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SPECIAL COMMITTEE AGAINST APARTHEID

CENTRE AGAINST APARTHEID

Seminar

on

"South Africa's Socio-Economic Problems:

Future Role of the United Nations System

. in Helping Address Them"

Briefing paper prepared by the Secretariat of

UNDP as background note for discussion

in the Seminar

Windhoek, Namibia

22-24 May 1992

"UN SEMINAR ON SOUTH AFRICA'S SOCIO-ECONOMIC PROBLEMS:
FUTURE ROLE OF THE UNITED NATIONS SYSTEM IN HELPING
ADDRESS THEM" - WINDHOEK, NAMIBIA 22-24 MAY 1992
INFORMATION NOTE ON THE TECHNICAL ASSISTANCE OF THE
UNITED NATIONS SYSTEM

I. BACKGROUND

1. Resolution 46/79A adopted by the General Assembly on 13 December 1991 stressed the importance, and need, for the United Nations system "at the appropriate time, in the light of positive developments such as agreement on transitional arrangements, to expand, in a concerted manner, through the relevant United Nations Offices and in collaboration with the specialized agencies, the scope of assistance provided inside South Africa aimed at addressing socio-economic issues, particularly in the areas of education, health, housing, and social welfare, which entail the physical presence of the United Nations System in that country." In accordance with the recommendations made by the preparatory meeting for the seminar, the United Nations Development Programme (UNDP) has been requested to prepare a practical action-oriented report on the technical assistance of the United Nations System including a case study of relevance to South Africa.

2. This report focuses primarily on the United Nations System Technical Assistance mandate and the tripartite nature of technical co-operation. It highlights the present concept, framework, and guidelines for effective delivery and programming of its operational activities for development which may be of relevance for the redistributive and growth policies that will be needed in post-apartheid South Africa.

II. GUIDING PRINCIPLES OF THE UNITED NATIONS SYSTEM IN TECHNICAL ASSISTANCE

3. The concentrated large-scale efforts by the United Nations System in the use of Technical Assistance for the economic and social development of the developing countries dates back to 1949. For the purposes of this report, Technical Assistance encompasses the whole range of United Nations System operational activities for development designed to develop human resources through improvement in the level of skills, knowledge, technical know-how and productive aptitudes of the entire population in a developing country. A primary objective of these activities is institutional development based on human resources development, i.e. to contribute to the strengthening and improved functioning of the many institutions essential for sustainable development through

the effective management and operation of an economy and of society from government ministries, local administrative structures, hospitals and schools to private and public enterprises. Human resources development is a prerequisite for institution-building. Capacity building for improved policy analysis and development management by the core Government institutions is of special importance.

4. The main tools of United Nations System Technical Assistance are: providing access to training, the provision of expatriate and national expertise, policy and technical advice, assistance in the preparation of surveys and studies and contributions to science, research, and technological development.

5. The broad policy guidelines for the United Nations System to render more effective technical assistance in the context of the requirements of developing countries are set out in General Assembly Resolution 44/211 adopted on 22 December 1989. This Resolution seeks to chart new directions for assisting developing countries to develop their own long-term solutions to development problems. 'It

- reaffirms the exclusive responsibility of the Government of the recipient country for formulating its national development plan, priorities, or objectives

- reaffirms also that national plans and priorities constitute the only viable frame of reference for national programming of operational activities for development of the United Nations System

- reaffirms further that the fundamental characteristics of the operational activities of the United Nations System should be, inter alia, their universality, voluntary and grant nature, neutrality and multilateralism, and ability to respond to the needs of the developing countries in a flexible manner, and that the operational activities of the United Nations System are carried out for the benefit of developing countries at the request of those countries and in accordance with their policies and priorities for development.

III FINANCING OF TECHNICAL ASSISTANCE PROVIDED BY THE UNITED NATIONS SYSTEM

6. Contributions to the United Nations development activities are made in accordance with two basic principles: First, contributions are assessed on the basis of either predetermined criteria or negotiations. Predetermined criteria are used for the regular activities of the United Nations and many specialized

agencies. Negotiations with a view to assessing contributions are undertaken by several international financial institutions. Second, contributions can be made on an entirely voluntary basis. Such contributions are usually pledged annually' at the United Nations pledging conferences. Voluntary pledges can also be provided in many different forms from responses to general appeals to ad hoc approaches. In addition, some funds are allocated for specific projects/programmes carried out by specialized agencies under trust fund arrangements.

7. The United Nations specialized agencies and organs depend either on assessed budgets supplemented by voluntary contributions, as in the case of the United Nations Organization and the specialized agencies, or on voluntary contributions alone, as in the case of the United Nations Development Programme (UNDP) and its administered funds, the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA).

8. Present contributions from Governments and other sources to operational activities for development of the United Nations system average U.S. Dollars 4 Billion annually. These funds and programmes include: UNDP and its administered funds and trust funds, UNFPA, UNICEF, WFP, and other United Nations Funds and included in the United Nations Pledging Conference for development activities, as well as contributions to specialized agencies.

Keeping in mind, the role of the UNDP as the central funding mechanism for the United Nations system of technical co-operation and assistance, contributions for its core resources in 1991 were approximately U.S. Dollars 1.12 Billion and 1.3 Billion in 1992. In post-apartheid South Africa present indications are that technical assistance will require much larger resources than are available at present. It will be the task of UNDP, inter alia, to meet this challenge. To this end attention to the costs of all possible technical assistance options and coordination in funding arrangements and procedures of the operational activities for development of the United Nations System should minimize administrative and financial burden on the recipient's budget.

9. Close attention will need to be given to cost effectiveness. While it is particularly difficult to establish quantitative cost-benefit ratios for technical assistance they can be very high in relation to numbers of beneficiaries. Where it is not possible to calculate a meaningful rate of economic return, it will be important to ensure that scarce grant resources will be used in the most beneficial way for the greatest number of people while maintaining high standards and quality of services and benefits rendered.

IV. PROGRAMMING OF TECHNICAL ASSISTANCE BY THE UNITED NATIONS SYSTEM

10. Technical Assistance provided by the United Nations System is based on the concept of partnership between recipient Governments, UNDP and the 36 specialized agencies of the United Nations System which help in implementing projects and programmes.

11. Under its mandate UNDP plays a central role in the United Nations system in technical co-operation between developed and developing countries, as well as in technical co-operation among developing countries (TCDC).

12. General Assembly Resolution (32/197) adopted in 1977 stated that "at the country level, there should be improved coherence of action and effective integration, in accordance with the objectives and priorities of the Government concerned of the various sectoral inputs from the United Nations System. The United Nations Development Programme country programming process should be utilized as a frame of reference for the operational activities carried out and financed by the organizations of the United Nations from their own resources." The Resolution went on to state that overall responsibility and co-ordination of the United Nations Systems' operational activities for development carried out at the country level should be entrusted to a single official to be known as the Resident Co-ordinator. The General Assembly in its Resolution 34/213 adopted in 1979, stated that the UNDP Resident Representative would normally be designated the Resident Co-ordinator in respect of those matters with which he is charged by the Secretary-General.

13. As mentioned earlier General Assembly Resolution 44/211 sets out the ways which the United Nations System is expected to collaborate with respect to operational activities for development. Among the main recommendations are:

- "Governments should formulate, in accordance with their own development plans and priorities, integrated national programme framework setting out technical assistance requirements from the United Nations system ."
- "The need for a shift from project to programme approaches implies that all relevant governing bodies, in particular the Governing Council of the United Nations Development Programme, should develop more programme-oriented mechanisms for the provision of technical co-operation, with a view to allowing more flexible and effective support of national programmes ."

- "Organizations participating in programming should be invited to increase their efforts directed towards integrated programming under the leadership of Governments."

14. By "programme approach" first it is understood that the programme referred to is a national programme and second, that the approach referred to is the way in which national authorities attempt to achieve a national objective; not through a series of discrete or ad hoc projects, but through a carefully thought-out articulated programme. United Nations System co-operation should support national programmes. This may include helping to define or formulate a programme itself. A national programme framework also serves as a framework for the coordination of different external cooperation both technical assistance and financial assistance.

15. Within the programme approach the comparative advantages of the United Nations System, stemming from political and sectoral neutrality and universality of its mandate, appear to lie in upstream areas such as policy and programme formulation and management. Furthermore, by underlining the national origin of and commitment to a programme, the "programme approach" requires that the programme should be nationally managed or executed, including any externally supported components.

16. A number of South African principals including members of extra-parliamentary groups comprising the major political opposition parties and their advisory networks have recently approached the United Nations System to devise specific technical assistance strategies in order to assist short-term transitional efforts and to help shape a medium to long-term development orientation. The present Government and other national groups are currently engaged in an intensive effort to install structures which can support the ongoing national decision-making process to fit new circumstances based on constitutional reform. Complex restructuring is occurring that will seek to integrate the disadvantaged majority population into key sectors of the country's economy.

17. South Africa, with its contrast between the first world living standards enjoyed by the white minority and the third world conditions of poverty in which the majority of the black population lives clearly represents a "special case" scenario for the United Nations System and the international donor community. This scenario should take into account several critical choices if real economic redistribution policies are to be supported by policies to place the economy on a higher growth path adequate to counter present inequities.

18. First, the public sector machinery devoted to support of apartheid requires radical restructuring which calls into question an enormous human resources capacity issue. Are multidisciplinary

human resources available for guiding such a transition? What kind of re-training of management should occur at all levels to attain post-apartheid objectives? and What kind of existing management training institutions could be utilized to train for a new South Africa's public sector?

19. Second, the private sector in South Africa, while still quite productive has experienced severe constraints to its expansion due to the imposition of trade and financial sanctions in 1985. How should the economy be reordered in view of the prospect of the elimination of sanctions? How can the private sector assist in the development of small - medium and other categories of enterprises to counter economic misery largely felt by the black majority? What transformation of employment policies, is required?

20. Third, South Africa's agricultural policy based upon proscriptive land tenure and the "homelands" policy have rendered rural-based blacks obsolete except as migrant labour. How to develop a creditable and comprehensive rural development policy encompassing land redistribution, agricultural and other sectoral support services, environmental priorities and Gender in Development is a priority objective.

21. Fourth, the delivery of social services requires a radical reordering to redress the vast discrepancy now existing between blacks and whites in the areas of health care, education, housing, and water and sanitation.

22. Finally, there exists in South Africa, a large number of non-governmental organizations that have emerged over the past decade who have provided a conduit for external and internal donor funding in areas such as education, training and various self-reliance initiatives. How can this capacity be utilized to deliver the required higher levels of funding and programme.

23. The immediate task of South Africa and the United Nations System is to identify potential programmes where United Nations assistance and support would be most appropriate and relevant in South Africa's fluid political and economic environment. The following brief summary of United Nations System experience in Namibia may be of relevance to this end.

24. Namibia: a Case Study of United Nations System Technical Assistance. In its Resolution 629 (1989) of 16 January 1989, the Security Council called "upon Members of the United Nations to consider, in co-ordination with the Secretary-General, how they might provide economic and financial assistance to the Namibian people both during the transitional period and after independence." It was subsequently agreed between UNDP and the Office of the Special Representative of the Secretary-General for Namibia that UNDP would finance a data collection and reconnaissance mission to Namibia.

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The terms of reference of the Mission was to:
identify the financial, economic and social areas in
which there is a gap in the available information,
above areas as is
collect other information in the
available, and
determine what specialists may be needed to assemble
information in those areas where gaps exist or where the
reliability of existing information is open to question.
The Mission was composed of a Kenyan national and former
Director of the International Monetary Fund and a Swiss
former Director in the United Nations Secretariat and
ent Representative.

The Mission visited successively the World Bank, the IMF,
wealth Secretariat, various donors and UN agencies with
of assistance to SWAPO, the United Nations Institute for
he Reserve Bank and Departments of Finance in Pretoria,
the Development Bank for Southern Africa in Johannesburg and
Namibia.

28.

The findings and recommendations of the Mission called
for the undertaking of a series of base studies aimed at providing
the new Government with basic economic and social information
critical to practical decision-making without entailing assumptions
in respect

STUDY

of such policy decisions.

EXECUTING AGENCY

Fiscal and Financial Situation
of Namibia

Establishment of a Central
Bank and the Ministry of
Finance

Preparatory Work for
Demographic Data Collection
(Census)

Quantitative and Qualitative
Analysis of the Education
and Training System

Inventory of Qualified
Namibian Manpower

Restructuring of the Machinery
of Government

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United.Nations Secretariat
Office of Statistical
Services

UNESCO

United Nations Institute
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- coming Government in January 1990.

Health Sector Review

Non-Governmental

Organizations

Agriculture Sector Review

Water Resources

Macro-Economic Overview

Fisheries Sector Overview

Women in Development

Country Economic Memorandum

(Profile of the Namibian

Economy - Windhoek)

WHO

International Council of

Voluntary Agencies

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UNDP/Office of Project

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World Bank

29. These studies were completed and handed over to the in-

They provided the data base for

the preparation and the organization of a Donor Conference which

was convened by the Secretary-General in June 1990. U.S. Dollars

300 Million was pledged at that time.

tIndependent Consultancy Firms or Consultants