



GOVERNING COUNCIL

Twenty-seventh session

SUMMARY RECORD OF THE 700th MEETING

held at the Palais des Nations, Geneva,
on Monday 23 June 1980, at 10 a.m.

President:

Mr. POPESCU

(Romania)

Other funds and programmes (continued)

(d) United Nations Revolving Fund for Natural Resources Exploration (continued)

(j) Energy Fund for Exploration and Pre-Investment Surveys (continued)

(b) United Nations Volunteers

Other matters

(a) Relations between UNDP and external institutions

Statement by the representative of the Aga Khan Foundation

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The meeting was called to order at 10.15 a.m.

OTHER FUNDS AND PROGRAMMES (agenda item 7) (continued)

(d) UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION (continued)
(DP/477 and Corr.1, DP/428, DP/429, DP/430, DP/431, DP/GC/XXVII/CRP.17)

(j) ENERGY FUND FOR EXPLORATION AND PRE-INVESTMENT SURVEYS (continued) (DP/438)

1. Mr. ALBORNOZ (Ecuador) paid a tribute to the quality of the report on the activities of the United Nations Revolving Fund for Natural Resources Exploration (DP/477); he shared the optimism which it reflected regarding Fund-assisted exploration activities. In Ecuador, the Fund's projects were meeting major needs. Project ECU/NR/76/001, completed in July 1979, had made it possible to discover a promising silver deposit. On the other hand, project ECU/NR/77/001 was not yet operational, because of administrative delays caused primarily by the change in government which had occurred as a result of elections. It would be necessary to ensure that operations began immediately after the signing of the project agreement between the Government and UNDP.
2. In general, UNDP support was very useful for the implementation of Ecuador's five-year plan; UNDP played an essential role by co-ordinating the inputs of the various United Nations agencies and of bilateral sources. UNDP was increasingly effective in the performance of its representation, co-ordination and financing functions. In that connexion his delegation endorsed the recommendation in paragraph 32 of document DP/477 that authority should be delegated to the Administrator to approve projects financed by the Fund.
3. While the growing effectiveness of the UNDP Office of Projects Execution was to be welcomed, the steady rise in the cost of executing agency services remained a matter of great concern. The purpose of the assistance provided was to finance field activities, not to expand the staff at the agencies' headquarters. While the Governing Council was approving minimal IPFs for the next five-year period, it appeared that a few simple administrative measures had produced savings of nearly \$51 million in the operational costs of the agencies. It was to be hoped that that sum would be used to replenish the reserves needed to finance the minimal IPFs of the great majority of countries which had an annual per capita income of more than \$500.
4. Mr. AL-AVADHI (Kuwait) informed the Council that the Kuwait Petroleum Corporation had recently become a shareholder in the International Energy Development Corporation, which had been set up in November 1979 to promote the development of energy resources in third-world countries, in particular through projects aimed at accelerating oil and gas exploration in those countries. The International Energy Development Corporation would co-operate closely with the Governments of developing countries and international development institutions in undertaking programmes designed to meet the needs of each country, and would mobilize the necessary financial and technical resources. In that connexion, he recalled that one of the main functions of the OPEC International Development Agency - formerly the OPEC Fund - was to finance projects aimed at developing energy sources in the developing countries, particularly in the hydrocarbons sector.

5. The Director-General of the OPEC Fund had already stated that the Fund was prepared to contribute immediately 10 per cent of the resources now envisaged for the Energy Fund for Exploration and Pre-Investment Surveys. However, the decision to establish the Energy Fund should not be taken hastily; it might be preferable to await the results of the meeting of government experts proposed in document DP/438 and of the Conference on New and Renewable Sources of Energy to be held in 1981. In particular, the activities of the proposed Fund appeared to duplicate those of other United Nations bodies and international institutions, such as the World Bank.
6. In conclusion, he mentioned the activities of seven development institutions in the Arab world to which his country contributed and which, during the first quarter of 1980, had extended to 30 developing countries soft loans amounting to \$404 million in various fields, including energy, highways, agriculture, industry, balance-of-payments support and trade financing.
7. Mr. SCHMID (Austria) agreed with the statement in document DP/477 that 1979 had marked a decisive turning point in the Fund's development, with its first exploration success and a significant increase in the number of Governments which had met the prerequisite for Fund assistance. The initial stage, with all its difficulties, had therefore been completed, as a result of a collective effort. He endorsed the recommendations contained in paragraph 32 of document DP/477 concerning the delegation to the Administrator of authority to approve projects financed by the Fund and the financing of an expert group to assist in the 1981 review of Fund operations. His delegation was pleased to note that administrative expenses had declined from 24.8 per cent of expenditure in 1977 to 17 per cent in 1980; it wished to encourage the new Director of the Fund to pursue his efforts in that direction.
8. The proposal to establish an Energy Fund for Exploration and Pre-Investment Surveys (DP/438) related to a subject which was of increasing concern to the international community. The holding of a United Nations conference on New and Renewable Sources of Energy was evidence of the desire to resolve a problem which was particularly serious for countries lacking energy resources. The proposed Fund could help countries which were not eligible for the loan programme of the World Bank and could complement the Bank's activities. However, the Fund's mandate must be analysed and defined carefully if potential donors were to be attracted. In conclusion, his delegation thanked the Director-General of the OPEC Fund, who, at the 694th meeting, had pledged participation of 10 per cent.
9. Mr. GREEN (New Zealand) congratulated Mr. Kobayashi, who was well known in the Asian and Pacific region, on his appointment as the new Director of the United Nations Revolving Fund for Natural Resources Exploration. The New Zealand delegation was prepared to approve the recommendations contained in paragraph 32 of document DP/477, but found them unclear on two points: first, it should be indicated why the General Assembly had not appropriated the necessary credits to finance the expert group that would conduct a review of the Fund's operations; secondly, it should be expressly stated that the authority delegated to the Administrator would be exercised within the limits of available resources. Moreover, the proposed modification of the funding system seemed sufficiently important to warrant formal endorsement by the Governing Council in its decision relating to the Revolving Fund.

10. In the general debate, his delegation had already expressed reservations with respect to the proposal contained in document DP/438. The statistics provided by the Administrator and the representative of the World Bank did, of course, show that the needs for assistance in the energy field were very great. Moreover, New Zealand recognized the importance of UNDP's role in that field, as could be seen from its participation in the geothermal training project to which the Director of the Division for Global and Interregional Projects had referred at the 692nd meeting. New Zealand had been pleased to co-operate with UNDP in establishing the Geothermal Institute and wished to share its experience with other countries concerned. However, it was not certain that the establishment of a fund would be the most appropriate response to the needs in question. First of all, the record of recent years raised certain doubts. Moreover, the Administrator himself recognized that, in the light of the results of the review of the Revolving Fund's activities and of the conclusions of the Conference on New and Renewable Sources of Energy, the proposed fund might be discontinued or subsumed in some other funding mechanism: in view of those doubts about the medium-term future, it might be asked whether immediate needs could not be met in some other way. The delegations of Japan and the United States had mentioned other possible solutions; for its part, his delegation thought that use could be made of existing mechanisms, subject to modification of their terms of reference if necessary. Lastly, he suggested that, in considering the proposal to create a new fund, the Governing Council should take due account of section V of the report on the evaluation of the global programme (DP/456).

11. Mr. WANG Zichuan (China) welcomed the fact that, during its five years of operation, the Revolving Fund for Natural Resources Exploration had made satisfactory progress, and expressed his gratitude to UNDP, the Japanese Government and other Governments. The Fund could certainly do much to help developing countries to explore their natural resources; however, many developing countries had adopted a "wait and see" attitude for various reasons: first, the capacity and effectiveness of the Fund still remained to be proved; secondly, as the Chinese delegation had already pointed out in the Governing Council, some articles in the project agreements left something to be desired. In order to expand its activities, the Fund should revise the articles which were unsatisfactory.

12. His delegation supported the Administrator's recommendations in paragraph 32 of document DP/477 and congratulated Mr. Kobayashi on his appointment; in addition, it endorsed the Administrator's recommendations concerning projects DP/428, 429, 430 and 431, which related respectively to Egypt, Guyana, the Philippines and the Upper Volta.

13. Mr. PATHMARAJAH (United Nations Industrial Development Organization) said that at its Third General Conference, held at New Delhi in early 1980, UNIDO had decided to intensify its activities in the energy field by providing, as in all its priority areas, for action by the developing countries, by the developed countries and by the UNIDO secretariat. The efforts undertaken would be along three main lines: first, more efficient utilization of energy in industry as a result of energy conservation measures and the application of appropriate technology; secondly, production, repair and maintenance in developing countries of energy-related equipment and appliances, including hydro-power equipment and installations for the use of solar, wind, biomass, and other new energies; and, thirdly, the production of new and renewable sources of energy, including biomass-derived fuels.

14. In recognition of the essential role of energy in industrial development, a special advisory group had been established to consolidate and guide the future UNIDO energy programme; the group would co-operate closely with the Administration of UNDP in planning and carrying out technical co-operation programmes. Moreover, if the Governing Council decided to establish the Energy Fund for Exploration and Pre-Investment Surveys, proposed in document DP/438, UNIDO would welcome the opportunity to co-operate in projects designed to investigate new and renewable sources of energy through demonstration and small pilot plants.

15. Mr. BA-ISSA (Democratic Yemen) said that energy was an essential factor for the socio-economic development of the developing countries, and even for the survival of those with the lowest income. Oil, in particular, played a crucial role; the imperialists were wasting it, the transnational corporations derived exorbitant profits from it, and threats of military intervention were even made at the risk of endangering world security, whereas the developing countries had to make great sacrifices in order to meet their modest needs. In that connexion, he congratulated the Administrator for having proposed an Energy Fund for Exploration and Pre-Investment Surveys, and thanked the Director-General of the OPEC Fund who had indicated at the 694th meeting the support which the OPEC Fund would provide if the Energy Fund was established.

16. As indicated in document DP/437, the developing countries were more preoccupied with energy supply and prices than with the conservation and efficient use of energy, which were of greater concern to the industrialized countries. The projects financed by UNDP in that field were limited in number and scope; the proposed Fund would certainly help the low-income countries, which had difficulty in obtaining fuel and were neglected by the major oil companies. In its report, the Brandt Commission advocated special arrangements, including financial assistance for those countries. In that connexion, he stressed that the proposed Fund should not impose additional financial obligations on the poorer countries.

17. For the Fund to become operational, it was essential that the generous offer by OPEC should evoke an even more generous response from the developed countries. In view of the guarantees given in document DP/438, in particular the fact that the Fund would be advised by representatives of UNDP, the United Nations and the World Bank, and of the advantages, mentioned by the Administrator, of an established administrative framework, including a field office network, there was no justification for the reservations which had been voiced in that respect.

18. Mr. VEGECA (Acting Assistant Administrator and Director, Bureau for Special Activities) said, in reply to the first point raised by the representative of New Zealand, that the General Assembly had not taken a decision on the financing of an expert group to assist in the 1981 review of the operations of the Revolving Fund because it was United Nations' policy not to finance from its regular budget expert group meetings relating to extrabudgetary activities. The cost of such meetings should be borne by the Fund which financed the activities in question. When that information had reached the UNDP secretariat, document DP/477 and Corr.1 had already been prepared. With regard to the second point raised by the representative of New Zealand, a satisfactory reply was to be found in the draft decision submitted by Italy (DP/GC/XXVII/CRP.17), which confirmed the approval of the four projects submitted "subject to availability of funds"; a similar phrase could easily be included in paragraph 2 of the same draft.

19. In response to the comments made by the representative of China concerning agreements and project agreements with recipient countries, he said that the Administration of UNDP had deemed it preferable to await the views of the expert group on the Fund's mode of operation so that it could conduct a judicious revision of its procedures.

20. Mr. KOBAYASHI (Director of the United Nations Revolving Fund for Natural Resources Exploration) thanked the representatives who had approved his appointment as Director of the Revolving Fund. He would take due account of their comments on the current and future activities of the Fund and would do his utmost to ensure its success.

21. Mr. MORSE (Administrator) thanked the representatives who had supported, sometimes enthusiastically, his proposal to establish an Energy Fund for Exploration and Pre-Investment Surveys. He would study carefully the various comments which had been made and would refer to them at a subsequent meeting.

(b) UNITED NATIONS VOLUNTEERS (DP/484)

22. Mr. MORSE (Administrator) emphasized the singular and growing success of the United Nations Volunteer programme, which in 1979 had achieved a record programming and delivery increase of 60 per cent. UNV activities would have to be stepped up still further to attain the new target of 1,000 Volunteers in the field by 1983. However, as the number of Volunteers sent to the field increased, so must there be an expansion in the resources of the Special Voluntary Fund, which had to absorb the external assignment costs of developing-country Volunteers. As requested by the Council, the UNV programme was also intensifying its activities in the field of youth and domestic development service, and that too required greater resources.

23. In his visits to developing countries, he had seen the highly effective work being done by the men and women who were the heart of that dynamic programme. It was a flourishing enterprise which fully justified the confidence placed by the Council in the concept of international voluntarism. He therefore recommended that the Council should provide continuing and increasing support to that programme, which had given a new and vital dimension to United Nations development efforts.

24. Mr. NABULSI (Co-ordinator of the United Nations Volunteer programme) expressed appreciation for the support received by the UNV programme during the previous year: the never-failing attention of the Administrator, the collaboration of the United Nations system and of the Governments of both developing and industrialized countries and, above all, the commitment of all serving Volunteers had enabled the programme to achieve an unprecedented rate of growth. The Administrator's report (DP/484) illustrated the contribution made by the programme to common development efforts; in addition, the concept of an international corps of volunteers belonging to the United Nations system was now viable. Yet difficulties had been experienced at the outset: when the UNV programme had become operational, several years after its establishment, the virtual stagnation of activities had left the impression that it enjoyed only token acceptance as a development tool. It had seemed impossible to find sufficient men and women willing to volunteer their capabilities for the benefit of the developing world.

25. The situation had changed considerably since that time: the UNV programme had gained significant world-wide acceptance and achieved momentum, and under the aegis of UNDP, the concept of international voluntarism had proved itself as a technical co-operation mechanism. That concept enabled qualified persons - especially young people - to participate in the global development effort under a formula which, notwithstanding the wide variety of personal motivations, not only implied a modest level of remuneration but also required the right qualifications and skills to meet specific needs in the countries concerned. Thus, voluntarism was no longer the preserve of certain groups or a means of salving the conscience; it provided an opportunity for the global sharing of technicity under the aegis of the United Nations. There were currently some 800 middle-level and upper-level technicians, representing 75 developing and industrialized countries, working in 82 developing countries and territories. However, what they were doing for others, for themselves, for their countries and for the world could not be quantified.

26. UNVs activities were based on the principle of universality. The programming and assignment of Volunteers was done in the light of the specific needs articulated by the developing countries, and recruitment was conducted on as wide a geographical basis as possible. In addition, there was the key concept of "relevance", as explained by the Administrator (DP/484, para. 10). Special attention was also paid to the concept of "new dimensions". The programming and assignment of Volunteers within the institutional framework of the country concerned and under the direct control of the Government not only enabled a closer working relationship to be established at the operational level but enhanced the Government's capacity to manage technical co-operation personnel. Many Governments welcomed that approach, which enabled them to make additional use of the programme's potential.

27. Among the many special, new activities developed by the programme during the previous year, two warranted particular mention. The first was the programme of assistance drawn up in agreement with the United Nations High Commissioner for Refugees, under which the services of some 40 UNVs were to be made available to aid the South-East Asian refugees. Financing of that programme had been made possible by a special UNDP contribution pledged the previous year and by additional support from bilateral sources, notably the United States. Consideration was being given to similar programmes designed to alleviate the situation of refugees in Somalia and other parts of Africa.

28. Another special short-term programme, which had become fully operational during the previous year, was a project formulated in response to an urgent request from the Government of Sri Lanka. Under the project, 120 doctors from the Asia and Pacific region provided medical attention to some 10,000 out-patients and some 5,000 in-patients each day. In the past, Sri Lanka had had one of the most effective health delivery systems in the region, but in recent times trained medical personnel had been leaving the country in pursuit of more attractive and better remunerated work in the West. While allowing its citizens full liberty to travel and work abroad, the Government was taking major steps to halt that exodus of skilled manpower. In the immediate future, however, the country required assistance. For that reason, the UNV programme had dispatched doctors who were working under the direct supervision of the Ministry of Health and whose effective work among the rural population had been fully recognized.

29. At a previous session, the Governing Council had emphasized the need to diversify the recruitment of United Nations Volunteers from industrialized countries. A high-level consultant had been entrusted with the task of conducting consultations with Governments and national co-operating organizations in the countries concerned by the end of the year, in order to examine not only means of achieving a broader recruitment base but also urgent matters relating to the resources of the Special Voluntary Fund. A good number of industrialized-country organizations co-operating with the UNV programme had expressed support for the achievement of closer co-operation in the identification and recruitment of candidates.

30. The UNV programme's activities in the fields of youth and domestic development service (DP/484, paras. 13-19) had been stepped up still further in recent months. The regional project of technical co-operation with domestic development service organizations in Asia and the Pacific had been endorsed by the required number of Governments in the region and had entered the operational phase, composed of various subprojects which included the establishment of appropriate technology centres and training, multinational exchange and on-the-job training schemes for development service volunteers. The regional project "Promotion of youth participation in social development activities" in Latin America continued to receive the active support of the 10 signatory Governments as it entered its third phase of activity. He wished to confirm that no effort would be spared to ensure the success of the International Youth Year (1985). With regard to the recommendation of the Administrator (DP/484, para. 31), he ensured the Council that the UNV programme would continue to take fully into account, in the discharge of its mandate, the technical competence of the specialized agencies and the need to work closely with agencies conducting core activities directly related to youth.

31. On the question of resources, he confirmed that the programme was complying with the decision taken by the Council at its twenty-fourth session, which had provided that in-country costs should be financed from IPFs and related resource allocations for the respective country and that use of the Special Voluntary Fund should be gradually reduced. The Council had also decided that the UNDP contribution of \$1 million to the Special Voluntary Fund should be steadily diminished each year until being discontinued from 1 January 1982. Whereas, in 1977, 65 per cent of UNV in-country costs had been met from the Special Voluntary Fund, that proportion was now only 10 per cent, and it could therefore be anticipated that, after 1 January 1982, the only expenditures that might actually be charged to the Fund would relate to Volunteer posts to which the Fund had been committed prior to 1 January 1982. The Council's directives had therefore been complied with, but that had entailed financial and programming hardship for the least developed and newly independent countries most in need of assistance. In some cases, inputs of middle-level Volunteer personnel had had to be curtailed or cancelled. The Council might wish to bear that in mind if it decided to reconsider its directives on the use of the Special Voluntary Fund and UNDP's contribution to that Fund. At the twenty-sixth session of the Governing Council, some representatives had opposed the discontinuance of that support to the least developed and newly independent countries. A more complete report on the consequences of that decision would be submitted to the Council at its following session, before the Council's decision took full effect.

32. The general status of the Fund's expenditures and commitments was described in document DP/484. Its present resources would not allow the Fund to comply with its terms of reference and finance all activities planned, a situation which gave cause for major concern. The UNV programme was expected to maintain, if not expand, its activities, but failing an increase in the resources of the only fund available, the programme would undergo not only stagnation but indeed retrenchment. He therefore hoped that the Council might wish to reiterate its appeal to all member Governments for increased contributions.

33. The programme's staffing resources were extremely modest. During the previous few years, activities had tripled, yet there had been virtually no change in the level of staffing. The programme's task grew daily more difficult. In recent years, it had been served by a singularly committed core staff, but it was clearly not possible to go on asking a limited number of Professionals to programme and backstop an ever-growing number of volunteer technical personnel in the field.

34. The year 1981 would constitute a significant milestone for the UNV programme, marking its tenth anniversary. That would be a time for assessment, and despite everything that remained to be done, the unique, effective and innovative role which the programme now played in technical co-operation for development could not but be recognized.

35. Mr. HARE (Canada) welcomed the growth of the UNV programme, and in particular the increase in the number of Volunteers from recipient countries and the attention accorded to the most needy countries.

36. His delegation noted with satisfaction that the programme's activities were increasingly financed from IPFs and trusted that reliance on the programme reserve could be phased out, as intended, by 1982 without detriment to the growth of activities. That shift raised the question of the Special Voluntary Fund. The Fund had served as a catalyst during the inaugural phase of the programme, and now that the IPFs were being used to an increasing extent, it would be appropriate to consider how those voluntary contributions might best be applied. His delegation therefore looked forward to the report on that subject which was to be submitted to the Council at its next session. It hoped that the UNV Co-ordinator and his staff would achieve the target of 1,000 Volunteers by 1983, a target which the Canadian delegation regarded as realistic and indicative of the international community's confidence in that important programme.

37. Mr. SCHMID (Austria) noted with satisfaction that the UNV programme, which his country had consistently supported from the beginning, was successfully developing and, as well as expanding its activity, was also improving its quality.

38. His delegation fully endorsed the two concepts underlying programme activities, the first of them being to gear the programme to the needs of the recipient countries in terms of skills and people required under volunteer conditions of service, and the second being "relevance", meaning that the UNVs were better able than other, higher-level, experts to respond to some of the basic development needs of the developing countries, especially the least-advanced. The UNV programme was currently called upon to tackle the very grave problems arising from the presence in various parts of the world, and especially in South-East Asia, of very large numbers of refugees.

39. He further noted with satisfaction that the programme had endeavoured to limit administrative expenses to the minimum, and that though there were currently over 700 Volunteers in the field, the authorized staff comprised only 15 Professional officers.

40. While looking forward to the in-depth discussion on the future of the UNV programme which was expected to be held in 1981, he stressed his Government's approval of the suggestions made by the Administrator in paragraph 28 (a) to (d) of document DP/484 concerning ways of making better use of the programme's potential in the context of over-all technical co-operation efforts. His Government was particularly gratified to see that the programme was providing opportunities for young professional women to participate within the United Nations development system and for personnel from developing countries to be recruited, which helped to promote technical co-operation among developing countries (TCDC).

41. Encouraged by the programme's success, his country would continue to give it active support.

42. Mr. EGUCHI (Japan) said that his Government greatly appreciated the Co-ordinator's efforts to reach the target figure of 1,000 Volunteers by 1983, largely by calling upon the services of developing-country nationals, an approach which he felt was bound to promote TCDC.

43. His Government would, however, like the UNV secretariat to endeavour, while striving to increase the number of Volunteers still further, to select particularly useful projects and, to that end, to accord greater attention to the needs of the recipient countries than to the qualifications of the Volunteers engaged.

44. Mr. van de SAND (Federal Republic of Germany) said that the increase in the number of United Nations Volunteers in the field, from 406 to 634 in one year, clearly indicated that the developing countries, especially least advanced among them, those which had only recently become independent or were hard-hit by the economic crisis, needed the kind of expertise that the Volunteers could offer. That result was greatly to the credit of the UNV Co-ordinator and his relatively small staff. Unfortunately, the rapid increase in the number of Volunteers meant that the UNV secretariat was not able to prepare and plan assignments of Volunteers far enough in advance for that type of co-operation to yield optimum results. Special attention should be given to the problem.

45. The high percentage and expertise of Volunteers from developing countries showed that the UNV programme was a good means of promoting TCDC; that was being recognized by an increasing number of countries, as indicated by their willingness to finance the internal costs of UNV inputs from their IPPs. In addition, the programme offered qualified national personnel in developing countries opportunities to participate more actively in their country's economic and social development.

46. The Government of his country, and in particular, its Development Service, had long co-operated with the UNV programme. However, in the course of recent discussions at Bonn, representatives of his Government and the Co-ordinator had recognized the need to intensify such co-operation still further and establish closer contacts between all the parties concerned - co-operating agencies, volunteer organizations and Governments; that might perhaps resolve the difficulties experienced in his country, as in all other industrialized countries, in recruiting Volunteers.

47. Lastly, he announced that his country's contribution to the Special Voluntary Fund, which had risen from DM 300,000 in 1978 to DM 350,000 in 1979, would be maintained at the latter level in 1980; he pointed out that the considerable expenditure of the services responsible for financing the costs of recruitment and training and the other external costs of its national United Nations Volunteers were in addition to that sum.

48. Mr. RUSO (Finland) noted with satisfaction that the number of Volunteers had increased by almost 60 per cent between 1978 and 1979, that many of those Volunteers had been placed in the least developed countries, and that more and more women and many developing-country nationals were being recruited. He felt, however, that the proportion of Volunteers accounted for by developing-country nationals - 75 per cent - was adequate and that efforts should be made to recruit more Volunteers from industrialized countries. In that connexion, his delegation hoped that the Co-ordinator would continue to consult the Governments of such countries regarding ways of simplifying recruitment procedures. The Co-ordinator should also co-operate more actively with the specialized agencies, some of which were experiencing a shortage of middle-level expertise and were therefore unable to fill a considerable number of associate expert posts; some of these posts might be filled by United Nations Volunteers.

49. Whereas the programme should recruit Volunteers from as many countries as possible, more than half the Volunteers in the field were from four Asian countries. His delegation regretted that imbalance and hoped it would speedily be corrected.

50. As to the programme's future, his delegation fully supported the Co-ordinator's efforts to reach the target of 1,000 Volunteers by 1983, provided the quality of the service could be maintained. The proposed formal consultations with Governments and agencies participating in UNV recruitment should facilitate the Co-ordinator's task. In that connexion, the Finnish Government continued to believe that the programme should be financed from country IPFs, a practice which would ensure that the Volunteers' services met developing countries' priority needs, as determined by their Governments.

51. As a result of intensified co-operation between his Government and the UNV programme, more than a dozen Finnish Volunteers were expected to be in the field by the end of 1980.

52. Mr. AHLANDER (Observer for Sweden) congratulated the Administrator and the UNV Co-ordinator on their success in developing activities under the UNV programme so considerably with only a minimal increase in staff.

53. He said he would like to know whether the qualifications, age and other attributes of Volunteers had changed over the last 10 years. For its part, his delegation had no objection to the employment of retired personnel, but in that case the programme might have to give up its claim to be a youth movement. The formal consultations to be held between the programme and Governments and agencies participating in UNV recruitment should be an opportunity to draw a clearer line between United Nations Volunteers and other categories of staff in the field, such as associate experts. The work of countries which, like his own, were seeking to recruit both associate experts and Volunteers would thereby be eased.

54. His delegation also hoped that at those consultations there might be an in-depth examination of all the factors making it difficult to recruit Volunteers in the industrialized countries. His country, which at the end of 1979 had had only five Volunteers in the field, was reviewing its entire policy in that area.

55. With regard to the countries benefiting from volunteers' services, he was surprised that Sri Lanka was at the same time one of the largest suppliers of Volunteers and the major recipient of Volunteers' services. At the end of 1979 more than 20 per cent of all United Nations Volunteers had been serving in that country. He also felt it imperative that in all countries UNV inputs should always be in full harmony with the national systems of training and utilizing qualified personnel.

56. Since the Governing Council had at the current session endorsed the Administrator's recommendation on the use of the UNDP country programming process as a frame of reference for the operational activities of the United Nations system at country level, it was desirable that, before approving participation by United Nations Volunteers in the country programme, the Resident Representative should, if the Volunteer input was significant, seek the views of the competent United Nations agency.

57. In view of the current scale of the UNV programme and its probable development, it would seem essential to set up a system of evaluation, which might be financed from the Special Voluntary Fund. Such valuation exercises, to which developing-country universities and research institutes might contribute, would produce very valuable information on the results of programme activities and be of great assistance to UNDP and all United Nations agencies concerned with development in considering and reviewing, where necessary, their role and policies in the area of human resources development.

58. Regarding financial questions, he considered that Volunteer activities should be wholly funded from IFFs once the Special Voluntary Fund had fulfilled its appointed role in that field. Pending the results of the review of his country's over-all policies concerning volunteer activities, the Swedish Parliament had approved a Government proposal to contribute 1 million Swedish kronor, or approximately \$US 240,000, to the Special Voluntary Fund for the financial year 1980-1981, in order to help the Fund to attain the short-term objectives set for it. He hoped that the constructive suggestions his delegation had tried to make with a view to consolidating and developing the programme would be taken into consideration in due course.

59. Mr. HODY (Belgium) said he was pleased to note that the drive of the UNV Co-ordinator and his staff had made it possible to increase the number of Volunteers by almost 60 per cent in one year, with an administrative staff which had remained very small. Provided that the UNV programme received adequate funding, the target figure of 1,000 Volunteers had every chance of being achieved by 1985.

60. His Government supported the UNV programme because in its view the programme provided an effective means of promoting technical and economic co-operation among developing countries, all the more so in that it was making increasing use of

experts from developing countries. It would be undesirable, however, for the programme to accentuate the brain drain from which many developing countries suffered by employing their nationals in too great numbers or for too long.

61. His delegation noted with satisfaction that 125 women had been among the 634 Volunteers in the field at the end of 1979 and that the programme had placed particular emphasis on meeting the assistance requirements of the least developed countries.

62. Placing the Volunteers under the authority of the Government of the country to which they were assigned was a good way of promoting national self-reliance. Since the national authorities were in the best position to determine the sectors in which the help of the Volunteers could be most useful, that practice made for efficiency. His Government knew from its own observation that the authorities of developing countries were highly satisfied with the work of the United Nations Volunteers.

63. His Government fully endorsed the recommendations submitted by the Administrator in section VI of document DP/484, and would continue to make financial contributions to the UNV programme.

64. Lastly, he suggested that the Governing Council should accord the UNV Co-ordinator the title of Executive Director. That decision, which would have no financial implications, would be a way of recognizing the increasing importance of the programme and a tribute to Mr. Nabulsi, who performed his duties with great skill and devotion.

65. Mr. FONSEKA (Sri Lanka) said he was pleased to note that, in its 10 years of existence, the UNV programme had achieved highly positive results. Its performance was all the more meritorious in view of the fact that, despite the considerable expansion in its activities, staffing levels had remained low. Furthermore, it had scrupulously applied the principle of universality, since in 1979, 82 developing countries had been assisted by Volunteers from 69 countries. In that connexion, it was encouraging to note that nearly 75 per cent of the Volunteers came from developing countries, which was an effective expression of TCDC in action. It would nevertheless be desirable to have a greater number of qualified Volunteers from the developed countries and to make better use of their skills. Such a development could be profitable, and donor countries should bear that in mind.

66. He next turned to the reasons why his country benefited from the services of what might appear to some to be too great a number of Volunteers. Out of the 144 Volunteers working in Sri Lanka, 139 were doctors. That was due to the fact that during the previous 10 years many doctors and para-medical workers, after receiving a training of very high standard in Sri Lanka, had left for countries offering higher remuneration. Being unable to prevent doctors from leaving the country, his Government had had to resign itself to accepting the exodus of some of the best medical men, who were currently helping to strengthen the medical services of some of the major donor countries of UNDP. It had nevertheless made efforts to keep them in the country by offering them financial incentives and improved medical facilities. Furthermore, it had taken the necessary steps to ensure that doctors who received six years' free medical training gave an equal period of service in the country. By those efforts, his Government hoped to

check the present exodus, but in the meantime it had had to call on the United Nations Volunteers to remedy the shortage of medical personnel. The programme started in 1978 was therefore only a stop-gap measure. He thanked the countries whose voluntary contributions had made that programme possible, and also the Governments of India, the Philippines and Burma, which had provided the services of personnel they themselves sorely needed.

67. Replying to the representative of Sweden, who had expressed surprise that Sri Lanka should be both the largest provider and the major recipient of the UNV programme, he said that the migration of skilled workers followed the laws of supply and demand. Sri Lanka lacked qualified personnel in some sectors, but, due to an unco-ordinated education system, it had a surplus of skilled manpower, particularly middle-grade technicians, in other sectors, and if the UNV programme wished to avail itself of their services, his Government could hardly be held responsible.

68. Mr. KAUFMAN (United States of America) said he was pleased to note the dramatic expansion of the UNV programme under the leadership of its Co-ordinator and the fact that the number of Volunteers had almost tripled in three years. He also noted that the rate of attrition was very low, being less than 1 per cent in 1979; the most encouraging aspect, however, was the fact that the proportion of women was higher among the United Nations Volunteers than in any other United Nations organization.

69. He also noted with appreciation that in 1979 the UNV programme had offered assistance to refugees in Indo-China and that there were currently some 40 Volunteers in that region. In that connexion, under an agreement concluded in 1979, the United States Peace Corps channelled fully-funded volunteers through the UNV programme to help the refugee situation.

70. Turning to the financing of the programme, he said that annex III of document DP/484 showed the United States as having contributed \$500,000 to the Special Voluntary Fund for the calendar year 1979 and as not having pledged any contribution for the calendar year 1980. In fact, given that in the United States the fiscal year did not correspond to the calendar year, annex III should be amended to show a United States contribution of \$300,000 for 1979, and the same sum for 1980.

71. His delegation supported the Administrator's recommendation that the UNV programme should play a significant role in the International Youth Year. The programme was already responsible for carrying out activities concerned with youth and domestic development service. As the results obtained thus far had been satisfactory, it should be possible to expand activities in those two areas still further.

72. As far as the funding and recruitment of the Volunteers was concerned, he was of the view that the Governing Council should conduct a complete review of the question at its next session, when it would have a full report on the entire programme before it.

73. Finally, he emphasized that if the target of 1,000 Volunteers was to be achieved by 1983, there would have to be some growth in the support staff, which to date had been kept very small.

74. Mr. CAVALCANTI (Brazil) said he trusted that the UNV programme would continue to play a specific role in the field of technical co-operation. His Government would continue to support its activities. Since 1978, Brazilian Volunteers had been co-operating in projects in Portuguese-speaking African countries, and he hoped that they were making an effective contribution to the development efforts of those countries. His Government was prepared to provide further Volunteers for other Latin American and African countries.

75. The number of Volunteers from developing countries had increased in 1979 and he hoped that trend would continue. Furthermore, the bulk of UNV assistance should continue to go to the least developed countries. He hoped that the number of Volunteers in service could be increased to 1,000 by 1983. In that connexion, he looked forward to seeing the results of the work to be performed by the consultant who in 1981 was to study means of increasing the number of Volunteers and improving their quality.

76. He felt bound to express some reservations regarding UNV participation in the International Youth Year. In his view, it was premature to earmark resources for operational activities when the programmes for the International Youth Year were still not known and when the UNV programme was likely to be affected by the current decline in contributions within the United Nations development system. It would be desirable for the Council to wait until it had a clearer picture of the situation before making appropriate recommendations.

77. Mr. WAFULA (Kenya) expressed his appreciation for the impressive growth in the UNV programme's activities; he hoped that the programme would continue to devote itself fully to development work. His Government was satisfied with the services of the United Nations Volunteers currently working in Kenya in various fields. It had recently concluded an arrangement with UNDP and the UNV programme to enable qualified Volunteers to be recruited for a variety of Government activities. Under that arrangement, in-country costs were chargeable to the Kenyan Government.

78. He also expressed appreciation of the fact that there was a very broad spread of nationalities among the United Nations Volunteers and that the proportion of Volunteers from developing countries was increasing. That aspect of the programme's activities was a practical example of TCDC. The fact that some Volunteers were retired personnel was also to be welcomed, since their experience could be very valuable.

79. Finally, he said that his Government supported the UNV programme as a cost-effective way of providing developing countries with the technical personnel they needed.

80. Mr. MAYIRA (Rwanda) welcomed the encouraging progress made by the UNV programme in 1979, particularly with respect to the increase in the number of Volunteers in the field. Nevertheless, the programme faced considerable problems which might in time jeopardize the success of its work. His delegation therefore shared the concern expressed by the Administrator and the Co-ordinator, particularly in regard to the inadequacy of the contributions to the Special Voluntary Fund.

81. On the subject of recruitment, he was pleased to note that a growing number of Volunteers were from developing countries and that they had adequate training. That was a very important point, because competence should be the determining factor where recruitment was concerned. Unfortunately, it did not always receive sufficient consideration, and that caused delays in the handling of applications and, hence, project implementation.

82. Given that the activities of the UNV programme had expanded considerably and that it was planned to bring the number of Volunteers in service up to 1,000 by 1983, his delegation thought that the programme support staff should be increased so that the activities of the Volunteers could be better supervised and co-ordinated.

83. Finally, he supported the recommendations set forth in paragraph 31 of document DP/484.

OTHER MATTERS (agenda item 11)

(a) RELATIONS BETWEEN UNDP AND EXTERNAL INSTITUTIONS (DP/475)

STATEMENT BY THE REPRESENTATIVE OF THE AGA KHAN FOUNDATION

84. Mr. MORSE (Administrator) said that, at its twenty-sixth session, the Governing Council had approved "Guidelines concerning the relationship between the United Nations Development Programme and external institutions" and that at its current session it had before it a report (DP/475) for consideration at a later stage. Since 7 April 1980, the Aga Khan Foundation had been one of the external institutions agreeing to associate themselves with UNDP in order to supplement the Programme's assistance to developing countries. He was therefore happy to welcome the Chief Executive of that Foundation.

85. Mr. CURTIS (Chief Executive of the Aga Khan Foundation), speaking at the invitation of the President, said that the Aga Khan Foundation was delighted at the prospect of working with UNDP to attain common objectives. Created in 1967, the Foundation had begun to develop a range of major programmes, mainly in the developing world, during the early 1970s. Today it had offices in India, Pakistan, Kenya and the United Kingdom and hoped shortly to open others in Bangladesh, Canada and Syria. It concerned itself especially with Islamic welfare activities, particularly in the fields of health, education and housing. It ran four hospitals, five maternity homes, and 164 primary health care units manned by over 1,400 staff. To assist it in its work, the Foundation employed a number of specialized consultants, particularly in the medical field, and due to its contacts in the industrial countries, it was able to employ eminent practitioners. Those consultants regularly visited the branches of the Foundation and helped the executives in the field to define and monitor the programmes, which represented a kind of North-South dialogue to which the Foundation attached great importance.

86. In the health field, the Foundation had, since its creation, set up a large number of primary health care centres throughout the Asian subcontinent and in East Africa; while continuing its work in that sector, it was now seeking to develop the hospitals essential to good primary health care services. Having expanded and upgraded a hospital in Bombay, it was currently constructing a hospital of over 700 beds in Karachi. The Karachi hospital would provide training for doctors and nurses and would be linked closely with smaller medical units catering for the health of the very poor.

87. In education, the Foundation granted scholarships to outstanding students from developing countries to enable them to follow post-graduate studies in North America and Western Europe. In some countries such as India, Pakistan and Kenya, the Foundation provided aid ranging from textbooks to university scholarships. Furthermore, it owned a large number of schools, some privately run and others operating in the national school system. Lastly, the Foundation had recently

launched a programme enabling schoolchildren at all the institutions owned by the Foundation to have regular medical check-ups and, if necessary, to receive free treatment from volunteer doctors. In all those activities the Foundation had aimed to attract the co-operation and support of United Nations agencies such as UNICEF.

88. In each of the countries where it had an office, the Foundation reviewed all welfare programmes, including Government programmes, to establish just where its input would be most effective. Following that review it prepared a five-year plan on which its programmes were based. Sometimes those reviews were supported by more detailed demographic surveys; the Foundation had built the maternity home in Karimabad after establishing the high population growth in that area of Karachi.

89. At the initiative of the Aga Khan, the Foundation was to involve itself in training in management techniques in social institutions such as schools and hospitals. That was a commonly neglected area, and a large proportion of the sums spent each year throughout the world on social activities was wasted for lack of efficient management. A project was currently under consideration to create in India, in co-operation with UNDP, a school of management for social institutions, and he hoped that other establishments of that type could eventually be built in other countries with the aid of UNDP.

The meeting rose at 1.10 p.m.