

FORTY-FOURTH SESSION

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SECOND COMMITTEE 42nd meeting held on Wednesday, 22 November 1989 at 10 a.m. New York

SUMMARY RECORD OF THE 42nd MEETING

Chairman: Mr. GHEZAL (Tunisia)

later: Mr. PAYTON (New Zealand)

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The meeting was called to order at 10.25 a.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued) (A/C.2/44/L.23/Rev.1, L.25 and L.34)

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AGENDA ITEM 88: SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE (continued)

(a) SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE (continued) (A/C.2/44/L.27)

1. <u>Mr. TAHSIN</u> (Afghanistan) said that, had his delegation been present at the 41st meeting, it would have voted in favour of draft resolutions A/C.2/44/L.23/Rev.1, L.25, L.27, L.34, L.35/Rev.1 and L.45.

AGENDA ITEM 86: OPERATIONAL ACTIVITIES FOR DEVELOPMENT (continued) (A/44/3, 361, 376, 401, 409 and Corr.1, 477, 551, 646 and 689)

- (a) COMPREHENSIVE POLICY REVIEW OF OPERATIONAL ACTIVITIES OF THE UNITED NATIONS SYSTEM (continued) (A/44/324 and Add.1-5)
- (b) UNITED NATIONS DEVELOPMENT PROGRAMME (continued) (E/1989/32, A/44/389)
- (c) UNITED NATIONS CAPITAL DEVELOPMENT FUND (continued) (E/1989/32)
- (d) UNITED NATIONS TECHNICAL CO-OPERATION ACTIVITIES (<u>continued</u>) (DP/1989/46 and Add.1-3, E/1989/32)

(e) UNITED NATIONS VOLUNTEERS PROGRAMME (continued) (E/1989/32)

2. Mr. LUCAS (Guyana) endorsed the statement made by the representative of Malaysia on behalf of the Group of 77 and said that the integrated country reviews carried out in connection with the comprehensive policy review of operational activities should enhance the efficiency of the United Nations development system and make it more responsive to contemporary realities.

3. While there were indications that the developing countries might be experiencing economic growth, their need for development assistance from the United Nations had in no way diminished. Rapid changes in the global economy, particularly in the areas of science and technology, had created new challenges which must be faced and new opportunities which must be pursued. It was therefore important to identify what the most appropriate instruments for maximizing the effectiveness of external development assistance. After much debate, it was clear that joint programming might not be possible in all cases, given the diversity of

(Mr. Lucas, Guyana)

national situations. Countries should therefore be allowed flexibility in choosing the programming approach that best suited their circumstances. In any event, programme activities must be consistent with national development plans, priorities and objectives.

4. The issue of central funding had also generated much debate. The existence of trust funds in particular had been questioned, since it was viewed as undermining the development objectives of Governments. Given that trust funds were the creation of donors, it was the donors alone who could decide whether the funds should be maintained or eliminated. However, if existing funding arrangements were changed, trust fund beneficiaries would require assurances that they would receive comparable levels of funding under new arrangements.

5. The need to harmonize and simplify rules and procedures also merited consideration, and immediate steps should be taken to implement the recommendations made by the Director-General for Development and International Economic Co-operation to that end. Although the system of resident co-ordinators had also been much discussed, his delegation believed that the system's value and usefulness had been demonstrated. His delegation fully endorsed the concept of Government execution because of the impact that modality had on the efficient delivery of technical assistance and the strengthening of national capacities as a prerequisite for self-sustaining growth. Moreover, the quality of development assistance was determined by the extent to which it could stimulate domestic resources. Institutions and individuals should be involved along with Governments in project execution, with Governments retaining the role of co-ordinator. However, if Government execution was to be expanded, the obstacles to such an expansion must be eliminated.

6. <u>Mr. FERNANDE2</u> (Liberia) said that an objective look at multilateral technical co-operation efforts over the past three decades indicated that, although much had seemed to be taking place, little had been achieved. His delegation had been heartened to note from the discussions on the future role of UNDP that the international community was willing to listen to the developing countries explain what was needed to change that situation.

7. The integrated country reviews constituted the most important aspect of the Director-General's report on the triennial policy review of operational activities. They brought out clearly the developing countries' strong belief that the United Nations system continued to enjoy credibility, and their consequent high expectations of it. The developing countries also felt that, while all members of society had a role to play in the development process, that should not minimize Governments' responsibility for planned and efficient development and social well-being and equity.

8. The UNDP country programme exercise served as a valid frame of reference when it was consistent with national development plans or strategies, and national execution was crucial to the building of national capacities and self-reliance. To make it a success, however, the United Nations must decentralize, placing emphasis on the recruitment of staff at the country level, and involve beneficiaries more

(Mr. Fernandez, Liberia)

fully in development activities than was currently the case. Co-ordination was vital to national execution, which was why many Governments wished to see greater flexibility in the recruitment of project personnel. Lastly, the United Nations must simplify and harmonize its rules and procedures.

9. A study on the question of central funding had concluded that for UNDP to serve as the central funding agency for the operational activities of the United Nations system was not a viable proposition. Nevertheless, his delegation believed that UNDP ought to retain that role if central funding would give Governments greater control. For central funding to be efficient, however, adequate resources were required, and he hoped that they would be forthcoming during the fifth UNDP programming cycle. The Nordic and other countries which had reached the target of 0.7 per cent of their GNP for development assistance, were to be commended.

10. A particular concern was the need for proper staff remuneration and incentives. The Committee for Development Planning had noted that the radical deterioration in that situation made it difficult to improve management and policy capacity. He therefore proposed that the Director-General should undertake a study on remuneration and incentives as a means of stimulating development.

11. In the years since the adoption of the 1970 consensus, the developing countries had set their own priorities, which should constitute important guidelines for future United Nations operational activities, particularly in the light of such new developments as economic integration at the regional and subregional levels. He welcomed in that connection the international community's acceptance of the African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation.

12. The relationship between the Bretton Woods financial institutions and the rest of the United Nations system should be one of constructive partnership that would promote a harmonized approach to development in the developing countries. His delegation looked forward to the adoption of a resolution on operational activities that would clearly identify what was to be expected of the United Nations system and give full support to the achievement of that objective. The role of the Director-General should also be strengthened so that he could monitor compliance with that resolution.

13. <u>Mr. ROFFI</u> (United Nations Conference on Trade and Development) said that the many recommendations on the subject of technical co-operation contained in the Director-General's report on the comprehensive policy review of operational activities should be given careful consideration by Member States and the organizations of the system. It was to be hoped that the policy review would make it easier for the system to meet the development challenges of the 1990s more effectively and would complement such efforts as the forthcoming special session of the General Assembly, the Second United Nations Conference on the Least Developed Countries and the finalization of a new international development strategy. The emphasis placed in the report on strengthening national capacities, promoting multidisciplinarity, rendering the system more coherent and ensuring a sustained

(Mr. Roffi)

and predictable increase in resources was consistent with the modest programme of technical co-operation carried out by UNCTAD.

14. The rapid changes taking place in the international economy called for sustained support to the developing countries so that they could adjust to new economic and trade opportunities and take advantage of them. The international community should reduce the growing disparities in growth and development among countries and help developing countries formulate relevant trade policies. The developing countries should also be enabled to participate effectively in multilateral trade negotiations such as the Uruguay Round and the negotiations between the European Economic Community and the African, Caribbean and Pacific States within the framework of the Lomé Convention. UNCTAD sought to assist the developing countries in all those areas.

15. However, it was self-evident that those development objectives could not be attained unless the developing countries' national and collective capacities for sustained and sustainable development were enhanced, nor could the proper management of interdependence be achieved without changes in perceptions of problems and reflection of those changes in new policy approaches developed with the assistance of carefully designed technical co-operation programmes.

16. Technical co-operation was a subsidiary but essential aspect of UNCTAD's mandate and reflected the approach suggested in the Director-General's report of bringing the research and analysis functions of United Nations organizations in line with their support for operational activities. The recent reorganization of the UNCTAD secretariat had been designed partly to strengthen the Conference's capacity for technical co-operation. UNCTAD sought to make its knowledge, expertise and data available to developing countries at their request for use in building up their national and collective capacities. Those initiatives were beginning to yield results, especially since UNCTAD's programme of technical co-operation had grown by over 50 per cent in the past year. Yet that programme, combined with the activities of the International Trade Centre, still represented a small allocation of United Nations resources for the trade sector.

17. UNCTAD collaborated closely with UNDP in providing technical co-operation and was also increasing its co-operation with bilateral denors in a measer which nevertheless respected the central funding role of UNDP, which UNCTAD had always supported. UNCTAD sought to develop better relations with the resident co-ordinators, who also functioned on its behalf in matters pertaining to technical co-operation. The recommendations contained in the Director-General's report with regard to inter-agency co-operation would be of value in that regard.

18. Mr. ASRAT (United Nations Educational, Scientific and Cultural Organization) said that the triennial policy review exercise could benefit from continued and extensive inter-organization consultations, particularly with regard to implementation strategies. Neverthelsss, the report before the Committee was perhaps the most elaborate such document ever put forward, and presented an

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(Mr. Asrat, UNESCO)

encouraging picture of the future. He welcomed in particular the conclusions and recommendations regarding the role and functions of resident co-ordinators and the search for a better programming framework. The Director-General's recommendations provided a brilliant summation of the broad move towards cohesive policies and measures which were sure to overcome long-standing obstacles to teamwork within the United Nations. For his part, the Director-General of UNESCO had expressed his full support for the move towards greater teamwork and harmony at the country level, and had welcomed the recommendations, many of which UNESCO was already implementing.

19. The introduction to the report on the integrated country reviews (A/44/324/Add.2, annex) stated (para. 5) that the specialized agencies had not been created for operational activities. Yet a close analysis of the situation revealed that the organizations of the United Nations system had been endowed from the very outset with explicit mandates to support and encourage multilateral development co-operation. Such co-operation had become a main feature of UNESCO's pursuits in 1949.

20. UNESCO agreed that Government execution was the most appropriate modality for technical co-operation, since the ultimate goal of such co-operation must be self-reliance. Government execution and support from the specialized agencies were complementary mechanisms; technical and professional support should come primarily from the agencies, not merely from external funding sources, and should have as its principal objective accelerated national capacity-building.

21. He welcomed the idea put forward by the heads of several specialized agencies and the Director-General that joint action should be taken as soon as consensus was reached on elements of the development strategy for the 1990s. The progress achieved by WHO, UNDP and UNICEF in the universal immunization campaign showed the positive effects inter-agency consensus could have on development goals and strategies. It was to be hoped that the alliance forged between UNESCO and other agencies with respect to the forthcoming World Conference on Education for All would prove to be equally positive.

22. Mr. TRAORE (Mali) said that the suggestions contained in document A/44/324/Add.3 testified to the efforts of the United Nations system to increase the national capacities of recipient countries through expanded use of human resources, harmonization of programming cycles with the given country's planning process, and improved co-ordination of the bodies concerned with operational activities for development.

23. To ensure that the operational activities for development of the United Nations system fully reflected the concerns shared by the entire international community, it was essential that all the funds, organizations, programmes and technical bodies should have a common and unique set of guiding principles and operational rules. The NaTCAPs and donor round-tables were intended for all partners in the development of the developing countries at the international, multilateral, bilateral and non-governmental levels.

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(Mr. Traore, Mali)

24. Over the past two decades, serious world-wide economic, monetary and financial disturbances had seriously compromised the developing countries' hopes of achieving their economic and social objectives. The overall situation was such that the international community needed more than ever a global and concerted strategy to close the widening gap between the developed and underdeveloped nations.

25. His delegation, like many others, wished to see the post of Director-General for Development and International Economic Co-operation strengthened as the main structure for co-ordination of the United Nations system as a whole. The strengthening of the Economic and Social Council through an executive body with the Director General as executive director could help induce the UNDP Governing Council and other decision-making bodies of the system pursue a more integrated approach that was more in keeping with the requirements of recipient countries.

26. In that connection, his delegation approved of the resident co-ordinator system and hoped that the Ouagadougou workshop scheduled for February 1990 would involve institutions such as the World Bank, IMF, UNIDO, UNESCO and IFAD. The latter institution needed to be strengthened at a time when the developing countries, particularly those in sub-Saharan Africa, had the greatest need of substantial resources in order to reverse the adverse trends in agricultural products markets by food-crop substitution and crop diversification accompanied by the establishment of agro-industrial enterprises. His delegation welcomed the satisfactory fourth replenishment of IFAD, and called for an in-depth study of the relationship between the Fund, FAO and WFP in order to ensure that attention remained focused on agriculture as well as on environmental issues.

In countries which were facing a serious breakdown in economic linkages and 27. had undertaken adjustment programmes accompanied by important economic reforms, co-ordination would make it possible to rechannel aid received from various sources into a coherent programme focusing essentially on support for national efforts. That was important because, despite the sophisticated machinery for co-ordination developed under the leadership of UNDP over the past decade, with NaTCAP studies to evaluate the needs of recipient countries and donor round-tables to canvass the support of the international community, the objectives pursued were constantly fragmented because the resources to finance the projects adopted were themselves fragmented and doled out in driblets. On completion of its own programming, a country began the process of adapting to the guidelines of institutions and agencies and then entered into lengthy financial and technical negotiations, with the result that projects were often spread over several national planning cycles in the search for funding and technical support. Meanwhile, their costs rose as a result of inflation and international market fluctuations, new priorities emerged, and in the final analysis all the work of project formulation and co-ordination at the national level went for nothing. Strengthening the co-ordination functions of UNDP was of no avail if resources to finance development were lacking.

28. Indeed, on the eve of the fourth United Nations development decade, it was clear that the 1980s had been a lost decade for development, characterized by the large-scale transfer of resources from the developing countries to the developed countries and international monetary and financial institutions.

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(Mr. Traore, Mali)

29. While it commended the initictives taken to improve the effectiveness of the operational activities for development of the United Nations system, his delegation was convinced that those efforts were not sufficient in themselves, but must be accompanied by a genuine "new deal" for the developing countries. Those could not on their own re-enact the agricultural and industrial revolutions, nor could they seek to avoid the increasing marginalization which the international system imposed on them by isolating themselves from that system and pursuing a policy of complete self-sufficiency. To promote their self-reliant development and the emergence of more appropriate and less costly technical co-operation networks, the role of the United Nations system as catalyst was as important as its co-ordinating role. Technical assistance and operational activities for development would be fully effective only if development co-operation was radically reformed by providing bilateral and multilateral aid programmes with sufficient resources to finance profitable, investments.

30. His delegation hoped that the analyses, suggestions and recommendations made by the Director-General in document A/44/324/Add.3 would be adopted as a basis for the studies to be carried out and the decisions to be taken with a view to revitalizing and co-ordinating the development assistance of the United Nations system. The General Assembly should request the Economic and Social Council to monitor on an annual basis the progress made in that direction and to report at its forty fifth and forty-sixth sessions on improvements in methods and procedures, on inter-institutional relations, on the streamlining of structures at the country level and on the functioning of the system of resident co-ordinators. As an immediate measure, a decision-making reference to all the programmes, funds and agencies of the system should call on intergovernmental bodies to take the institutional and administrative measures necessary to strengthen co-ordination.

31. <u>Mr. DEVOLDER</u> (Belgium) said that the fundamental objectives of the operational activities for development of the United Nations system were to promote the economic and social development and self-reliance of the developing countries so that they could, through the creation or strengthening of their capacities and institutional structures, assume responsibility for the design, realization and management of their development, co-ordinating all external assistance and integrating it in their national programmes.

32. For the attainment of those objectives, the principles of the 1970 consensus remained valid. Multilateralism, neutrality, universality and the free nature of the assistance constituted the advantages of the United Nations system in co-operation for development. To those advantages must be added the accumulated experience of the system's members and its physical presence in nearly all developing countries. The fullest possible use must be made of the institutions' experience by co-ordinating their inputs into the design and execution of national programmes, and involving local offices through greater decentralization of decision-making, so as to make operational activities more responsive to the increasingly diversified needs of the developing countries.

(Mr. Devolder, Belgium)

33. The Governments of developing countries themselves must play the main role in promoting development by defining priorities and drawing up economic and social development plans, including their foreign assistance components. Operational activities must be integrated into national development policies in a manner which was flexible and adapted to local situations. National execution must become the rule, and that would be possible only through a progressive transfer of responsibilities and competence taking into account the individual situation of each country. To facilitate such a transfer, the United Nations system would also have to simplify and harmonize its rules and procedures for programme and project design and execution.

34. Other ways of promoting national capacities included greater use of national experts, promotion of procurement from developing countries, and technical co-operation among developing countries (TCDC). With regard to the latter modality, the United Nations and donor countries could provide an appropriate framework and disseminate information on specific possibilities, but it was only the political will of the developing countries and the capacity of their institutions that would, in the final analysis, ensure the success of TCDC.

35. Operational activities of the United Nations system should concentrate on a few fields which would become more important in the future, and should adopt thematic approaches which highlighted the multi-sectoral dimension of certain development problems. A prime example was human resources development. Genuine development was not confined to economic growth, but must also create conditions for the full development of the human being in an open, environmentally sound and culturally diverse world. His delegation therefore welcomed UNDP's intention to focus on the human dimension of development. A proper place would have to be given to specific concerns such as universal access to education, the impact of population trends, participation of all elements of society, advancement of women, ecological balance and the role of non-governmental organizations and small and medium-sized enterprises.

36. Turning to the financial and administrative aspects of operational activities, he noted that UNDP no longer truly performed the function of central funding. The negative effects of the erosion of central funding must be offset, primarily by strengthening the co-ordination and harmonization between all components of the system at all levels, and especially at the country level. His delegation supported the Director-General's proposals to promote the team spirit among the organizations of the system, and reaffirmed its support for the function of resident co-ordinator, whose role as team leader should be strengthened by being given the necessary means and authority. The recommendations of the ACC deserved special attention in that regard.

37. The level of financial resources allocated to operational activities was fundamental. Resources must be increased if the system was to continue to perform its multiple tasks and to meet fully the increasing needs of the developing countries. However, a realistic attitude must be adopted. There was a limit to the extent to which the development assistance budget could be increased, and the proportion accorded to the multilateral sector could not grow indefinitely.

(Mr. Devolder, Belgium)

38. Belgium was endeavouring to achieve the target of 0.7 per cent of its gross national product and hoped that it would be reached during the first years of the coming decade. Definitive decisions had not yet been taken with regard to the share to be given to the multilateral sector, but his Government had already increased or resumed its voluntary contributions to UNICEF, UNFPA and the Revolving Fund for Natural Resources Exploration. Where the distribution of resources for operational activities was concerned, the primary concern should be to strengthen programmes for the poor in all the developing countries. At the same time, an effort should be made to reserve a significant part of the resources for world-wide, interregional and regional programmes in order to enable UNDP to continue its thematic approaches which were not necessarily or sufficiently taken into account by the country programming approach alone.

39. <u>Mr. MAJOOR</u> (Netherlands) said that, although many United Nations organizations which provided technical assistance had a long and unique history and had developed their own legislative and decision-making machinery, the United Nations system had to present the developing countries with a more coherent package of supportive actions, and not just an accumulation of separate projects and programmes. That would require co-ordinated and integrated action by the organizations of the system, and the General Assembly should adopt a practical resolution setting out clear guidelines for such action.

The needs of the developing countries should determine the focus of 40. operational activities, whose role was essentially to assist Governments, upon request, in determining their substantive development goals and to design and implement relevant programmes and projects. In order to ensure maximum impact, the support provided by the United Nations system to a recipient country should be tailor-made to the individual needs of that country; that would be possible only through a decentralized approach. The growing diversity between groups of countries had led to a widening gap between the poorest countries and the rest of the developing world, and the United Nations must direct the limited resources available for operational activities to those countries most in need of technical support in order to help them catch up with the rest of the world economy. Every internationally agreed strategy for the 1990s should give due attention to the role which the operational activities of the United Nations system should play in the development process. While such strategies should not contain detailed guidelines for operational activities, they could provide general guidance to the United Nations funds as to what should be the main focus of their activities.

41. The concept of central funding had not achieved its purpose, namely, to serve as a co-ordinating tool at the country level, and alternative ways of ensuring better co-ordination must be sourch. The creation of additional special purpose funds would probably lead not to the channelling of more resources through the United Nations system, but rather to a redistribution of funds. An increase in funding would only occur if and when the resources currently available to the system were seen to be used in an effective and efficient manner. In that respect, it would be useful to stress the comparative advantage of the system's operational activities and to concentrate such activities on a limited number of priorities.

(<u>Mr. Majoor, Netherlands</u>)

42. Programming of operational activities at the country level would be effective only if the operational funds decentralized their decision-making processes. The need to tailor assistance more closely to recipient countries' own development goals made it imperative to shift authority from Headquarters to the local level. In a global organization with centralized decision-making procedures, it was impossible to provide for the necessary diversification and flexibility to adapt to country-specific circumstances. A decentralized approach would also have positive effects on the capacity of the United Nations system to co-ordinate its activities. Every organization in the United Nations system would have to decide in its own governing body how to decentralize its operations, and the General Assembly should give a clear political signal in order to facilitate that process.

43. The Netherlands fully endorsed the Director-General's recommendation that the position of the resident co-ordinator should be strengthened. Given a minimum amount of goodwill, some financial resources, some additional staff, and most of all, the clear and unequivocal support of the Government concerned, the pivotal role of the resident co-ordinator could be substantially improved. That would also require the co-operation of the various United Nations organs active in a given recipient country.

44. The proposed common country statement might provide a useful framework for the activities of all United Nations bodies in a recipient country. Careful consideration should be given to the content of country statements and the methodology to be used for their preparation, and his delegation encouraged the Director-General to develop that concept further, taking into account the know-how and experience which other organizations, such as the World Bank, had to offer.

45. The heavy work-load imposed on recipient countries by a multitude of individual projects constituted an unacceptable diversion of the scarce human resources in those countries. More programme-oriented assistance from UNDP would not only stimulate the coherence of aid, but would lessen the bureaucratic burden. Another contribution to more effective support from the United Nations system as a whole would be the harmonization and simplification of the various bodies' programming, financial and administrative procedures, and the Director-General should pursue his efforts to that end.

46. The Netherlands fully agreed with the Director-General that national execution was the key to many of the needed improvements in the organization of operational activities at the country level. Much of it would be a process of "learning by doing". However, in certain cases, the positive effects of national execution on capacity-building in recipient countries justified a more elaborate implementation process. Increased national execution would, of course, be dependent on an improvement in those countries' accountability procedures . Nevertheless, his delegation supported the Director-General's proposal to adopt, on a pilot basis, procedures to allow for more national execution in a certain number of recipient countries.

(Mr. Majoor, Netherlands)

47. Since the Committee would not be able to take action on all the Director-General's recommendations, the debate should be concentrated on recommendations which provided for immediate action, such as those relating to the strengthening of the position of the resident co-ordinator, decentralization and country statements.

48. The six-billionth inhabitant of the planet would be born in 1998 and, by 2025, the world's population was expected to reach 8.5 billion. Over the next 10 years, the population of the developing world would increase by 94 per cent. Those figures indicated the absolute necessity for concerted action. At a conference organized to celebrate the twentieth anniversary of UNFPA, held from 6 to 9 November 1989, representatives from approximately 80 countries had discussed the possibilities for such action and had adopted the Amsterdam Declaration on a better life for future generations. The Declaration contained a certain number of concrete recommendations, and the Netherlands hoped that action would be taken on those recommendations in the near future.

49. Mr. Payton (New Zealand) took the Chair.

50. <u>Mr. MALAPA</u> (Vanuatu), speaking on behalf of the South Pacific Forum States which were Members of the United Nations (Australia, Fiji, New Zealand, Papua New Guinea, Samoa, Solomon Islands and Vanuatu), said that the developing countries of the South Pacific faced many of the problems of developing economies, and also had special needs which were unique to the region. Most of them were small developing countries spread out over a number of islands. In most instances, their populations were small. Small populations resulted in a lack of economies of scale, but that did not imply a corresponding reduction in development needs. Since agriculture was the main economic sector for many island developing countries, they were dependent on the export of primary and semi-processed products. Many of them were confronted with a shortage of skilled manpower and low levels of domestic savings, and were in need of development aid and technical assistance.

51. Because of their location in the South Pacific, many of the countries of the region were vulnerable to natural disasters. In many instances in the recent past, their development efforts had been seriously impeded by such occurrences. For example, in 1986, the Solomon Islands had been devastated by Cyclone Namu, and in February 1987 Vanuatu had experienced similar destruction from Cyclone Uma. In each case the response of the international community had been swift and highly appreciated.

52. The United Nations development system was vital to the efforts of the South Pacific island developing countries to overcome their handicaps, and the co-ordination of effort, policy formulation and programme execution within the United Nations development system would be of great benefit to them. Since many members of the South Pacific Forum had limited trained manpower to devote to development planning and implementation, they were bewildered when confronted with the numerous United Nations agencies and programmes, special funds and new policy

(Mr. Malapa, Vanuatu)

initiatives. The United Nations development system should therefore adhere to the procedures for co-ordination set forth in General Assembly resolutions. Increased harmonization and rationalization of the capabilities of the United Nations system in its operational activities for development could only be of benefit to the developing countries.

53. In 1988, Sames, the Solomon Islands and Vanuatu had participated in UNDP-sponsored round-table meetings at Geneva, which had been extremely useful to those countries, and that UNDP was preparing such meetings for the Cook Islands, Fiji and Samoa in 1990. Such meetings for South Pacific countries should be held in the region so that their development partners could learn at first hand the problems those countries faced. The participation of many bodies and agencies of the United Nations system in the 1988 round-table meeting had provided crucial assistance and advice. The activities of those bodies were central to the development efforts of the Pacific region, and member States should make additional resources available in order to permit the expansion of such activities.

54. <u>Mr. BORCHARD</u> (Federal Republic of Germany) said that his delegation fully endorsed the view that the principal responsibility for development and for the orientation and the results of external assistance lay with the recipient countries, and joined previous speakers in strongly supporting the notion that national execution of projects should become the rule for the United Nations system.

55. The Federal Republic of Germany had always been among the principal donors of grant assistance, and had taken decisions to lower substantially the debt burden of developing countries. In determining its future contributions to the multilateral system, it would take account of the system's comparative advantages in all fields of activity and its effectiveness for development support. At the second regular session of the Economic and Social Council, his delegation had supported demands to ensure higher percentages of real transfer to the beneficiaries in the developing countries by reducing intermediary costs. Cost calculation and cost accounting must be introduced to show both the substantive and administrative costs of programmes and projects.

56. His Government concurred with the basic ideas behind the proposed conceptual and technical changes in the operational activities of the United Nations system. The objectives of such activities should be to combat poverty; to design new comprehensive concepts of humanitarian assistance and social programmes, especially for countries or regions with limited economic prowth prospects; to strengthen support for population policy; to redeploy human resources at United Nations Headquarters for direct involvement in field programmes and projects; to achieve greater self-reliance through capacity-building by decentralization and national project execution; to address the interdependence of development problems through a multidisciplinary and regional approach; to conceive appropriate measures to meet the social consequences of adjustment processes; and to promote the participation of all segments of the population in the development process. While the recommended changes were headed in the right direction, the past would no doubt

(<u>Mr. Borchard, Federal Republic</u> of Germany)

continue to influence the present for quite a while and traditional attitudes and practices and the new concepts and techniques would overlap.

57. In the present difficult situation, the proposed restructuring programme within the United Nations system, might be over-ambitious, calling as it did for increased teamwork between governmental and non-governmental institutions, and cross-sectoral, regional and country-specific approaches under the leadership of the resident co-ordinator. The complexity of such a programme necessitated further preparatory work by all parties concerned before the team concept became operational. The constraints would lie in the complexity of the reform package, human weaknesses and the time-frame. Apprehensions about its suitability to the sectoral structure of the system had been expressed in the integrated country reviews (A/44/324/Add.2). In view of such widely shared scepticism over the capacity of the system to achieve the required reforms, a more realist' restructuring programme needed to be devised.

58. His Government believed that operational committees should be set up by the governing bodies of the specialized agencies concerned, acting in a new spirit of co-operation at headquarters and country level, and prepared to submit their work to critical review. In addition, it welcomed the idea of an intergovernmental committee for operational activities for development and encouraged the Director-General to submit a more detailed proposal at the second regular session of the Economic and Social Council for 1990.

59. High-priority cross-sectoral and pluridisciplinary activities should be supervised by a specialized or regional United Nations body. The Federal Republic of Germany proposed that the different food security programmes should be integrated into a food sufficiency policy, to be co-ordinated by UNDP.

60. In general, the co-ordinating role of UNDP had to be more clearly defined. The governing bodies of the agencies should report progress to the Economic and Social Council and make recommendations based on proposals by their proposed sub-committees for operational activities. The co-ordination capacity of the Director-General's office should also be strengthened, with a special team assigned to the reform process, and a detailed work programme should be prepared for submission to the competent organs and the Committee for Programme and Co-ordination. Redeployment of existing capacities in other departments of the United Nations Secretariat to the Director-General's office should be explored before additional resources were allocated to it.

61. The proposed decentralization and closer co-operation with aid recipients would strain the resources of certain under-equipped country offices, and efforts should therefore be made to strengthen the resident co-ordinator system. Consideration should be given to the proposal that UNDP should finance the resident co-ordinator as programme support, and not from the administrative budget. Decentralization would be promoted by assigning the Director-General and other high-level executives to periods of duty away from Headquarters; such measures would enhance the resident co-ordinator system, provided that they did not create

(Mr. Borchard, Federal Republic of Germany)

any additional work-load or delay provision of the necessary human and financial resources for field offices.

62. There was an urgent need to simplify rules and procedures, improve administration, and in general enhance the performance of the United Nations system. That, in turn, would help to revitalize joint country programming, harmonize the Organization's programmes and activities with those of the recipient countries and integrate field offices in development co-operation centres.

63. His Government welcomed the recommended elaboration of common country statements of objectives of the United Nations system, and concurred with the views of other delegations that the system should initially be introduced on an experimental basis, its objectives further defined and a major role in its elaboration assigned to the recipient country.

54. Mr. BHATTI (Pakistan) said that the availability of assured resources for operational activities, and, more particularly, for their future enhancement in real terms, remained a cause of major concern. Increased efforts were essential to procure greater resources for the next programming cycle.

65. While all major funds and the donor community had recognized the importance of strict adherence to the policies and priorities of recipient Governments, actual programme delivery tended to deviate from that principle, with the funding and executing agencies promoting projects according to their own criteria.

66. Pakistan believed that a number of measures should be implemented to enhance the efficiency of the United Nations operational activities for the economic development of the developing countries. The preparation of projects required closer co-ordination between Governments, the United Nations and potential donors, and efforts should be made, with the assistance of UNDP, to identify and attract potential donors at an early stage. Programmes and projects should be organized and implemented in a way that made optimum use of indigenous manpower, with the aim of eventually eliminating reliance on outside expertise. To enhance the service provided by United Nations agencies, background experience should be applied as a criterion in the appointment of senior officials to development projects, with due respect for the political sensitivities of the host country. The role of technology transfers in intercountry programming should be enhanced, and greater use made of the convenient situation of Asia and the Pacific region in such In addition, United Nations support was needed to promote the use of transfers. newly developed technologies by user groups and institutions, including those in the private sector.

67. While the percentage of allocated funds spent on visits by experts had been significantly reduced in the third programming cycle, further reductions were required in such spending. Intercountry programmes should be more effectively evaluated, in terms not only of their delivery rate and distribution but also of their achievements and impact, in order to avoid duplicating activities.

(Mr. Bhatti, Pakistan)

68. Pakistan stressed the importance of increasing procurement of equipment from developing countries, noting that in 1987 South-South procurement had accounted for a mere fifth of the total. Developing countries had a far greater potential to meet each other's procurement requirements, and the issue merited much closer consideration.

69. The UNDP Special Unit for TCDC had contributed significantly to South-South co-operation, inter alia, by supporting the successful programming exercise organized in Pakistan in September 1989, but its role needed to be strengthened and extended to include follow-up action and further financial and technical assistance. The Unit's financial base should be strengthened to provide additional funding for such actions without depleting indicative planning figure resources.

70. To ensure the maximum impact of limited resources, the role of the resident co-ordinator should be strengthened, and operational activities for development needed to be further simplified, decentralized and harmonized.

71. Despite severe budgetary constraints, Pakistan had increased its contributions to development programmes at the recent United Nations Pledging Conference for Development Activities, thereby affirming its belief that operational activities had a crucial role in promoting international co-operation for development, particularly in the context of declining resource flows from the developed to the developing countries.

72. <u>Mr. KING</u> (Trinidad and Tobago) said that preparations for the fifth programming cycle of UNDP should be underpinned by the principles of the neutrality, universality and non-conditional nature of operational activities for development and the right of developing countries to set their own development priorities.

73. The fifth programming cycle, which should target the poor in all developing countries, would commence after a decade of stagnation resulting from upheavals in the international economic environment, with a dramatic increase in the rumbers of unemployed and poor in many countries. The economies of those countries were contracting, and proposals to reduce the allocation of resources to them should therefore be examined very carefully.

74. The declining national incomes of many developing countries were limiting their capacity to cope with structural adjustment and to diversify their economies, and in some cases the implementation of structural programmes had in turn eroded indigenous capacities for development. Previous national efforts and development assistance would be rendered largely futile unless measures were urgently adopted to safeguard the institutions essential for long-term development. The success of adjustment and reform processes under way in many parts of the South to revitalize growth and development was contingent upon such institution-building.

75. The challenge facing the United Nations system was thus to consolidate existing capacities with a view to preventing further losses, and to build on

(Mr. King, Trinidad and Tobago)

existing capacities to support structural adjustment and reform programmes and promote the development of developing countries in the next decade. Strategies should be developed to indentity more specific goals aimed at promoting socio-economic improvement.

76. The impact of grant assistance was reduced in the South by the low level of procurement from developing countries, which meant that funds were being recycled to the developed countries. Increasing the level of procurement in all developing countries would increase the benefits they derived from multilateral grant assistance, and thereby fos'er self-reliance within the South.

77. Where TCDC was concerned, implementation of the Buenos Aires Plan of Action was impeded by lack of information on capacities and expertise within developing countries. An information network was required to ensure access to sources of technical assistance within developing countries.

78. Decentralization of project procedures and harmonization of donor and recipient procedures would enhance the efficiency of the United Nations System's operational activities.

79. Responsibility for the co-ordination of external assistance programmes rested with the Governments of developing countries. The projects and programmes of the United Nations system should complement policies and strategies elaborated in national and sectoral development plans. Careful consideration should therefore be given to the Director-General's proposal to increase the authority of the United Nations resident co-ordinator.

The meeting rose at 1,05 p.m.