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SECOND COMMITTEE

37th meeting

held on

Tuesday, 9 November 1976

at 3 p.m.

New York

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SUMMARY RECORD OF THE 37th MEETING

Chairman: Mr. VALDES (Bolivia)

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The meeting was called to order at 3.20 p.m.

AGENDA ITEM 59: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (A/31/3; A/C.2/31/L.2, L.3, L.4) (continued)

AGENDA ITEM 68: TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES (A/31/82 and Corr.1 (Russian only), A/31/3, A/31/197, A/31/237) (continued)

AGENDA ITEM 67: ECONOMIC CO-OPERATION AMONG DEVELOPING COUNTRIES: REPORT OF THE SECRETARY-GENERAL (A/31/197, A/31/237; A/C.2/31/7 and Add.1) (continued)

1. Mr. BARCELO (Mexico), referring to the item on technical co-operation among developing countries, said that it should be discussed in the general context of international economic co-operation in relation to the establishment of the new international economic order. His country attached great importance to the conference on technical co-operation among developing countries to be held shortly in Argentina and would give the fullest support to the preparatory work for that conference.
2. With regard to operational activities for development, the results achieved at the last two sessions of UNDP would help to identify countries earning income in excess of the amount of their voluntary contributions through the sale of equipment and the subcontracting of private enterprises. Those countries would be asked to increase their contributions so that the Programme could augment its available resources.
3. With regard to new dimensions, he pointed out that the technical assistance projects financed by UNDP should be increasingly executed by the developing countries for which they were destined. That required mature judgement and capacity for broad local participation and he was confident that, through international economic co-operation, those countries were progressively better able to undertake them.
4. He supported the work of UNICEF and said that it should be adapted to the interests and concerns of the developing countries, as the latter repeatedly stated in every forum, with a view to strengthening and consolidating the new international economic order.
5. Economic co-operation among developing countries should be discussed against the background of the encouraging results achieved at the Mexico Conference (A/C.2/31/7 and Add.1). The members of the Group of 77 were aware that primary responsibility for development rested with each country and its national efforts. However, they considered that development could progress only by transforming the present international economic order because it subjected the developing countries to excessive pressures. At the Mexico Conference, the participating countries had shown that the developing countries had the political will to work towards collective self-reliance and, through joint action, to achieve rapid progress towards full implementation of the new international economic order. The efforts being made by the Group of 77 to develop unified criteria for their common action were solidly rooted in the Programme of Economic Co-operation among Developing Countries adopted at the Third Ministerial Meeting in Manila and in the decisions adopted at the Fifth Conference of Non-Aligned Countries. Mention should

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(Mr. Barcelo, Mexico)

also be made of the measures agreed upon at the fourth session of UNCTAD, including resolution 92 (IV), which implied that measures of support for programmes of economic co-operation among developing countries should be given at the time and in the form in which they are requested so that they would fit in, so far as possible, with the priorities established by the developing countries themselves. Moreover, in the agreements reached at meetings of groups of developing countries, emphasis had been placed on the importance of improving communication among the regional economic commissions and the urgency of developing the necessary institutional arrangements for intensifying co-operation at all levels. Thus, the Mexico Conference had been able to take decisions on the basic elements required for strengthening economic co-operation and integration at the subregional, regional and interregional levels, particularly through measures to be taken in the fields of external trade, production, infrastructure and services.

6. Committee I of the Conference had adopted a series of decisions which would promote horizontal co-operation. Some of the aims of that co-operation were the establishment of a global system of trade preferences among developing countries, the establishment of a reserve fund for the financing of raw materials buffer stocks, the holding of a plenipotentiary conference to approve the statutes for the Council of Producers' Associations, a larger share of the developing countries in world industrial output and the establishment of multinational transportation enterprises. Committee II had considered items relating to monetary and financial co-operation and co-operation in science and technology, employment and other aspects of horizontal co-operation. In that connexion, consideration had been given to such items as the establishment of a Bank of Developing Countries, the establishment of a countervailing currency and the formation of a united front to deal with the serious currency problems. The need for concessional funds to finance development had also been stressed.

7. Among the studies to be undertaken in future, he singled out studies relating to the establishment of a payments union of developing countries, the establishment of subregional, regional and interregional export credit and export guarantee schemes, and the adoption and implementation of measures to promote and encourage investments among developing countries. In the field of science and technology, steps had been taken to set up an information and data bank and it had been decided to promote the establishment of national, subregional and regional technology centres with a view to developing a common strategy of co-operation in that field.

8. With regard to global machinery for carrying out the Programme of Economic Co-operation among Developing Countries, agreements had been reached which could have decisive long-range effects on the promotion and consolidation of unity and solidarity among the peoples of the third world. To that end, it had been agreed that there should be an appropriate general framework to ensure implementation of measures of co-operation among developing countries. The Ministerial Meetings of the Group of 77 would, as a matter of priority, adopt the necessary procedures for implementing the measures envisaged in the Programme of Economic Co-operation, and would co-ordinate and unify the Group's position in all international forums.

9. Now that the Mexico Conference had demonstrated that the developing countries were capable of adopting common strategies in the international economic order, the developed market-economy countries and the countries with centrally planned,...

(Mr. Barcelo, Mexico)

economies must give effect to the agreements contained in resolution 92 (IV) of the fourth session of UNCTAD, and provide the necessary support for the Committee established under resolution 90 (IV).

10. Moreover, the specialized agencies and the organs of the United Nations system would have to make a careful study of the report of the Mexico Conference and submit to the General Assembly, through the Economic and Social Council, proposals for concrete measures to implement those agreements in their respective fields of competence. The solidarity among the developing countries would certainly be a factor of incalculable importance for peace and economic and social well-being in the world, but to achieve that goal the concerted and effective collaboration of the more developed countries was imperative. Then progress could be made towards the establishment of the new international economic order to which the developing countries were committed.

11. Mr. CHEREDNIK (Union of Soviet Socialist Republics), referring to the activities of UNDP, the regular programme of technical assistance and UNICEF, said that there had been some positive results in providing assistance, experts, training and equipment. Nevertheless, there were also some short-comings, particularly with regard to the planning and utilization of resources. Although administrative costs had been cut back, further economies could release additional resources for carrying out the Programme. The same applied to UNICEF, and it was disturbing to find that resources devoted to child care had declined despite the fact that, in many developing countries, the situation of children was deteriorating.

12. He took note of the statement of the Administrator of UNDP that the difficulties besetting the Programme were the result of the financial and monetary crisis and the inflation affecting the western economic system. Nevertheless, he drew attention to the importance of making appropriate use of the contributions from the socialist countries in non-convertible currency, since there was no reason why that should create a special problem. In the case of the Soviet Union, that amounted to many millions of roubles which could be used for the benefit of the developing countries and to assist UNDP in discharging its function as a centre for international co-operation. He trusted that UNDP would adopt an objective approach to that question; the USSR would give it full support.

13. His delegation stressed that, in using expert services, UNDP should observe the principle of equitable geographical distribution and take advantage of the experience acquired by countries with different economic and social systems, particularly the developing and the socialist countries. Unfortunately, UNDP had often limited itself to the use of experts from a small number of Western countries. It was, moreover, desirable to reduce the influence of the World Bank on the Programme.

14. He emphasized that the regular programme of technical assistance should be removed from the regular budget of the United Nations and included in the budget of UNDP; that possibility could be considered within the general framework of the restructuring of the economic and social sectors of the United Nations. In 1976 the USSR delegation had put forward proposals aimed at increasing co-operation with the Office of Technical Co-operation, such as the offer of courses in the USSR for students from developing countries in such subjects as transport, geology and agriculture. The lack of a positive response was perhaps ascribable to an unwillingness to provide genuine technical assistance to the developing countries.

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(Mr. Cherednik, USSR)

His delegation supported the work done by UNDP in support of the national liberation movements. It did not, however, agree that United Nations funds should be used in support of régimes which were pursuing a policy of terrorism and were creating tensions.

15. With regard to economic co-operation among developing countries, he said that since the sixth special session of the General Assembly ever-increasing importance had been attached to questions relating to the economic links among developing countries, a matter to which the Fifth Conference of Non-Aligned Countries and the Mexico Conference had devoted particular attention. A detailed plan already existed for the adoption of collective measures by the developing countries to increase their economic development. In order to achieve that goal, it would be necessary to step up horizontal co-operation and co-ordinate efforts at the international level aimed at establishing a new international economic order. The Soviet Union supported that trend and would support the efforts of the developing countries to secure their economic independence and raise the standard of living and the cultural level of their inhabitants. At the Colombo and Mexico City Conferences, stress had been placed on the necessity of concentrating collective efforts aimed at achieving economic independence on the struggle against colonialism, imperialism, neo-colonialism and all forms of foreign exploitation and domination. It was normal and legitimate to undertake efforts to increase co-operation in the spheres of production, trade and financing in order to eliminate every vestige of the colonial era. The introduction of basic socio-economic changes was an essential prerequisite of co-operation. In that connexion, it was necessary to strengthen the role of the State sector, carry out sweeping agrarian reform and obtain control over natural resources. It was also important for the developing countries to take measures aimed at strengthening their economic relations; in that connexion, there must be no discrimination against socialist countries, in keeping with the provisions of the Charter of Economic Rights and Duties of States. He noted with satisfaction resolution 95 (IV) of UNCTAD which reflected the understanding of that problem displayed by the developing countries.

16. The delegation of the Soviet Union was convinced that an improved division of labour in the developing countries would enable them to make more rational use of their natural resources, introduce greater diversification in their production and improve their balance-of-payments situation. At the same time, that process must afford the developing countries greater opportunities for broadening their relations with other groups, including the socialist countries, on a basis of equality.

17. It was maintained in some documents that co-operation between powerful and small countries was impossible. In the view of the USSR delegation, that assertion was relevant only in so far as the system of economic relations between the small countries and the capitalist countries was concerned, a system which was characterized by the exploitation of the small countries. However, changed in the international situation were giving rise to other links of co-operation, as could be seen from the relations among the member countries of CMEA, which were based on the democratic principles of equality and mutual benefit, and respect for the interests of each country and of the common interest. Those principles could lay

(Mr. Cherednik, USSR)

the foundation for a new kind of relationship between the socialist States and the developing countries in similar conditions of equality, mutual benefit, respect for sovereignty and non-intervention in the internal affairs of States.

18. The socialist countries were prepared to share with interested developing countries the experience they had acquired in establishing relations among themselves and in socialist economic integration through the establishment, for example, of joint enterprises or integrated State enterprises. He suggested that the formulation of regional and subregional projects for strengthening the State sector in the economy of the developing countries would be an interesting aspect of co-operation. At the same time, on the basis of such co-operation, the developing countries could obtain a better understanding of the basic principles of the foreign policy of the socialist countries. In that connexion, he indicated that the USSR was prepared to promote, both through CMEA and on a bilateral basis, the implementation of the recommendations in resolution 92 (IV) of UNCTAD.

19. In a number of documents relating to economic co-operation among developing countries, references were made to the concept of interdependence. The USSR had repeatedly stated that a cautious approach must be taken with respect to that concept, since the imperialist countries interpreted it in a manner which would work to the detriment of the sovereignty of the developing countries and would only promote exploitation and diktat.

20. In the United Nations, UNCTAD and other bodies, the Soviet Union had supported proposals aimed at drawing attention to the economic problems involved in co-operation among developing countries and, in general, would have no objection if the problem was studied in the context of an investigation and an exchange of experience within the framework of United Nations bodies. However, in view of the limited resources available to United Nations bodies and the need to use those resources in the most effective manner, he thought that efforts should be concentrated on fundamental questions and that the subject should not be dealt with in isolation in view of the universality of the economic problems involved; there could be no doubt that the situation with regard to trade relations between east and west directly affected the interests of developing countries.

21. As had been pointed out by his country in its statement on the restructuring of international economic relations (A/C.2/31/2), the just demands of the developing countries should be implemented at the expense of the capitalist countries and, in that connexion, his country reiterated that it was vital to reduce the military budgets of permanent members of the Security Council and to use the resources made available in that manner for the development of the developing countries. That would constitute a valuable source of resources which would enable the necessary progress to be made within the framework of the United Nations system.

22. Mr. BRUCE (Canada) said that, during the debate on operational activities, attention had been drawn to the profound influence of the events which had affected UNDP in the past year and that the atmosphere of optimism which had marked discussions on the new dimensions for UNDP and the programme for the second five-year cycle had become one of concern over the need to re-establish the financial integrity of UNDP. In his opinion, the discussion of the financial viability of UNDP should be broken down into two segments: first, the over-all level of resources available to the Programme for its development activities and, second, the manner in which those resources were managed in order to ensure their most effective utilization. /...

(Mr. Bruce, Canada)

23. With respect to the level of resources, the Governing Council had decided to base its planning for the second cycle on an annual growth rate for contributions of 14 per cent and, at the UNDP Pledging Conference, his delegation had announced an increase of 17.2 per cent in its contribution for 1977. However, the pledges announced indicated that UNDP was not likely to achieve its planned growth rate for 1977, and the problem was compounded by the fact that UNDP held increasing balances of non-convertible currencies, which were difficult to use.

24. The problem with regard to resources for the second cycle could be solved only by concerted action on the part of all participating countries. Although his delegation recognized that the traditional major donor countries must increase their support for UNDP, not all developed countries in the west took the same attitude. Although Governments had the right to determine the manner in which their development assistance funds would be utilized, it was to be hoped that all States would voluntarily recognize some minimum level of contribution to a programme which was of such importance to the development efforts of the United Nations system.

25. At the same time, the burden of financing such activities should not rest entirely on a handful of industrialized market-economy countries. A number of developed countries made the bulk of their contributions in their own, non-convertible currencies. In the opinion of his delegation, those countries owed it to the recipient countries either to make a larger portion of their contributions in a convertible currency or to make extraordinary efforts to help UNDP use their currencies in an effective manner. It was particularly discouraging that UNDP's balance of non-convertible currencies would increase before the end of 1976, and such a situation was completely unacceptable at a time when the developing countries were being forced to restrict their programmes because of the financial difficulties of UNDP.

26. The size of the contributions from those countries was also a matter of some concern. It had frequently been argued that those countries did not contribute in greater measure because they considered that they were not responsible for the under-development of the third world, which was the result of actions taken by the imperialist Powers. In his opinion, development aid could not depend on a narrow concept of penance for past sins, and one could only wonder what would happen if countries such as the Nordic countries, Switzerland, Australia, New Zealand and Canada were to apply the same criterion with respect to their participation.

27. At the same time, the new world economic situation which had arisen since the beginning of the negotiations on the allocation of UNDP resources for the second cycle had put some developing countries in a substantially better position. In recent months, the Governments of Kuwait and Hungary had expressed their willingness to forgo the funds which had been allocated to them for the second five-year cycle, and it was to be hoped that other countries would follow their excellent example. The greatest possible percentage of UNDP funds must go to the most needy countries.

28. The foregoing considerations would not be enough if the recipient countries themselves did not support UNDP activities, not only through the careful formulation of suitable projects for financing, but also by means of a contribution to local

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(Mr. Bruce, Canada)

costs through the assessed programme costs mechanism. The "new dimensions" decision of 1975 had called upon developing countries to enter into additional voluntary commitments with respect to assessed programme costs, but the results of the Pledging Conference for 1977 had not been encouraging in that respect. Although he appreciated the limitations of the budgets of developing countries, the fact that those countries contributed to the aforementioned costs would represent an essential vote of confidence in UNDP activities.

29. On the other hand, it was incumbent on the UNDP Administration to adopt managerial policies which would ensure the most efficient utilization of the funds available and safeguard the financial integrity of the Programme. Managerial performance must be improved, and the Administrator must ensure that the necessary changes were made. The financial difficulties of the past year had led to some confusion with respect to the central role of UNDP in the funding of United Nations technical assistance activities. It was unfortunate that the centrifugal tendencies which had developed over the past year had diminished the central funding responsibilities of UNDP, since that was not to the benefit of the United Nations system, the donor countries or the recipient countries. However, his delegation reiterated its support for UNDP as the central body with respect to United Nations technical assistance activities.

30. His Government fully supported the activities being carried out under the United Nations Volunteers programme, which had proved to be an efficient co-ordinator of the contribution being made by the youth of both developed and developing countries to the technical assistance activities of the United Nations system. Accordingly, his Government was considering making a significantly larger contribution for 1977.

31. With regard to UNFPA he recalled that, at its twenty-second session, the UNDP Governing Council had approved the criteria for establishing the funding priorities of the Fund, a step which would lead to more effective management of the Fund's activities. The success of UNFPA in developing an awareness of the importance of population policies had led to a rapid increase in requests for assistance, which currently exceeded available resources. For its part, the Government of Canada would continue to increase its financial support for the Fund.

32. He also recalled that Canada was one of the largest contributors to UNICEF and that, at the Pledging Conference held during the current month, it had announced that its contribution for 1977 would be increased by 25 per cent, to which should be added \$3 million from collections made by Canadian children and individual contributions. That involvement of the Canadian people in the activities of UNICEF was evidence of their confidence in its continued success.

33. In conclusion, he said that Canada would continue to support the World Food Programme as an effective vehicle to channel food aid. He recalled that, at the World Food Conference, Canada had pledged a contribution of 1 million tons of grain a year for three years, a large proportion of which would be channelled through the World Food Programme.

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34. Mr. SERBANESCU (Romania) said that the major international events which had taken place in recent years demonstrated the magnitude and complexity of the problems involved in the economic development of the developing countries, together with the need to strengthen the role of the United Nations in that field. That, in turn, would call for the strengthening of the capacity of UNDP as the central development body of the United Nations system.

35. While recognizing the progress achieved by the Programme in adopting modern practices and procedures in order to respond to the priority needs of countries receiving multilateral assistance, his delegation regarded as legitimate the concern of most Member States with regard to the financial resources available to UNDP, a concern which was reinforced by the reports of the UNDP Governing Council and the results of the Pledging Conference for 1977. In any event, his delegation applauded the energy shown by the new Administration of UNDP in solving those problems to some extent and in implementing the recommendations of the Governing Council.

36. As a country which was both a donor and a beneficiary of the Programme, Romania proposed to co-operate as far as possible with the Administration in its efforts to overcome the current resources crisis and, accordingly, had increased its voluntary contribution to the Programme for 1977 by almost 20 per cent, in addition to the special contribution which it made each year. At the same time his delegation, which was aware that the setting of a limit for assistance to recipient countries was not a real solution, joined the Administration in its appeal to countries in a position to do so to increase their contributions by at least 14 per cent a year.

37. With regard to the allocation of resources to regional, interregional and global activities, his delegation supported the relevant decision adopted by the UNDP Governing Council. The Council should accord special attention to the least developed countries, the newly independent countries and the national liberation movements recognized by OAU.

38. He noted that Romania contributed to the training of specialists from newly independent countries and that, in addition, an increasing number of Romanian experts in various fields were providing on-the-spot assistance with a view to solving the economic and social problems of the developing countries.

39. His delegation also welcomed the measures adopted by UNDP in order to improve the effectiveness of its assistance by reducing administrative costs, the indirect costs of executing agencies and the cost of experts. In that connexion, he said that some means should be agreed on to enable interested Member States to participate in the formulation of such measures.

40. His delegation believed that the UNDP secretariat should make a substantial contribution to speeding up technical co-operation among developing countries, with a view to promoting dialogue between those countries. Romania attached special importance to technical co-operation among developing countries and had participated actively in three regional meetings devoted to that topic. Consequently, it would be useful if UNDP and the specialized agencies were to prepare a draft plan of action for co-operation among developing countries for consideration and approval

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(Mr. Serbanescu, Romania)

by the United Nations Conference on Technical Co-operation among Developing Countries to be held in Argentina.

41. Romania was considering with interest the new procedures for co-operation being used by UNDP and was studying the possibility of adapting some of those procedures to its own needs, within the framework of the programme of assistance for 1977-1981. His Government was particularly interested in the possibility of Governments or their agencies executing various projects, and in arrangements for the association of a number of Romanian institutions and enterprises with similar organizations in developed or developing countries. In any event, executing agencies which were national bodies should receive some compensation for services which involved foreign exchange expenditures since a lack of foreign exchange could threaten the success of a project.

42. His delegation expressed its satisfaction at the spirit in which the problems of co-operation had been approached at the Conference held in Mexico City and, in that connexion, believed that the most important consideration was the manner in which each developing country exploited its natural resources and concentrated the energy of its population to achieve the rapid take-off of industry, agriculture and the other sectors of the economy and the training of specialized personnel in all areas of activity.

43. Since the Mexico Conference was to be considered as a milestone in the process of economic co-operation among developing countries, his delegation was of the opinion that the utmost attention should be accorded to the implementation of the action plans formulated at that Conference. For its part, Romania would accord special importance to co-operation with other developing countries, since it was convinced that economic co-operation among those countries could strengthen their political and economic independence and increase their collective economic strength, with a view to attaining the objectives of the new international economic order.

44. Mr. BASSIN (Finland) said that, although UNDP had avoided a liquidity crisis and had almost managed to eliminate the existing deficit, the long-term resource shortage still persisted. Improvement of management systems might help in reducing the cost of project delivery and in utilizing available resources more effectively, but only an increase of contributions would bring a real change in the situation. His Government, which had for a number of years maintained a growth rate of 20-25 per cent of its contributions to UNDP, making Finland the fourth largest among the traditional donors according to the criterion of contributions per capita, was unable to increase its contribution in the present circumstances. With regard to the general problem, the suggestions made by the UNDP Governing Council for obtaining additional funds were valuable.

45. Since the adversities of UNDP were only temporary, it was disturbing to note a tendency in the United Nations system to question the guiding and co-ordinating role of UNDP. Recent initiatives aimed at increasing the independent functioning of executing agencies in the field of technical assistance contained the risk of a return to the sectoral approach of the 1960s, which had been detrimental to the principle of integrated development planning. The United Nations system required coherence, not fragmentation.

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(Mr. Bassin, Finland)

46. His delegation strongly supported the allocation of an indicative planning figure to Namibia and noted with satisfaction the establishment of the Institute for Namibia, an essential part of a comprehensive and sustained plan of action in support of the Namibian nation in the transitional period and the early years of independence; it urged the Administrator, in consultation with the Council for Namibia, to ensure UNDP's preparedness for that task.

47. His Government intended to continue to channel its entire multilateral food aid through the World Food Programme. The Programme, for its part, should continue to fulfil its important commitment, since in spite of the encouraging harvests of 1976, there was still the danger of post-harvest losses and the risk of famine as a result.

48. With regard to UNICEF, his delegation supported the new strategic concept of basic services and the thinking underlying that concept. That approach coincided with the thesis of "basic minimum needs" contained in the economic declaration of the Colombo Conference, the WHO recommendation on "primary health care" and the declaration and programme of action of the World Employment Conference. In the United Nations family of organizations and between donors and recipients there should be a constructive discussion aimed at consolidating and further elaborating those innovative ideas. Such a discussion could help to bring greater coherence and co-ordination among United Nations agencies.

49. The decision to set a target of \$200 million a year for UNICEF revenue represented an important step, since the determination of a financial frame was essential for effective planning and allocation of assistance. Although that measure had been criticized by some, his delegation supported it.

50. The dynamic and innovative nature of UNFPA activities was evidence of its ability to adapt itself quickly and effectively to the requirements of new strategies. Those characteristics were symptomatic of the changes taking place in the operational activities of the United Nations, that is to say, the transition from the trial-and-error phase to the phase of planned action, based on sectoral and regional strategies derived from the new international economic order. The present transitional phase was accompanied by pressures and controversies from which the United Nations system would no doubt emerge stronger and more efficient.

51. Lastly, the United Nations development system needed not only new operational strategies but also administrative and structural consolidation. Harmonization of programming and management procedures, consolidation of funds and centralization of policy leadership in the hands of decision-making intergovernmental organs could be achieved without loss of the system's pluralistic nature, which was the essence of its strength.

52. Mr. NANAYAKKARA (Sri Lanka) announced that, in spite of his country's serious economic difficulties, his Government had increased its contribution to UNDP for 1977 by \$20,000, making a total contribution of \$200,000. UNDP

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(Mr. Nanayakkara, Sri Lanka)

financial resources must be increased if the programme for the second cycle was to be implemented, since the real effect of any increase in resources had been minimized by inflation. His delegation appreciated the efforts made by the Administrator to effect economies in headquarters expenditures, but serious thought should also be given to the constant increase in expenditures for experts. In addition, the utilization of non-convertible currencies should be studied.

53. With regard to technical co-operation among developing countries, his delegation attached great importance to the coming conference on the subject, which would be held in Argentina and in which UNDP should play a prominent role. The resources available to the conference were scanty, and he urged the General Assembly to provide it with adequate resources. If UNDP programmes were to be effective in the future, it was necessary to break away from traditional approaches and try new ways to meet the needs of the developing countries, not shying away from taking bold decisions.

54. With respect to UNICEF, his delegation fully supported the expansion of basic services for children, whose situation in many developing countries, especially the most seriously affected countries, was growing constantly worse.

55. The population programme launched in Sri Lanka had received effective co-operation from UNFPA. The role played by the Fund in recent years made it desirable to maintain its identity. Consolidation of agencies might seem an attractive proposition on paper, but in practice such a measure did not necessarily attract additional financial resources. It should also be borne in mind that UNFPA administrative costs were very small in comparison with those of other agencies.

56. The World Food Programme had done praiseworthy work in providing assistance to a number of countries, including Sri Lanka, during critical periods of severe flood or drought.

57. Sri Lanka attached great importance, of course, to economic co-operation among developing countries. He hoped that measures for the promotion of such co-operation would receive wide support from the international community.

58. Mr. MAKWETA (United Republic of Tanzania) emphasized the importance of food in the physical and intellectual development of children and added that improved nutrition required above all an improvement in general social and economic conditions; he therefore supported the approach adopted by UNICEF in that respect. His delegation noted with satisfaction the "basic services approach" adopted by UNICEF, by which the problem of children's welfare was tackled at its roots. UNICEF required moral and material support, and the United Republic of Tanzania was prepared to co-operate with it.

59. Mr. KJELDGAARD (Denmark) said that his country's support for UNDP was based

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(Mr. Kjeldgaard, Denmark)

on the fundamental concepts underlying the functions and operations of the Programme as contained in General Assembly resolution 2688 (XXV), namely, that multilateral technical co-operation was a common endeavour of the entire United Nations system and that the multilateral technical assistance rendered by the United Nations should be provided through a co-ordinated and integrated approach in accordance with the priorities of recipient countries. UNDP's central role in those efforts had been strengthened with the adoption of such decisions as those on new dimensions and revisions of country programming procedures. However, other circumstances had pulled in other directions, such as UNDP's financial difficulties and the tendency toward fragmentation of United Nations development assistance at the country level. In his view, the financial difficulties of UNDP should not be used as a pretext for questioning the value of integrated country programming; on the contrary, precisely because external resources were so scarce, there was an urgent need for further co-ordination of UNDP assistance with the inputs of other United Nations agencies. An indication of Denmark's interest in the subject was its co-sponsorship of Economic and Social Council resolution 2024 (LXI), which followed up a decision taken by the UNDP Governing Council at its twenty-second session concerning the coherence of the United Nations system. That resolution requested all international organizations participating in the United Nations development system to strengthen their mutual co-ordination, both between headquarters and in recipient countries, with a view to improving the integration of technical assistance at the country level, particularly in order to enable the resident representative to act as the central co-ordinating authority on behalf of the organizations for the development assistance programmes of the system at the field level. The relevant international organizations were also asked to take all necessary steps to strengthen their co-operation with the United Nations field office network. He was confident that that resolution would be supported by the General Assembly at the current session and by the governing bodies of other organizations of the United Nations system. In that connexion, his delegation noted with satisfaction that consultations on the subject between UNDP and executing agencies of the United Nations system had been initiated, and it hoped that positive results would be achieved.

60. He expressed concern at the difficult financial situation confronting UNDP and said that, while reductions had been achieved in the administrative budgets for 1976 and 1977, the size of the administrative and programme support costs of UNDP, the overhead costs paid by the executing agencies and expert costs in UNDP-financed projects continued to be a matter of great concern to his delegation. However, the main reason for the current financial difficulties of UNDP was the resource situation. While Mr. Morse had reported that there would be no cash shortfall in 1976, it would be prudent to approve limited borrowing procedures, since that would serve to tide the Programme over periods of liquidity shortfalls. However, the target set for the next five-year programme cycle could be achieved only if a wider base of support for the programme was established. At the recent UNDP Pledging Conference only 19 Governments, among them Denmark, had increased their contributions by 14 per cent or more over the 1976 level, which was the minimum regarded as necessary. In his opinion, that was definitely not satisfactory. He stressed the importance of the relevant paragraphs in the Governing Council's decision on programme resources and costs for 1977-1981. In his view, both the

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(Mr. Kjeldgaard, Denmark)

resolution on the new dimensions and that on programme resources in the next cycle constituted the main instruments available to UNDP to promote the development of the least developed countries.

61. He stressed that the precarious situation which still faced millions of children in developing countries should be a matter of serious concern to the international community. His delegation had already demonstrated its concern in that regard by becoming a sponsor of Economic and Social Council resolution 2022 (LXI) on the expansion of basic services provided by UNICEF in developing countries. Furthermore, after becoming a sponsor of Economic and Social Council resolution 2021 (LXI), Denmark had recently pledged a contribution which represented a substantial increase over previous years. He deplored the fact that UNICEF had to rely on a limited number of countries to meet the costs of its main activities, even after the Pledging Conference.

62. He expressed his country's satisfaction with the performance of the United Nations Fund for Population Activities and considered that the priorities established with respect to the future allocation of resources were timely and welcome. It welcomed the report submitted by the Executive Director of UNFPA to the twenty-second session of the Governing Council of UNDP, whose recommendations it supported, and was pleased with the unanimous adoption of Economic and Social Council resolution 2025 (LXI). Nevertheless, he stressed the need for further concentration in the use of the Fund's resources so that the poorest countries would receive priority consideration.

63. His delegation made an appeal for coherence and integration with regard to technical and economic co-operation activities among developing countries and said that, while very useful activities were carried out in that respect within the United Nations system, it was of particular importance that the UNDP resident representative should play a central role in co-ordination at the country level. With regard to the fundamental importance which his country attached to technical and economic co-operation among developing countries, he referred to the comments to be made by the delegation of Finland on behalf of the group of Nordic countries.

64. Mr. UPADHYAY (Nepal) reaffirmed his country's faith in UNDP, which had brought considerable benefit to a large number of developing countries, including his own. The second UNDP country programme for Nepal, which corresponded to the period of that country's fifth five-year plan, covered activities in all sectors of the economy and, with UNDP assistance, Nepal hoped to increase agricultural production and develop its infrastructure.

65. His delegation took note with satisfaction of the various steps taken by UNDP to increase the effectiveness of its programme delivery system, such as the decentralized programme. Mention should also be made of UNDP's intention to adapt its resources to the national priorities and objectives set by the developing countries themselves. In addition, the "new dimensions" approach had led to a greatly intensified effort by UNDP and the Governments concerned to make the maximum use of expertise and technological know-how available in their own countries. Thus, the developing countries would be able to promote technical co-operation among themselves through the organization of an information referral

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(Mr. Upadhyay, Nepal)

system managed by UNDP. At the same time, it was encouraging to note the progress achieved by UNDP with respect to technical co-operation among developing countries, the integration of women in development, special assistance to colonial countries and peoples and the reactivation of the United Nations Capital Development Fund.

66. His delegation deplored the difficult financial situation of UNDP. Although it felt greatly reassured to learn that there was no danger of a cash shortfall in 1976, because additional contributions had been made to the Programme, it should be borne in mind that UNDP would enter 1977 without operational reserves. In those circumstances, it was essential to increase the financial resources so that UNDP could raise the volume of IPF expenditure in 1977, meet the needs of the developing countries and make the second cycle of country programming a success. His delegation therefore appealed to the rich countries and to those in a position to do so to make additional contributions as a token of their support for the Programme.

67. His delegation was gratified to note that UNDP had taken the initiative to reduce its overhead costs and welcomed the move towards further reducing administrative costs in 1977. The resources thus saved could be used for assistance to countries which needed it and, in that respect, his delegation was pleased to note that the Governing Council had endorsed a substantial redistribution of indicative planning figures in favour of the least developed and poorest countries.

68. Referring to UNICEF, he said that it had established itself as a field-oriented organization by undertaking programmes designed to improve the situation of children and mothers. Since reports indicated that the situation of children in many parts of the developing world continued to deteriorate, his delegation was pleased to learn that the Executive Board of UNICEF had approved a target of \$200 million from regular resources and from contributions for specific purposes to improve the situation of children through the expansion of basic services. He noted that the concept of basic services was constructive, since the development of such services in the fields of maternal and child health, including family planning, nutrition, water supply and education constituted the most practical approach to provide children and their families with essential services at minimum costs. Furthermore, the basic services would eventually contribute to the development process. He was sure that 1979 would be declared International Year of the Child and hoped that it would provide an opportunity to promote the concept of basic services for children in developing countries and to increase the volume of resources essential to achieve that goal.

69. His delegation had noted with appreciation the assistance rendered to the education programme in Nepal by UNICEF. The national education system launched five years previously in Nepal sought to establish a link between education and the country's development needs and paid special attention to the qualitative improvement and extension of education to the less developed areas of the country.

70. With regard to the United Nations Fund for Population Activities, his delegation recognized the fact that there was a close relationship between population activities and socio-economic development. Family planning had become an integral part of

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(Mr. Upadhyay, Nepal)

socio-economic development. In view of the financial difficulties afflicting UNFPA, he hoped that additional resources would be made available to it to carry out its activities in developing countries.

71. His delegation was pleased to learn that three quarters of the World Food Programme aid was available to the least developed and the most seriously affected countries, especially the poorer countries of South Asia and Africa.

72. On the other hand, it was unhappy to learn that the financial crisis of the United Nations Volunteers programme would lead to the working out of a new funding arrangement, and it hoped that the activities of the programme in the field of development services could be expanded.

73. On the question of economic co-operation and technical co-operation among developing countries, he noted that the year 1976 had witnessed extensive consultations and negotiations and that the declarations and plans of action which had been adopted demonstrated that collective self-reliance was no longer an abstract concept. Developing countries, which possessed the human and material resources essential to their development, had become aware of the fact that they could consolidate their political and economic independence and their collective economic strength through co-operation. What was needed now was the firm determination of those countries to make concerted efforts so as to make the latent potential a reality.

74. In his view, developing countries could in that way compel the developed world to respond to their legitimate demands for relief, increased resources transfers for development, protection of the purchasing power of their export earnings and improvement in access to markets, capital and technology. His delegation believed that economic co-operation among developing countries was the best way in which to strengthen the negotiating strategy of developing countries.

75. He was of the view that there was a close interdependence between economic co-operation and technical co-operation, and that the experience of developing countries was more relevant to the solution of their common problems than the transfer of advanced technology from developed countries. Accordingly, there was considerable scope for the intensification of co-operation in certain priority areas such as food and agriculture, energy, raw materials, technology and integrated rural development.

76. Lastly, he pointed out that the developing countries were not a homogeneous body and that the least developed countries, in view of their particular problems, required differential treatment and special attention. His delegation therefore hoped that developing countries, when devising strategies for economic co-operation, would draw up and implement specific measures in favour of the least developed, land-locked and island developing countries.

77. Mr. VELLU (Malaysia) urged UNDP to use its good offices to seek further financial contributions from the developed countries in view of the fact that the developing countries, most of which had suffered colonialism and economic

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(Mr. Vellu, Malaysia)

exploitation and were encountering obstacles in exporting their natural resources and basic products, had to use their limited means for their own development and were hardly in a position to contribute to the Programme. In that connexion, it was important to support Economic and Social Council decision 164 (LXI), which gave the Administrator of UNDP borrowing authority.

78. Malaysia's membership in the Association of South-East Asian Nations was evidence of the importance it attached to co-operation among developing countries. The purpose of the Association, as stated in the Declaration signed by the Heads of Government on 24 February 1976, was to enhance the well-being and the advancement of the South-East Asian people through effective technical co-operation, economic development and understanding of each other's aims for the common benefit of all citizens of the countries concerned. The ASEAN countries had participated in regional projects, had formulated trade, industrial and training programmes, had established close relations with the countries of the European Economic Community and were examining the feasibility of establishing ASEAN industrial plants. In the field of technical co-operation, Malaysia had gained considerable knowledge in rubber research and had already shared its knowledge with others. The Rubber Research Institute was giving training to personnel from many other rubber-producing countries.

79. Despite the progress achieved, Malaysia continued to experience financial and manpower limitations, and it therefore looked towards the United Nations agencies for their expertise and help and was a participant in several United Nations projects in its region. At the same time, it had provided host facilities for various research and development centres.

80. Population control would lead to an orderly programmed society and would allow each country to carry out social programmes in the field of education, housing, sewage, potable water supply, health and other necessary social amenities. Every developing country which had not yet set up a national family planning body should consider doing so with the help of UNFPA which would also contribute to improving standards of living in its nation. Bearing that in mind, Malaysia planned to gradually reduce the annual growth of population from 3 per cent in 1968 to 2 per cent in 1985. By the end of 1975, a total of 433,400 people had benefited from the population control scheme. Family planning required a programme aimed at creating the political, cultural, economic and social conditions conducive to the acceptance of a small family norm. UNFPA should widen its scope and introduce the methods of the programme to the worst affected and most thickly populated continents.

81. The economic and social conditions in the least developed countries had an impact on the health of children, and UNICEF should therefore encourage further food projects and similar activities designed to strengthen the maternal and child health services, to control communicable diseases, particularly through immunization, and to improve health services of that kind. In view of the

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(Mr. Vellu, Malaysia)

close association between poverty and educational attainment, UNICEF should consider measures aimed at expanding its activities in the field of education, especially for pre-school children development and the provision of compensatory educational facilities to reduce the school drop-out rate in developing countries. Such measures should be geared mainly to the locations where there was a preponderance of poverty groups.

82. There was no doubt that the effective work of United Nations agencies would bring a new dimension to the developing world.

The meeting rose at 6.05 p.m.