operational activities for development of the United Nations system. With regard to the priority areas calling for special attention, steps must be taken to ensure that the operational activities were constantly adjusted to the development level of the recipient countries. All interested

(Mr. Belinga, United Republic of Cameroon)

parties must be associated as fully as possible, at the national level, with the planning, implementation and evaluation of operational activities. Some countries accorded priority to large-scale projects involving a large number of experts over prolonged periods; others requested personnel for short-term missions in which high-level consultants participated, to solve specific problems; still others which already had the necessary skilled staff available locally preferred to implement projects with a minimum of outside assistance. International organizations should therefore be very flexible regarding technical assistance.

64. Moreover, such diverse demands for technical assistance could be met effectively only by a greater pooling of the technical skills available within the United Nations system. Dispersion of efforts by the various components of the system could only lead to higher costs and duplication.

65. There was reason to welcome the proposal of the Director-General to strengthen the complementarity of technical co-operation and financial assistance. The multilateral development banks and the international financial institutions could undoubtedly assist countries in absorbing and utilizing the investments made and thus increasing their effectiveness.

66. Technical co-operation among developing countries (TCDC) constituted another priority area. It was appropriate for the United Nations system, which had already done so much to promote TCDC, to participate in the definition of priorities and basic goals, concentrating on a sectoral approach better able to meet essential needs than the current method which was too dispersed.

67. With regard to mobilization of resources, he observed that the results of the most recent pledging conference showed a common determination to have the system continue its operational activities for development. Most of the participants had either attained or exceeded the 14 per cent target, or had increased their contributions in national currency or in constant terms. Nevertheless, as stated by the Director-General, the contributions had not reached the necessary level for some of the components of the United Nations system to respond adequately to the needs of developing countries. That applied, in particular, to UNDP, for which the pledges were only slightly higher, in current terms, than those of the previous year. He therefore endorsed the measures in Governing Council decision 83/5 designed to mobilize resources on an increasingly predictable, continuous and assured basis.

68. The question of mobilization of resources was closely related to that of the respective role of multilateral and bilateral assistance. In respect of official development assistance (ODA), the preparation of bilateral assistance, which had always been much greater than multilateral assistance, was steadily increasing. In view of their growing needs, every effort must be made to help developing countries to obtain assistance, regardless of its source. Nevertheless, a decline in multilateral assistance might seriously jeopardize the balance of the entire development assistance system and call into question the complementarity of

(Mr. Belinga, United Republic of Cameroon)

multilateral and bilateral assistance. If multilateral assistance were reduced, developing countries would no longer benefit from the experience accumulated by the multilateral system over more than 30 years in applying the totality of their know-how as required by national priorities. The Substantial New Programme of Action for the 1980s for the Least Developed Countries could help to mobilize the system's vast programming and technical resources in co-operation with bilateral donors and development banks.

69. To make development activities more coherent at the country level, the central role of UNDP financing and co-ordination in the area of technical co-operation should be reaffirmed and, in particular, the role of the resident co-ordinators should be strengthened in co-ordinating operational activities, for which the organizations of the United Nations system did not always hasten to provide the necessary support. Moreover, the problems of developing countries must more than ever be addressed by a multisectoral, long-term planning approach.

70. The new project design and evaluation procedures should help to improve the adjustment of technical co-operation projects to the specific needs of recipient countries, to synchronize the contribution of the various components of assistance and to ensure that they were used as effectively as possible. The employment of those new procedures should above all demonstrate the effectiveness of assistance channelled through bodies of the United Nations system and correct certain false ideas widely held by public opinion in donor countries precisely concerning the effectiveness of that assistance, ideas whose impact had much to do with the current difficult financial situation of UNDP.

71. Mr. EL HASSAN (Sudan) said that, perhaps because of the scope and complexity of its subject matter, the report of the Director-General for Development and International Economic Co-operation containing a comprehensive policy review of operational activities for development (A/38/258 and Add.1) made only indirect reference to some problems and hinted rather than stated what their solutions might be. A theme which was treated unequally in the report but was nevertheless of prime importance was that the recipient country should be the centre of gravity of multilateral or bilateral operational activities. It was that country which knew better than anyone else what its problems were and where their solution lay.

72. The idea of the full involvement of the recipient country in technical co-operation activities and the integration of those activities in national development plans was mentioned in numerous documents, for example in the UNDP consensus of 1970 and in General Assembly resolutions 3405(XXX) on new dimensions in technical co-operation and 32/197 on restructuring. But practice did not necessarily reflect those statements of policy. When donor countries, after seeing that the effectiveness, relevance and impact of programmes were not as expected, reduced their contributions to UNDP, it was generally recommended that the sources of assistance should become more involved at all stages of programme execution in the countries. The resulting message was that developing countries could not be entrusted with the management of their own development efforts. In short, it was felt necessary to take decisions for them about what was in their best interest.

(Mr. El Hassan, Sudan)

73. That, however, was not the purpose of operational activities for development. Unlike other forms of assistance, multilateral assistance was not tainted with political, commercial, ideological or other considerations. It therefore had a highly important role to play in the transfer of skills, management techniques and technology. Its value, as the Director-General stated in his report, lay in its capacity to make those tools available to recipient countries, in order that the latter, once in possession of them, could achieve operational self-reliance and provide for their own economic and social progress. United Nations bodies and the Director-General for Development and International Economic Co-operation had stressed, on a number of occasions, that such was the objective of operational activities.

74. The guidelines to be followed for giving the recipient government a more central place in United Nations operational activities were essentially contained in General Assembly resolutions 2688 (XXV), 3504 (XXX) and 32/197. The Director-General for Development and International Economic Co-operation had also recommended a number of further measures. Thus, United Nations bodies, in striving for coherence of action at the country level, should assist countries in enhancing their central and sectoral planning capacity so that they themselves could influence the projects which concerned them. Technical co-operation assistance should reflect the specific needs of recipient countries and not involve higher expertise and specialization than required. More and more use should be made than hitherto of short-term rather than long-term consultants and of local experts who could provide more relevant expertise at lower cost. There should be more involvement of national staff in projects, providing an accelerated training, for eventual take-over of projects and supervision of follow-up action, and utilization of the experience gained in other projects.

75. Recommendations 1-4 of the report of the Joint Inspection Unit entitled "United Nations System Co-operation in Developing Evaluation by Governments" (A/38/333) should also be followed. Strengthening the recipient country's capacity to conduct evaluation was a logical extension of the concept of its centrality in operational activities designed for its benefit. Evaluation should be an integral part of the process of programming. Projects should be executed more quickly than at the current rate. The proliferating practice of tied aid should be strictly controlled, for it deprived recipient governments of their freedom of action, distorted their priorities and ultimately undermined their control of development plans. Resident co-ordinators should give more attention to the coherence and co-ordination of activities at the national level. Lastly, there was a growing rivalry to be seen among the bureaucracies of various multilateral assistance agencies, which hampered the recipient country's efforts to integrate aid into its overall development action.

76. Policy issues relating to operational activities for development should be viewed, therefore, essentially through the needs, interests and authority of the recipient governments. It was argued that many Governments still lacked the requisite administrative and managerial capacity to play a central role in those activities but that was precisely what assistance should be remedying.

(Mr. El Hassan, Sudan)

77. The Sudanese delegation lent its general support to the declaration of the Group of 77 on operational activities annexed to the report of the Economic and Social Council, particularly on the question of resources.

78. Mr. SALAS (Executive Director, United Nations Fund for Population Activities) said that he appreciated the encouraging attitude of the members of the Second Committee towards UNFPA. The Fund, which collaborated actively with the Director-General for Development and International Economic Co-operation in improving the operations supervised by the Committee, expected the Committee to provide guidelines for its activities and would take into account the observations and suggestions made. In particular, it would submit clearer reports so as to facilitate their consideration.

79. States would be able to take stock of the progress made and the obstacles encountered, individually and collectively, during the International Conference on Population to be held in 1984. Fund-raising for that Conference was well in hand; Sri Lanka had just made a voluntary hard-currency contribution. It was to be hoped that the Committee would approve the conference budget of \$790,000, which was the lowest amount ever requested for a conference of such scope. The Fund was endeavouring to obtain an additional \$1,500,000 in the form of voluntary contributions. Other preparations were proceeding; for example, the basic documentation was already prepared. The Conference could be expected to be a landmark for future population activities.

80. Miss ANSTEE (Deputy to the Under-Secretary-General for Technical Co-operation for Development) said that the observations made by developing countries were especially important because they were based on first-hand experience of the Department's work. Member States were well aware of the enormous progress achieved by the Department since its establishment and of the acute consequences for developing countries of any further reduction in the resources available for carrying out its programme, which developing countries desperately needed in areas of critical importance. The Department always took careful note of the concerns expressed by governments, since their support, interest and guidance were essential to the proper fulfilment of the Department's mandate as set out in General Assembly resolution 32/197.

81. Their observations on operational activities for development were directed to three major concerns: full implementation of General Assembly resolution 32/197 in all that related to the Department of Technical Co-operation for Development; avoidance of duplication of existing structures and services and reduction of administrative costs.

82. She agreed that it was in the context of resolution 32/197 that measures to improve the efficiency of operational activities should be viewed. That approach would go a long way to helping the Department, whose structure had recently been streamlined in accordance with the Joint Inspection Unit's recommendations, to achieve maximum cost effectiveness: the Department should have a bigger role in the execution and management of technical co-operation projects still being carried

(Miss Anstee)

out by other entities, so that there would be only one operational arm; it should also be endowed with additional authority in financial, administrative and personnel matters, in accordance with both resolution 32/197 and the Joint Inspection Unit's recommendations.

83. As the delegations of Belgium and Bhutan had said, duplication of efforts and mandates must be avoided in order to ensure that the Department's very limited resources were used to maximum effect; in particular, there should be a clear distinction between the complementary although essentially different functions of financing and technical agencies. The Department was particularly grateful for the Egyptian delegation's proposals to strengthen the Department's executing capability, to avoid leaving to other entities the task of carrying out substantive programmes in areas of direct concern to the Department, and to reaffirm the demarcation between funding and executing agencies. The Department should be enabled to make maximum use of its proven technical capacity and experience. In cases where government execution was not considered appropriate, the executing agency should be the Department rather than the funding institutions.

84. The Department had already done much, often at great difficulty, to reduce administrative costs and it would continue to do so. At the present stage, it would concentrate on streamlining methods. However, action on the other issues mentioned earlier was vital in order to achieve real cost effectiveness.

85. The Department of Technical Co-operation for Development had seen its activities gradually erode - some had been transferred to other entities or new specific-purpose bodies while others had been decentralized. That constant change and uncertainty had made efficient and cost-effective management exceedingly difficult. The recent reductions in the Department's financial, technical and staffing resources had brought it to the minimum critical level required in order to continue to provide effective technical co-operation to developing countries. A period of quiet consolidation was absolutely indispensable if the Department was to recoup its energies and capacities and successfully adjust to its reduced structure without adverse effect on the quality of its services to developing countries. During that period implementation of General Assembly resolution 32/197 would have to be completed and no further initiative should be taken which would go beyond that resolution and thus further curtail the Department's financial and technical capacity. Such a period of consolidation would be a logical course of action in order to strengthen a relatively new department so that it could provide vitally needed assistance to developing countries and weather the decline in voluntary contributions on which its operational activities depended.

86. Provided that no other unexpected difficulties arose the Department would certainly emerge strengthened from the storm. The secretariat was determined to see to that by further reducing administrative costs, increasing the rate of delivery of projects and addressing the needs of developing countries, as perceived by them, ever more efficiently. However, that would be possible only if Governments looked closely at the action which could be taken on the specific points which she had mentioned. That was why the Department of Technical Co-operation for Development looked forward with keen interest to the decisions of the Committee and of the Fifth Committee.

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87. Mr. RIPERT (Director-General for Development and International Economic Co-operation) said that the discussion of the comprehensive policy review of operational activities of the United Nations development system had been one of the most important of the current session. The number, scope and quality of the statements made on that item demonstrated that members of the Committee were aware of that. Those exchanges had followed the very substantial discussions which had taken place in the Economic and Social Council; the statement made before the Council by the Group of 77 had been particularly significant. He had taken note of the comments, certain criticisms and the suggestions. He was very encouraged by those observations and those of the representatives of the specialized agencies and pledged then and there to do his utmost to implement the recommendations which would appear in the draft resolution on the comprehensive policy review of operational activities currently being elaborated. All speakers had expressed their strong support for operational activities and that support had been confirmed by the encouraging results of the Pledging Conference. But there were no grounds for complacency; while the Conference had marked the end of the progressive erosion of contributions, the overall level remained far below the needs. A major concern continued to be how to mobilize resources for the future on as assured a basis as possible.

88. Many representatives had said that the operational activities for development should be considered in a broader perspective. It was paradoxical that financing those activities should be difficult when so much money was being spent on armaments and when so little progress was being made towards controlled disarmament. It was essential never to lose sight of the relationship between development efforts and the struggle for peace.

89. The characteristics of operational activities had been reaffirmed: universality, voluntarism, allocation of resources based on a concern for equity with priority being given to the least developed and other low-income countries, sovereignty of countries in the determination of priorities and untied assistance.

90. The competent agencies must carefully manage the resources available to them in the interest of all, donors and recipients. Those resources must be channelled speedily and effectively to high-priority projects in order as far as possible to meet the needs of the developing countries. Special consideration should be given to the position of the least developed countries in the context of the Substantial New Programme of Action and to the support to be provided to South-South co-operation. In addition, further efforts were needed to improve the transparency of information on administrative and support costs and to further develop evaluation. It was encouraging to see that many delegations believed that effective evaluation had to be carried out at the country level with the full involvement of recipient countries. The Secretariat should accord high priority to all those issues.

91. Many delegations had reaffirmed the importance they attached to co-ordinated action of the United Nations system, particularly at the field level. He would continue to work with the executive heads to see what further guidance could be provided to resident co-ordinators and agency representatives in the field. He

(Mr. Ripert)

would also, in light of the comments of certain members of the Committee, examine possibilities for further delegation of authority at the country level.

92. All the issues discussed by the Committee were being considered by the governing bodies of both funding and executing agencies. Ways of strengthening the complementarity of action between the latter and the General Assembly, which was responsible for defining overall policy, would also be explored.

93. In conclusion, he reaffirmed his intention of continuing his efforts, with the organizations and agencies of the United Nations system, to respond to the concerns of Member States in light of the views expressed and whatever decisions the General Assembly might reach on the basis of its comprehensive policy review of operational activities.

AGENDA ITEM 81: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)

(b) SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE

Draft resolution A/C.2/38/L.62/Rev.1

94. Mr. SEVAN (Secretary of the Committee) announced that the draft resolution was being sponsored by Argentina, Bolivia, Brazil, Canada, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guinea-Bissau, Madagascar, Panama, Pakistan, Peru, Uruguay, and Venezuela.

95. The CHAIRMAN said that, if he heard no comment, he would take it that the Committee wished to adopt draft resolution A/C.2/38/L.62/Rev.1 entitled "Special assistance to alleviate the economic and social problems faced in regions of Honduras and Nicaragua as a result of the May 1982 floods and other subsequent natural disasters".

96. It was so decided.

97. Mr. HERRERA CACERES (Honduras) recalled that on 16 November his delegation had introduced a draft resolution entitled "Assistance to Honduras" (A/C.2/38/L.62), sponsored by 14 friendly countries and designed to reaffirm the importance of General Assembly decision 37/433 entitled "International assistance to alleviate the economic and social problems faced by Honduras and Nicaragua as a result of the floods of May 1982". It sought to secure the necessary international co-operation in order to help the Government and people of Honduras to deal with the serious economic and social repercussions of those floods, which had been compounded that year by an unprecedented drought which had severely affected 93,000 rural families. Honduras had received offers of assistance from some countries and international organizations but those offers were not commensurate with the scope of the disaster. A wider demonstration of international solidarity was urgently needed.

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(Mr. Herrera Caceres, Honduras)

98. He welcomed the adoption by consensus of draft resolution A/C.2/38/L.62/Rev.1 and thanked the Colombian delegation for introducing the draft resolution as well as the other co-sponsors. Respect for the individual and for the principle of solidarity were the pillars on which the Honduran State was based and he recognized the merits of the draft resolution's provisions in favour of the Nicaraguan peasants, who had also been greatly affected. After noting that the draft resolution clearly reiterated the goals of the draft resolution which it had submitted earlier and also took into account the solidarity which had been expressed on that occasion, his delegation had joined in the consensus, which recognized the fairness of fully implementing General Assembly decision 37/433 and sent a message of hope to the affected Honduran peasants. He was convinced that those hopes would soon be fulfilled and that international assistance would contribute to the supply of basic foodstuffs and the resumption of grains production and the execution of infrastructure projects, particularly small-scale irrigation and highway projects.

99. Mr. CHEKAY (Union of Soviet Socialist Republics), exercising his right of reply in connection with agenda item 79 (a), expressed regret at the attitude of the representative of the Federal Republic of Germany who had complained about the inadequacy of the data provided by the socialist countries and about serious omissions in the press release distributed to members of the Second Committee by the USSR on 25 November 1983. If the answer to the question was deemed unsatisfactory it was because the question itself had not been properly phrased. That was clear from a careful reading of the above-mentioned release. In any event, there was a fundamental difference between the kind of assistance provided to the developing countries by the Western countries and the kind provided by the socialist countries, particularly the USSR. That was why, in making comparisons between donor countries as requested by the Federal Republic of Germany it was not possible to use the criteria adopted by the OECD Development Assistance Committee or the methods of quantification adopted by the Western countries. There was no common measure between the efforts of the socialist countries and those of the capitalist countries with respect to the development of the third world.

100. In addition to those theoretical considerations there were also practical ones. In his indictment the representative of the Federal Republic of Germany had omitted three considerations: firstly, in presenting his country's assistance he had included in his figures private capital flows to the developing countries; secondly, an economic analysis could not be confined to an annual report since some time necessarily elapsed between the time a loan was granted and the time when it was repaid; finally, one could not overlook the benefits derived by the subsidiaries of companies operating in the developing countries - in the case of the Federal Republic of Germany those benefits were reflected in substantial revenue which was repatriated. According to the data provided by the Ministry for Economic Co-operation of the Federal Republic of Germany, as of 1981 there were 1,632 German companies and their subsidiaries in the developing countries and the figures provided in 1979 and 1981 concerning profits derived from their fruitful activities amounted respectively to 13.5 billion marks and 12.6 billion marks. That information did not appear in the statistics provided by the Federal Republic

(Mr. Chekay, USSR)

of Germany which had presented its assistance as direct assistance - that was not surprising in view of the growing criticism of such "siphoning" of resources. The arguments put forward by the representative of the Federal Republic of Germany were neither fair nor justified.

101. However, he agreed with the representative of the Federal Republic of Germany regarding UNDP's utilization of contributions paid in non-convertible currencies. In that respect, UNDP's policy remained unchanged owing to a lack of initiative and a not very constructive attitude. The USSR was making every effort to see to it that its contributions were utilized effectively in the interest of the developing countries. He pointed out, in passing, that the contributions of the Federal Republic of Germany expressed in dollars had fallen by more than 20 per cent, in other words by more than one quarter, over the period 1980-1983. Naturally, the representative of the Federal Republic of Germany had made no mention of that important detail.

102. Mr. DIECKMANN (Federal Republic of Germany) said that the reference, in his statement, to the aid provided by the eastern European countries was not surprising. The issue had already been raised in his delegation's statement to the Second Committee at the thirty-seventh session and to the Economic and Social Council at its second regular session of 1983. It would come up again. His delegation would like to see Member States really compete with one another in serving the interests of the developing countries apart from any propaganda notions. He had been disappointed to find that the eight questions which his delegation had raised in previous years remained unanswered. It had asked, inter alia, how the socialist countries calculated their GNP and whether they included the tertiary sector in their calculation. It had also wondered how the needs of the recipient countries were met when they needed to pay the fees of experts. In focusing attention on those questions yet again, his delegation sought only to contribute to the discussion in a constructive spirit. He would therefore simply quote from the end of the statement made by his delegation the previous year: The problems experienced by the developing countries were of concern to all. The questions delegations asked one another should be viewed as an incentive rather than as a propaganda exercise which, in the final analysis, would be detrimental to the developing countries.

103. Mr. CHEKAY (Union of Soviet Socialist Republics), exercising his right of reply for the second time, pointed out that if the representative of the Federal Republic of Germany was referring to tradition, he could logically reply that most - if not all - the questions he had raised had consistently been answered in the statements made by the delegation of the Union of Soviet Socialist Republics.

104. The CHAIRMAN announced that the Committee had concluded its consideration of agenda item 79.

The meeting rose at 7.40 p.m.