## ECONOMIC AND SOCIAL COUNCIL

FORTY-NINTH SESSION

OFFICIAL RECORDS

## CONTENTS

Page

- Agenda item 7:
  Reports of the Governing Council of the United Nations Development Programme

  (a) United Nations Development Programme
  (b) United Nations Capital Development Fund
  - (c) Technical co-operation activities undertaken by the Secretary-General ..... 151

President: Mr. MARAMIS (Indonesia)

## **AGENDA ITEM 7**

Reports of the Governing Council of the United Nations Development Programme (E/4782, E/4884)

- (a) United Nations Development Programme
- (b) United Nations Capital Development Fund
- (c) Technical co-operation activities undertaken by the Secretary-General

1. Mr. NARASIMHAN (Deputy Administrator, United Nations Development Programme) said that it was very important for UNDP that the Economic and Social Council should endeavour to guide the activities of the Second United Nations Development Decade along lines that made it possible substantially to raise the standard of living of the peoples of the developing countries. During the past year UNDP had studied ways of attaining that aim by increasing and improving its multilateral technical aid, while at the same time endeavouring to maintain the remarkable results achieved under the Programme during the First Development Decade.

2. The Governing Council of UNDP had discussed the future capacity of the United Nations development system and had approved the text of a consensus (E/4884, para. 94) which it was requesting the Economic and Social Council to approve and to recommend to the General Assembly. The main heads of that draft consensus were: the United Nations Development Co-operation Cycle, UNDP country programming, inter-country programming, over-all disposition and management of UNDP resources, implementation of UNDP assistance, timing and transitional measures and, lastly, organization of UNDP. At the end of the consensus the Economic and Social Council was requested to recommend to all executing agencies that they review their organizational structures with a view to adapting them to their increased operational activities financed by UNDP, and to consider arranging an immediate inquiry into problems of the regional and subregional structures within the United Nations system which had a

1712th meeting

Tuesday, 21 July 1970 at 10.20 a.m.

PALAIS DES NATIONS, GENEVA

bearing on improvement of the capacity of the United Nations development system. He reminded the meeting in that connexion that the Secretary-General intended to appoint a consultant with specialist knowledge of the regional structures of the United Nations system and its development programme, and to instruct him to prepare the way for consideration of the question by the Council. The Governing Council would have to go on studying that question, because a number of delegations had made comments and reservations on various aspects of the consensus.

3. The main technical co-operation activities of the United Nations could not remain at the same level at a time when concepts and methods were changing. Until the new principles were applied, UNDP was having to continue to respond to Governments' requests for assistance employing the existing methods of evaluating and approving projects. Thus the Governing Council, in the light of the revised estimated UNDP resources for 1970, had approved new earmarkings of funds totalling \$151 million for the Special Fund component and \$75 million for the technical assistance component of the programme. Thus it had approved 161 Special Fund projects, and 25 supplementary earmarkings for projects already suthorized. In approving this large number of important projects the Council had taken various factors into account, in particular the need to apply new techniques to the development process, such as the use of satellites for educational television programmes or the use of computers for data processing, and the study of problems by simulation and other related techniques. Other projects approved by the Governing Council in 1970 concerned, inter alia, the human environment, the transfer and adaptation of the latest agricultural technology, the use of economical techniques for prospecting for and utilizing subterranean waters, the reform of educational systems, tourism, and the training of health personnel.

4. Following decisions taken by the Governing Council at its eighth session, the Administrator had authorized preproject activities in connexion with 29 of the projects submitted to the Council for approval in 1970 and with several projects which would be submitted to the Governing Council at a later session. The Council had also approved two pre-investment surveys, and UNDP had at present six surveys of that kind under consideration.

5. With regard to the Technical Assistance component of the Programme, the Governing Council had set aside \$53 million for national projects and \$12 million for regional and interregional projects. The application, in 1969, of a new system of continuous country programming had been favourably received by Governments.

6. The Governing Council had also considered a progress report by the Administrator on the United Nations Capital

Development Fund. It had been informed of the difficulties encountered by the Fund in initiating operations with its present limited resources.

7. The Governing Council had also considered the feasibility of setting up an international corps of volunteers for development. Chapter VIII of the report on the tenth session of the Governing Council contained a summary of the discussion and the Council's decision.

8. The tenth session of the Governing Council had coincided with news of the natural disasters in Peru, Romania and Hungary. The Council had considered how UNDP might help Peru and had deemed it essential that national and bilateral efforts should be supplemented by international action. During the session the Administrator had sent an exploratory mission to Peru to examine and elaborate specific project proposals, and the report on the results of that mission had been submitted to the Council. The Council had decided that it was necessary to provide for pre-project activities of an urgent nature, and that the size of the Revolving Fund should be increased from \$12 to \$14 million. It had also adopted a resolution in which it requested the Economic and Social Council to recommend to the Members of the United Nations that they should establish an Emergency Fund for Disasters, the first task of which would be to provide aid to Peru (E/4884, para. 175).

9. At its tenth session the Council had taken note of a draft agreement with the Government of the Libyan Arab Republic providing for the establishment and administration of a Libyan Trust Fund, and had approved of the Administrator's intention to take the necessary steps to ensure that the agreement was signed as soon as possible.

10. Reviewing the Programme's activities as a whole in 1969, he stated that the aid provided under UNDP and financed by UNDP's own resources represented nearly \$200 million. During the year, 8,000 experts had worked in developing countries, and nearly 6,000 scholarships had been granted. The recipient Governments had contributed to the projects by providing local staff, facilities and services.

11. After giving some figures relating to the pre-investment projects carried out in 1969 under the Special Fund component and the operational projects of the Technical Assistance component, he said that since 1959 more than 500,000 nationals of developing countries had attended courses at institutes and universities which UNDP had helped to establish or to expand. The help given by UNDP to the establishment of over 200 applied research institutes had facilitated the transfer of technology liable to promote those countries' development.

12. With regard to the Second United Nations Development Decade, UNDP's experience confirmed that there was increasing acceptance of the view that the developing countries ought not to aim exclusively at economic growth. It was also necessary to secure a more equitable distribution of income, to improve nutrition, to reduce infant mortality and prolong life expectancy, to provide more employment and to stabilize prices. Since the qualitative goals of development were as important as the quantitative goals, and the climate being favourable for the development of multilateral technical co-operation, UNDP was making ready to perform the tasks that devolved upon it during the Second Development Decade to the very best of its ability.

13. Mr. HOO (Commissioner for Technical Co-operation) said that the regular programme of technical assistance for 1970 would be the first annual programme to be based on the guidelines given by the General Assembly for programming and budgetary procedures. National planning authorities and resident representatives realized that the regular programme must not be assimilated to the programme of UNDP but should provide short-term assistance which was either preparatory to more substantial and longer-term UNDP assistance or for the follow-up of a Special Fund project. National authorities and resident representatives had also restricted the field of their requests for projects, concentrating on development planning, trade, social development and public administration.

14. In that connexion he drew attention to the initiative taken by the Secretariat in offering a new service to Governments in the form of multinational interdisciplinary advisory teams.

15. In order to improve the quality of the assistance it was giving to developing countries, the United Nations Secretariat had been making efforts to improve the organization and management of the projects it was responsible for implementing. The Under-Secretary-General for Administration and Management had undertaken a management survey as part of the manpower utilization programme; the recommendations he made regarding the organization of certain United Nations services would no doubt help to improve the operation of the Office of Technical Co-operation and of the services working with it.

16. The financial value of all assistance provided by the United Nations under its technical co-operation programme had been \$47.9 million in 1969, as against \$46.6 million in 1968. That increase in resources had been due primarily to the increasing number of Special Fund projects whose implementation was entrusted to the United Nations. The United Nations came second among participating organizations as regards the number of projects carried out for UNDP, and third as regards the total cost of those projects. The special characteristics of the regular programme moreover gave it an importance which the figures did not convey.

17. In Africa, the United Nations Secretariat had given a great deal of attention to the study of natural resources, particularly water-power resources and mineral resources. In addition to its survey activities, the Secretariat had done its best to meet a number of requests from African countries for assistance in the modernization of their mining codes, which served as a basis for governmental negotiations with prospective private investors. The United Nations had also provided technical co-operation in the field of public administration.

18. In Asia, the United Nations had increased its assistance in the field of general and integrated economic and social development planning. The Asian Institute of Statistics had been set up in Japan. The United Nations Fund for Population Activities had made possible an intensification of United Nations action in the population field. And the United Nations, WHO and IBRD had co-operated in helping Indonesia to draw up a long-term family planning programme.

19. In Latin America, the United Nations had concentrated on stepping up regional economic planning activities in the countries of the region. New Special Fund projects for regional development, including rural development projects and mineral surveys, had been started in the region. 20. Lastly, in the Middle East, implementation of the current project in Iraq was progressing satisfactorily; the United Nations was also seeking to meet the technical assistance needs of Southern Yemen, in view of the difficult economic situation that country was passing through.

21. Mr. DUBEY (India) thanked the Deputy Administrator of UNDP for his very lucid account of the important decisions taken at the last sessions of the Governing Council.

22. The consensus approved by the Council on the question of improvement in the capacity of the United Nations development system was a remarkable achievement, particularly when it was realized that the matter had only begun to receive serious consideration in March and the work had been completed in June. He placed on record his delegation's appreciation to all those who had contributed to the consensus. The Administrator of UNDP had always seen the Programme in a dynamic context and had constantly been introducing improvements. It should not be forgotten that it was the Administrator who had commissioned the Capacity Study.<sup>1</sup> Congratulations were also due to Sir Robert Jackson for his excellent analysis of the United Nations development system, contained in the Capacity Study. The members of the Governing Council had been impressed by the spirit of co-operation and ability to adjust and reform displayed by the specialized agencies. The Governing Council itself had shown remarkable objectivity in regard to the various ideas presented to it, and had refused to be swayed in any extreme direction. The Council's task was extremely difficult in view of the complexity of the factors involved. It could not, as some would have liked it to do, have approved en bloc any one set of recommendations. It had to function within the well-known framework of a United Nations body and arrive at decisions through discussion, negotiation and consensus. It had to take into account the interests of all the organizations which constituted the United Nations development system and which had together made the system one of the most effective arms of the United Nations system for assisting the developing countries. It had also had to keep in mind that canons of efficient business management could not be applied to a system which symbolized one of the finest forms of international co-operation and which was built on the principle of human compassion and sacrifice. In particular, any idea of reciprocity had to be dismissed from mind. On the other hand, the Council had been aware that whatever the resistance of

the advocates of the *status quo*, the system could not be allowed to stand still, and that steps to make it more efficient must be taken as a matter of urgency.

23. It had been alleged that the Governing Council had not gone far enough. That was a criticism which could in general be made of any system. Efforts to improve further should continue without either minimizing the importance of what had been done or exaggerating the significance of what more could be done. He urged that the international community's dedication to the system should not be made contingent upon the degree of success in improving it.

24. One of the most important points in the consensus was the stress laid on the need to increase the Programme's resources. The Council's consideration of the United Nations development system and of the improvements to be made in it had been based on the assumption that the resources of UNDP would be doubled within the next three or four years. That was reflected in paragraph 13 of the consensus, which stated that the resources to be devoted to country programming would be a specified percentage of the total resources for the current year, projected over a given period of time and including a rate of growth per annum over that period, one of the assumptions being that the resources of the Programme would increase at least at the same rate as the average of the past few years. It was to be hoped that it would be possible to achieve a doubling of the resources in order not to belie the most important expectation of the developing countries from the exercise. To help make that possible, the main donor countries would have to do their best to increase their contributions, in order to enable the resources of UNDP to reach the target set.

25. His delegation attached particular importance to the principle of decentralization stressed in the consensus. The practical applications of that principle were provided for in paragraphs 18, 19 and 20 of the consensus. Those should be fully implemented.

26. As was stated in paragraph 14 of the consensus, indicative planning figures were not to be construed as representing a commitment, but as a reasonably firm indication of resources for the purpose of forward planning. The review provided for in paragraph 17 of the consensus did not mean revision of the figures in the light of availability of resources every year; that would go contrary to the very concept of planning. The figures must be allowed to be carried forward. The purpose of review would be only to monitor progress in implementation, identify lags in expenditure and suggest ways and means of expediting the process of expenditure.

27. His delegation considered it particularly important that some of the outmoded concepts which had hitherto governed the implementation of the Programme should be discarded. Within the framework of the new approach of programming, very clear instructions had been given in the consensus paper on the utilization of the services and equipment provided by local firms, on increasing use of experts from developing countries, on the appointment of qualified nationals as project managers and on projects

<sup>&</sup>lt;sup>1</sup> A Study of the Capacity of the United Nations Development System (United Nations publication, Sales No.: E.70.I.10).

consisting solely of equipment in suitable cases. He hoped that those provisions would be fully implemented.

28. His delegation was sure that with the adoption of the consensus by the Economic and Social Council and the General Assembly, UNDP would embark upon a new phase of activities; the Programme would have a new orientation, new objectives and a new methodology. It welcomed the Administrator's statement that he regarded the consensus as a body of very clear instructions given by the Governing Council and that he would accordingly carry them out very strictly. It was to be hoped that the Economic and Social Council would approve the resolution that the Governing Council had proposed.

29. The regular programme of technical assistance represented a very useful form of assistance. It had many unique features, but more important than that it was a source of additional aid made available to the developing countries. The additionality was ensured because of its being financed out of the United Nations regular budget. There had been many proposals for strengthening United Nations bodies and for inducing them to undertake new activities, but they had not been implemented on account of their financial implications. His delegation considered that the appropriations under part V of the United Nations budget ought to be increased.

30. Mr. VIAUD (France) said that the main feature of the reform outlined by the UNDP Governing Council was the introduction of a system of country programmes approved in advance for a period of from three to five years, corresponding to the duration of the recipient countries' development plans. The new procedure would be useful to the developing countries, because it would facilitate the framing of national development plans, whose targets were often dependent on the granting of a certain volume of foreign aid. Such a radical reform presupposed certain alterations in UNDP's administrative and budgetary procedures; but the Governing Council had not reached unanimous conclusions on all points. Its report on its tenth session recorded, for instance, interpretations and reservations formulated by the French delegation (E/4884, paras. 98, 100 and 102).

31. Regarding the management of resources based on contributions from Member States, his delegation considered that the administration would have to show great caution in undertaking new commitments made possible by more flexible rules, so long as it did not have precise enough pledges from donor countries on the amounts of their contributions for future years. The annual budgeting rule followed by some countries made it necessary for the UNDP administration to keep a strict balance between firm commitments and available resources.

32. Regarding the administrative organization of the secretariat, it would of course be useful to give wider powers to the resident representatives in preparing the country programmes; but the powers should be specified in the resident representative's relations with the recipient Governments, and also with the specialized agencies, because the very concept of country programmes demanded greater discipline on the part of Governments and international organizations.

33. Furthermore, UNDP's central administration must be adapted to the new situation by a special effort at decentralization and reorganization; but as there should be no weakening of the Administrator's function in framing general programme policies, the Administrator should probably be backed by a central planning and co-ordination organ.

34. As to relations between the Administrator and the Governing Council, his delegation considered that a satisfactory balance had been established in the early years of the Special Fund and should be preserved as it was. An intergovernmental body should not have respectively solution it that normally belonged to the administration, but the latter's proposals should enjoy the Governing Council's support at all times. For instance, country programmes and projects beyond a certain scale should be approved by the Council. That was the price to be paid for maintaining the harmony which had so far existed between the secretariat and Governments.

35. The Governing Council's conclusions nevertheless contained a certain number of flaws. The new system, as it emerged from the Council's deliberations, would be worth what use was made of it. To take an example, several developing countries had considered that most of the available resources should be devoted to financing country programmes after deductions to cover administrative expenditure. His delegation, however, had thought that a fraction of the resources derived from contributions should not be allocated on a geographical basis but be used for special allocations if some major project, beyond the quota for a particular country, was submitted to the Administrator.

36. Generally speaking, the introduction of the new system would have to be gradual, because the UNDP administration would find it difficult to submit 125 separate programmes to the Governing Council simultaneously in 1971. The first few programmes, moreover, would have an experimental value. It was to be hoped that any measures subsequently envisaged for improving the programming machinery and management of resources would be freely discussed within the Governing Council.

37. The Council had successfully completed the first part of its task, despite the danger of latent pitfalls. The Capacity Study had faced the international secretariats with a co-ordination problem they had not been quite ready to deal with. But, generally speaking, the Council had contrived to subordinate conflicts of interests between Governments to concern for the future and the success of the Programme. The Council was therefore, under the Programme, an irreplaceable element on which to found the broad policy of aid to developing countries.

38. The reasons for the Council's reluctance to deal with the question of a loan of \$10 million to aid the United Nations in financing the construction of new premises in New York was probably that ways and means had not been clearly defined, and also that their effect would have been to prejudge the findings of the study, requested by the General Assembly, on optimum conditions for installing the services at New York or Geneva — which had indirectly brought up the question of headquarters for UNDP. The French delegation had always favoured a site in Europe, which had also been recommended in the Capacity Study. It was difficult to understand the obstinacy of those opposed to the idea, which would take account of the interests of both headquarters and the specialized agencies, which were mainly sited at Geneva or nearby. He hoped that aspect of the problem would not be forgotten, and that it would be thoroughly discussed before the Governing Council's forthcoming special session.

39. Mr. KITCHEN (United States of America) considered that the Study of the Capacity of the United Nations Development System was an important element in the strategy for the Second Development Decade. His delegation, which had requested a qualitative reform of the United Nations system with a view to increasing the output of the services and to reducing bureaucracy, overlapping of functions and dispersal of effort, had welcomed the Capacity Study and the findings on it reached by the UNDP Governing Council at its tenth session. In view of the consensus approved by the Governing Council, the Economic and Social Council was afforded an opportunity of facilitating the necessary reform through appropriate recommendations.

40. As regards development strategy, his delegation noted that there was a tendency to give priority to trade and aid. A number of States had mobilized sufficient internal and external financial resources to reach or even surpass the growth target of 5 per cent for the 1960s. It was by no means certain, however, that the advantages of that decade had benefited all the under-privileged. Some States which had reached or surpassed the target were in great difficulties over civil liberties, agrarian reform, health services, and so on. It might be wondered whether the nation as a whole had progressed in such countries.

41. His Government considered that a true development strategy should be an over-all process in which attention was concentrated on the general well-being of society. The great concern of the Second Development Decade should not be finance. His Government was constantly drawing attention to the allocation and deployment of resources as well as their availability.

42. It emerged from a number of expert reports on the evaluation of projects either completed or started that some factories were working to less than half their capacity. The fault often lay in shortage of spare parts, inadequate maintenance and workers' poor education. While the tendency was to request more facilities, much faster action could be achieved if all members decided to make the most effective use of what they had.

43. His Government welcomed the consensus approved by the UNDP Governing Council, but realized that any decisions already taken were only the first step in a continuing process. The implementation of the Governing Council's decisions was of great importance and should be closely watched. 44. The Governing Council had approved the implementation of the most important recommendation in the Capacity Study by adopting the formula for the United Nations Development Co-operation Cycle and by placing the emphasis on the establishment of country programmes. Changes recommended concerned the compilation of indicative planning figures; the framing, evaluation and approval of projects; the definition of multinational programming; and the use and management of UNDP resources, including full utilization of resources. As regards the application of UNDP assistance, his Government welcomed the definition and delimitation of the Governing Council's, the Administrator's and the organizations' responsibilities. It was well that the Governing Council had recognized that investment and other forms of follow-up activity were an integral part of the programming process and of the formulation, implementation and evaluation of projects. That point had not been strongly enough emphasized in the Capacity Study.

45. He also welcomed the agreement reached on questions of organization at headquarters and in the field. At headquarters, great importance should be attached to the establishment of regional offices in direct touch with resident representatives, and a programming and planning service. Those various offices should be provided with highly-qualified staff.

46. As to the role of the resident representatives (who would become resident directors), his Government requested that the Administrator of UNDP should select them for their experience of economic and social development activities and their administrative abilities. It would also be well for him to examine the qualifications and performance of the existing resident representatives, so as to retain only the highly competent. Moreover, in view of their increased role in country programming, resident directors should be backed by adequate programming staff and administrative and technical services.

47. He welcomed the UNDP Governing Council's approval of the Economic and Social Council's decisions emphasizing the resident director's central role in co-ordinating all technical co-operation and pre-investment programmes of United Nations bodies. In accordance with Council resolution 1453 (XLVII), United Nations bodies should ensure that the resident directors were consulted on their projects and that they received reports on the execution of the projects. The representatives of France and Belgium in the UNDP Governing Council had undertaken to confer on resident directors an essential role in the co-ordination of their bilateral assistance with United Nations assistance. The United States had already given a similar undertaking, which it reaffirmed; it requested other suppliers of bilateral aid and international organizations not linked to the United Nations also to consult the resident directors. Governments, for their part, should strengthen the central planning machinery with which the resident directors would be in contact in each country.

48. Lastly, he hoped that the plan for the United Nations Development Co-operation Cycle in its revised form would be fully applied. That system, directed as it was towards country programming, would help to increase the effectiveness, speed and volume of assistance, in accordance with the aim of the Capacity Study.

49. It next lay with the Administrator to apply the reforms unanimously adopted by the Governing Council. As a member of that body, the United States intended to pay close attention to the application of those reforms, particularly as concerned the reorganization of UNDP at the highest level.

50. Mr. de ARAUJO CASTRO (Brazil) said that the importance of UNDP's role in international development strategy justified the Governing Council's efforts to improve its procedures and machinery.

51. The Capacity Study opened up new perspectives for the United Nations in development aid; but he could not support it in its entirety. The consensus reached at the tenth session of the Governing Council on reforms to UNDP machinery was a balanced text which both recognized the need for reform and held to those parts of the present machinery that had proved themselves in practice. His own view was that the search for perfection in the machinery should not be over-zealous, since it would be perfection in a microcosm; UNDP aid amounted to only \$250 million, and even if that figure were to double in a few years, as forecast, it would still be too low to meet the technical aid and viability study needs of the developing countries. Awareness of such limitations should of course not lead to neglect of UNDP's efficiency, although it must be remembered that UNDP was based first and foremost on a political will. It would be wrong to try to reform it on grounds of mere administrative considerations. Moreover, UNDP's activities were limited less by method than by inadequate funds. Donor countries always emphasized efficiency but increased resources would lead to economies of scale and more efficient planning.

52. The introduction of country programming denoted a significant advance, which should help to co-ordinate contributions at the national level and, more particularly, to integrate them into national plans (preferably on a medium-term basis). A serious defect in UNDP aid in the past was precisely that it had not been so integrated. He would stress that, with the new approach, integration should be a matter for the national authorities.

53. He welcomed the Governing Council's recommendation that UNDP projects should be carried out with the utmost utilization of local technology and expertise; projects should also be designed to suit the particular country's aspirations and preferences.

54. UNDP should, moreover, take the fullest advantage of the specialized agencies' experiences and facilities. Good use of resources and rationalization of the United Nations development aid system should not be jeopardized by parochialism.

55. UNDP had improved the criteria on which indicative planning figures were based, which had been very vague at the time of the Technical Assistance Programme and Special Fund; but a further effort should be made to free them of all subjective elements. The Latin American countries had, of course, complained at several consecutive sessions of the UNDP Governing Council of the paucity of projects for their region.

56. At its tenth session the Governing Council had expressed a desire for decentralization in UNDP; but decentralization must not diminish the Council's authority or its responsibility to Governments.

57. Mr. CAPPELEN (Norway), speaking on behalf of the Danish, Finnish, Swedish and Norwegian Governments, said that the Nordic countries had always accorded UNDP a very high place in multilateral assistance; and they were making relatively large and increasing contributions towards financing its activities.

58. The Nordic countries welcomed the consensus reached in the Governing Council on the recommendations in the Capacity Study concerning the United Nations Development Co-operation Cycle. The Governing Council had played a very active role in that connexion; it had in fact prepared a number of basic principles for UNDP's future action. Noteworthy among those principles were, first, the introduction of country programming in respect of which the Nordic countries firmly supported the Capacity Study recommendations to direct UNDP assistance to specific objectives connected with the recipient countries' development plans. Also worth mentioning were the principle of using indicative planning figures in programming and that of co-ordinating with assistance from other United Nations bodies within the framework of country programming.

59. With regard to the guidelines elaborated on organization, the Nordic countries attached great importance to the dual principle of decentralization to the field and the strengthening of the headquarters through the establishment of four regional bureaux. The resident directors should assume responsibility in the field for all activities of the United Nations system and become the sole United Nations spokesmen vis-à-vis the local Governments. The Nordic countries also considered that the wider powers given the Administrator to approve projects, subcontract, and depart from the full-funding system would increase UNDP's capacity for action.

60. The Governing Council still had to study a number of recommendations in the Capacity Study, including those dealing with the system of information, accounting system etc. At its next session the Governing Council might also deal with the question of follow-up investment — where results were so far not very good — and study the possibilities of investment not only by IBRD but also by multilateral, bilateral and domestic sources. To stimulate such investment, the projects submitted by UNDP should be more "bankable".

61. Mr. SCOLAMIERO (Italy) welcomed the real *esprit de corps* evidenced at the last session of the Governing Council, which he had attended. The Council's aim at that session had been to give the Administrator the ways and means of making the best use of the resources of the United Nations development system.

62. In the consensus, the principle of country programming had been introduced as the first phase of the United Nations Development Co-operation Cycle. The next session would cover all aspects of technical co-operation: project formulation, implementation, evaluation and follow-up. All those activities should form part of an integrated process with a distinct national slant. It was essential for programming to reflect the various countries' planning cycles. It would thus be wider and more effective, and the various aid sources would be better co-ordinated. It would be for Governments, and for them alone, to decide how to co-ordinate the use of resources of different origins and to inform UNDP accordingly. Governments would as a rule be the sole judges of national development policy.

63. The consensus of the Governing Council clearly defined the role of the parties in co-operation between Governments and United Nations bodies; planning would lie solely with Governments, while programming would be based on co-operation between Governments and UNDP.

64. Mr. DASKALOV (Bulgaria) said that his delegation was satisfied with the results of the ninth and tenth sessions of the Governing Council, and hoped that the progress achieved at them would stimulate UNDP activities. It approved of country programming, and thought that it should be based on plans prepared by the recipient Governments themselves in collaboration with representatives of the United Nations bodies. Only such a system would avoid interference in Governments' affairs. His delegation also supported the proposed changes in the UNDP structure; it hoped, however, that they would not entail further expenditure, but rather promote economies through better use of resources. 65. His delegation agreed that the role of the resident directors should be strengthened, and that they should stand high among the representatives of United Nations bodies. The Governing Council's terms of reference should be widened, to enable the Council to co-ordinate assistance from the United Nations bodies better; the Economic and Social Council, too, must play a key role in co-ordinating the activities of UNDP, the specialized agencies and the regional economic commissions. In his opening address (1696th meeting) the Secretary-General had requested that the Council's functions be widened to enable it to play such a role; the restructuring of development aid made changes in the Council's functions inevitable.

66. He welcomed the annual increase in UNDP's contribution to the industrialization of developing countries; the number of projects approved was steadily increasing -a positive trend, as industry loomed large in development.

67. With regard to what Bulgaria was prepared to do to help development, he said that it could in particular organize training programmes for future specialists from the developing countries in such spheres as health, agriculture, planning and also some aspects of industrialization. Bulgaria had already acquired considerable experience in development aid, in which it was co-operating with various specialized agencies, as also with the developing countries themselves. About 3,000 Bulgarian experts were working in developing countries, and more than 1,000 students from those countries were being trained in Bulgaria. His country was ready, on the basis of that experience, to co-operate to the utmost with UNDP to help reinforce its efforts.

The meeting rose at 1.5 p.m.