



TWELFTH ANNUAL MEETING OF THE MINISTERS
FOR FOREIGN AFFAIRS OF THE GROUP OF 77
New York, 28-30 September 1988

ORIGINAL: English

REPORT OF THE SECOND MEETING
OF THE COMMITTEE OF EXPERTS OF THE PEREZ-GUERRERO
TRUST FUND FOR ECDC/TCDC

New York, 15-16 August 1988

OFFICE OF THE CHAIRMAN OF THE GROUP OF 77
New York

I. INTRODUCTION

1. Pursuant to the provisions of the High-level Meeting on ECDC held at Cairo in August 1986, and in accordance with the rules of procedure adopted at its first meeting held in Caracas in August 1987, the Committee of Experts of the Perez-Guerrero Trust Fund for ECDC/TCDC held its second meeting in New York on 15-16 August 1988.

2. The meeting was attended by five of the six members of the Committee, representing the three regions of the Group of 77. The list of participants appears as Annex 1. The list of the members of the Core of Assistants of the Chairman of the Group of 77 that participated in the meeting appears as Annex 2.

3. The Deputy-Director of the Special Unit for TCDC of UNDP was invited by the Committee to provide information on the status of implementation of projects adopted in 1987 as well as other related matters.

4. The meeting was opened by His Excellency Ambassador Ahmed Ghezal, Chairman of the Group of 77 in New York.

5. The Committee adopted the following agenda:

1. Evaluation of the execution of the projects adopted in 1987.
2. Consideration of the new project proposals received through the Office of the Chairman.
3. Other matters.
4. Adoption of the Report.

II. EVALUATION OF THE EXECUTION OF PROJECTS ADOPTED IN 1987

6. The Committee was informed by the representative of the Chairman of the Group of 77 on the status of implementation of the projects adopted by the Sixth Meeting of the Intergovernmental Follow-up and Coordination Committee on ECDC (IFCC-VI) held at Havana in September 1987. The Committee had also before it a progress report prepared in this regard by the Special Unit for TCDC of the UNDP.

Interregional trade financing facility

7. The Committee was informed that the feasibility study for an interregional trade financing facility had not yet been implemented largely because of procedural difficulties

eg h P/29 SLK

related to the identification of an executing organization. The selection of such organization would be undertaken shortly by the Office of the Chairman with the assistance of the UNDP.

8. Given the procedural difficulties arising from the lack of prior identification of an executing organization in the implementation of projects, the Committee recommended that all future project proposals submitted for consideration by the Committee should identify the executing organization, as far as possible.

Group of 77 Information Bulletin

9. In compliance with the provisions of section 3(4) of paragraph 72 of the Report of the IFCC-VI relating to the project of a Group of 77 information bulletin, the Committee reviewed the results achieved so far in implementing the project. In addition to the information mentioned in paragraph 6, the Committee had before it a progress report prepared by the cooperating agency, namely Inter Press Service Third World News Agency (IPS).

10. The Committee expressed concern over the quality of information contained in the bulletin as well as its frequency of publication, compared to that envisaged in the project.

11. The Committee recommended that the trial period should be completed by the end of 1988 under the following conditions:

- (a) The bulletin will be published once a month. It is understood that four more issues will be published during the remaining part of the trial period (September to December 1988).
- (b) The draft of the bulletin should be submitted by the Editor for approval by the Chairman of the Group of 77 not later than the last day of each calendar month so as to enable its publication not later than the fifth day of the following month.
- (c) The quality of the bulletin should be improved by, inter alia, increasing its analytical content, as already conveyed to the coordinating editor by the Chairman of the Group of 77.
- (d) It is understood that the costs incurred by IPS for each monthly issue would be USD 1,730 as confirmed by Inter Press Service Third World News Agency.

28 H of 27 SK

- (e) The annual review would be carried out in mid-December either by the Committee of Experts or, should it not be able to hold a meeting, by the Chairman of the Group of 77 in consultation with the Chairman of the Committee of Experts.
- (f) In the light of this annual review, present arrangements might be maintained or alternative interim arrangements might be made by the Chairman of the Group of 77.
- (g) The Committee of Experts would undertake a second review of the implementation of this project at its third meeting in 1989.

Action Committee of the Group of 77 for cooperation in consultancy, construction, and engineering among developing countries

12. The Committee was informed by the representative of the Chairman of the Group of 77 that information had just been received to the effect that member countries of the Action Committee had made a contribution of the equivalent of USD 38,500, this amount being the condition for the disbursement of funds to the Action Committee by the Perez-Guerrero Trust Fund.

Development of developing countries' consultancy and engineering capacities

13. The Committee was informed by the representative of UNDP that the preparatory work to start implementation of the project had been completed. Project activities would commence following the signing of the project document by the International Center for Public Enterprises (ICPE) and UNDP during the current month.

Facilitating the implementation of the multisectoral information network (MSIN)

14. The Committee was informed by the representative of the Chairman of the Group of 77 that the panel of experts which would consider this project had yet to be convened.

III. CONSIDERATION OF THE NEW PROJECT PROPOSALS RECEIVED THROUGH THE OFFICE OF THE CHAIRMAN

15. The Committee had before it seven project proposals

Handwritten signatures and initials:
A large signature on the left, followed by several initials and a signature on the right.

submitted through the Office of the Chairman of the Group of 77. The text of all proposals was circulated by the Office of the Chairman to the member countries of the Group of 77.

16. The list of proposals submitted was as follows:

- (a) Information system on technologies and projects
- (b) Trade-related investment rules and the developing countries
- (c) Formulating of developing countries' common stands on the multilateral framework in services within the GATT
- (d) Feasibility study on establishment of an Action Committee on inter-enterprise cooperation.
- (e) Feasibility study on the Pakwach-Arua road (Uganda)
- (f) Artificial insemination and embryo transplant
- (g) Fight against locust infestation in Africa

17. The Committee of Experts considered all proposals in the light of the guidelines provided for the utilization of resources from the Perez-Guerrero Trust Fund by the High-level Meeting on ECDC held in Cairo in August 1986, and the IFCC-VI held in Havana in September 1987.

Information system on technologies and projects

18. The project was submitted by the Research Center for Cooperation with Developing Countries (RCCDC), from Ljubljana, Yugoslavia.

19. The purpose of the project is the preparation of a feasibility study on the establishment of an information system on technologies and projects, with a detailed elaboration of tasks to be undertaken at the national level, as well as ways and means for international coordination of the system and its institutional framework.

20. The feasibility study would:

- (a) Identify necessary measures for the establishment of appropriate national networks in the developing countries and prepare a plan for their establishment;

Handwritten signatures and initials at the bottom of the page, including a large signature on the left and a smaller one on the right.

- (b) Identify training requirements for successful implementation of the system;
- (c) Set guidelines for the pilot phase of the information system on technologies and projects, including the required institutional support.

21. The feasibility study would be completed in six months after securing required financing. Total estimated cost is USD 65,450. Contribution requested from the Perez-Guerrero Trust Fund was USD 45,450, the balance being provided by RCCDC from other sources. The detailed budget proposed is as follows:

<u>Activity</u>	<u>Cost (USD)</u>
Professional costs (5 man/months)	20,000
Project coordinator (2.5 man/months)	12,500
Publication	3,000
Mailing	1,000
Travel costs and expert group meeting	23,000
Overheads (10% of total)	<u>5,950</u>
Total	65,450

22. The Committee stressed the need for avoiding duplications or overlappings with existing activities in the framework of the implementation of the Multisectoral Information Network (MSIN). Accordingly, the Committee recommended the adoption of this project provided that the executing organization is the Office of the Chairman of the Group of 77 and RCCDC is the cooperating organization.

23. To this end, the Committee recommended that USD 45,450 be allocated to this project.

Trade-related investment rules and the developing countries

24. The proposal was submitted by a consortium of seven economic institutes from Yugoslavia.

25. According to the document submitted, the objective of the project would be to organize interested countries and Yugoslavia in research involving analysis of existing measures and/or policies when foreign direct investments are concerned, of the results achieved in these countries by involvement of foreign capital, identification of measures in the investment policy which have a distorting effect on the flows of trade - also foreign investors' terms and conditions which have the

Handwritten signatures and initials:
28, A, [Signature], [Signature], SK

same effect on the flows of trade - and an assessment of whether such measures are justified or not. A subject of research of particular importance should be the assessment of the effect of deviation from the contents of reciprocity as defined by existing GATT regulations and possible adoption of "symmetrical reciprocity". The results of the research would be drawn up in the form of proposals and suggestions for the attitude, strategy and tactics of the developing countries in this segment of multilateral trade negotiations in which the developing countries' interests seem prima facie to be rather homogeneous.

26. The estimated total cost of the project is USD 105,000, of which USD 75,000 would be the contribution sought from the Perez-Guerrero Trust Fund.

27. The Committee considered that the subject of this proposal might prejudice the outcome of negotiations already being held in international fora. The Committee therefore recommended that this project should not avail of the financing of the Perez-Guerrero Trust Fund.

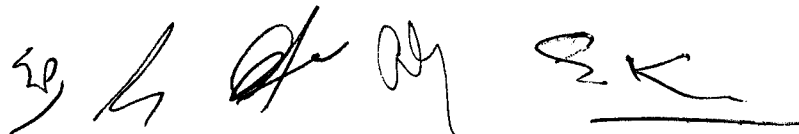
Formulating of developing countries' common stands on the multilateral framework of trade in services within the GATT

28. The proposal was submitted by a consortium of seven economic institutes from Yugoslavia.

29. According to the text of the proposal, the objective of the project would be, proceeding from the basic rules and principles of the GATT ministerial declaration from Punta del Este and taking into account the differences of interests of developing countries, to try to establish the necessary measure of rules and principles to be set into an international framework in order to draw up a document which would bring together the developing countries and strengthen their position within the GATT, bearing in mind the proposals that have already been made or those continually innovated. Such a platform could also serve for better consultations of negotiators from developing countries within the GATT.

30. Total estimated cost of the project is USD 160,000, of which USD 80,000 correspond to the contribution sought from the Perez-Guerrero Trust Fund.

31. The Committee was informed that there is a large project carried out under the auspices of UNCTAD aimed at assisting developing countries in this regard.

Handwritten signatures and initials at the bottom of the page, including a large signature on the left and several smaller initials and marks on the right.

32. The Committee considered that the proposed project constitutes a duplication of existing activities within the U.N. system and that therefore it should not avail of the financing of the Perez-Guerrero Trust Fund.

Feasibility study on the establishment of an Action Committee on inter-enterprise cooperation

33. The proposal was submitted by the International Center for Public Enterprises (ICPE), and the Research Center for Cooperation with Developing Countries (RCCDC), from Ljubljana, Yugoslavia.

34. The proposed project was a feasibility study aimed at facilitating the constitution and operationalization of an action committee on inter-enterprise cooperation, the establishment of which was recommended by the Second Meeting of the Heads of National Technical Cooperation Agencies, held in Ljubljana in 1984.

35. The Committee was informed by the representative of the Chairman of the Group of 77 that the action committee had already been established since three countries have notified officially their intention to participate in the action committee.

36. The Committee considered that even though a feasibility study is no longer required, the activities contained in the proposal submitted by ICPE/RCCDC are relevant and would facilitate the early operationalization of the action committee. The proposed activities are as follows:

- (a) Definition of objectives of the action committee;
- (b) Identification of specific programs and projects for cooperation;
- (c) Elaboration of specific modes of cooperation;
- (d) Technical organizational details (administrative support, communication links, etc.).

37. Total estimated cost of proposed activities was USD 70,000.

38. In accordance with the decision of the IFCC-VI contained in paragraph 72(5) of its Report, the Committee of Experts recommended that the Action Committee will receive the

Handwritten signatures and initials at the bottom of the page, including a large signature on the left, a checkmark-like mark, a stylized signature, and a signature that appears to be 'S.K.' on the right.

amount of USD 35,000 from the Perez-Guerrero Trust Fund only after it has received a matching contribution of the same amount from its member countries. The action committee is requested to inform the Chairman of the Group of 77 in New York once it has received this contribution from its members.

Feasibility study for the Pakwach-Arua road (Uganda)

39. The proposal was submitted by the Ministry of Work of Uganda.

40. The aim of the project is to upgrade the present gravel road to class*I bitumen standard, to enhance regional development and to improve internal communications between the area and the rest of Uganda, as well as the transit links between Uganda and Zaire, and Southern Sudan. The economic hinterland of the road is Uganda's major tobacco growing area. The original economic and technical studies undertaken in the mid-1970s gave results that led to the commencement of road construction activity in 1978. An update study/review of present road conditions is part of the project. The road was designed and documented for upgrading in the mid-1970s and work on construction was started in 1978. USD 5.4 million was disbursed before the War of Liberation interrupted the works that never resumed. Because of lack of maintenance much of the earth work formation undertaken has deteriorated and little of the original works remain, so that construction and upgrading will almost start from base.

41. On the basis of available information, the Committee of Experts was not in a position to ascertain whether this project is of national or subregional scope, this distinction being important since national projects are not eligible for financing from the Perez-Guerrero Trust Fund.

42. In addition, the Committee felt that a project of this nature should be jointly presented by all concerned countries and that further information is required in order to be able to give due consideration to the project.

Artificial insemination and embryo transplant

43. The proposal was submitted by the Latin American Economic System (SELA), headquartered in Caracas, Venezuela.

44. The proposal is a TCDC program in the field of genetical improvement of livestock. So far nine countries from Latin America had expressed officially their interest in taking part in the project.

Handwritten signatures and initials:
3, 4, [Signature], [Signature]

45. The project proposal has been structured following a modular plan in order to facilitate implementation of specific actions. Said plan consists of the following modules:

- (a) Diagnosis
- (b) Training
- (c) Research
- (d) Exchange of technological information

Each module can be individually funded and developed, but within a coherent framework of activities under the global program. The diagnosis module has been conceived as a condition for the establishment of the framework, and for the furtherance of broader-scope initiatives, unlike the other modules which could be implemented independently.

46. The objective of the diagnosis module is to establish a frame of reference to pinpoint the potentialities, opportunities and needs of the participating countries of the region, in order to set up or promote their programs for the animals' genetic improvement, through artificial insemination and embryo transplant; to define the most appropriate ways for each country to participate in the region's economic and technical cooperation programs; and to define strategies designed to guarantee a sustained improvement in the genetic quality of the region's animals with a minimum degree of dependence.

47. The objective of the training module is to ensure training and preparation of personnel from the different countries in the region using as a basis the highly skilled personnel and workplaces specialized in research and teaching in the fields of artificial insemination and embryo transplant. In a first stage regional courses would be organized to train the personnel proposed by the member countries of SELA. Said personnel should in turn undertake to hold at least three short demonstration courses, thereby achieving a multiplier effect.

48. The objectives of the research module are to seek greater efficiency and simply embryo transplant techniques, in particular, to conduct research to perfect superovulation techniques in accordance with the most common breed patterns in the participating countries, to undertake research aimed at increasing embryo transplant efficiency, and to perfect embryo

SP L OAG S.K

freezing techniques in order to simplify the use of transplants and put an end to the compromise between collection and immediate implantation.

49. The objectives of the exchange information module are to benefit the countries interested in the topics by providing them with the information available in the Latin American region and in other parts of the world; to minimize costs and maximize the use of artificial insemination and embryo transplant through familiarization with the information available; to detect and compile current and future information on artificial insemination, embryo transplant and other related fields; and to set up a flexible, systematic and reliable service to guarantee the supply of information to all the countries interested and involved in artificial insemination and embryo transplant.

50. Estimated costs of the project proposal are as follows:

(a) Diagnosis

<u>Activity</u>	<u>Cost (USD)</u>
Working meeting to define methodology	5,000
Visit by an expert to the nine countries interested	11,000
One-week meeting to analyze and interpret information and draft documents for evaluation by Governments	5,000
Publication, mail, telephone, etc.	<u>1,700</u>
TOTAL	22,700

Handwritten signatures and initials at the bottom of the page, including a large signature on the left and several smaller initials and a signature on the right.

(b) Training
(20 participants/2 guest professors/8 local professors)

<u>Activity</u>	<u>Cost (USD)</u>
Fares and insurance	22,000
Accomodation	4,000
Per diems	<u>20,000</u>
SUB-TOTAL	46,000
Local contribution to be made by host country	
Administration and teaching support	15,000
Teaching materials	20,000
Miscellaneous	<u>9,000</u>
SUB-TOTAL	44,000
GRAND TOTAL	90,000

(c) Research
(Per country/per year)

<u>Activity</u>	<u>Cost (USD)</u>
Local contribution	
Facilities	40,000
Professional staff salaries	5,000
Technical staff salaries	3,000
Other salaries	2,000
Laboratory animals	10,000
Others	<u>2,000</u>
SUB-TOTAL	62,000

eg k ~~AG~~ AG SK

Resources for the exchange of information module would be disbursed over a three-year period according to the schedule indicated in the foregoing paragraph. The Committee considered the research component of the project contained in module (c) to be ineligible for financing from the Perez-Guerrero Trust Fund as it was primarily national in character.

52. The Committee was informed by the representative of the Chairman of the Group of 77 that Trinidad and Tobago had notified the Office of the Chairman of its interest in participating in the project, and recommended that arrangements be made so that training courses be carried out in English to facilitate their participation. In this regard, the Committee invited SELA to undertake the appropriate follow-up action.

53. The Committee recommended that information collected within the framework of the exchange of technical information module be provided upon request to interested member countries of the Group of 77 by SELA.

Fight against locust infestation in Africa

54. The proposal was submitted by the Mexican Government.

55. It is a TCDC project aimed at assisting Senegal and other affected countries in their efforts to fight locust infestation. The project involves sending a Mexican expert to Senegal, this expert bringing along insecticides that have proved effective in eradicating this pest in southeastern Mexico. The expert will join a FAO group of experts as well as other technicians who will be engaged in the field in a campaign in which insecticides will be administered and evaluated. The conclusions resulting from the evaluation of the insecticides used by the various experts could lay the bases for future South-South cooperation in this area.

56. Given that new locust outbreaks are expected in September and October 1988, the competent authorities of the Government of Senegal and the FAO expert in the field are of the view that the presence of the Mexican expert is needed for a period of one month. The ideal date would be from 15 September to 15 October 1988.

57. Total estimated cost of the project was USD 6,882.83. The detailed budget for the project is as follows:

SE 4 *[Signature]* *[Signature]*

Daily subsistence allowance	USD 4,200.00
Gas and driver	USD 640.00
Round trip air ticket	USD <u>2,042.83</u>
TOTAL	USD 6,882.83

58. The Committee was informed by the representative of UNDP that this project could be considered for financing expeditiously from the Special Program Resources assisted project being managed by the Special Unit for TCDC of UNDP. Given that this project has to be implemented on an urgent basis, the Committee recommended that this proposal be submitted to the Special Unit for TCDC for funding. The Chairman of the Committee of Experts informed a representative of the Mexican Government accordingly.

IV. OTHER MATTERS

59. On the basis of the information provided by UNDP on the financial status of the Fund, the Committee felt that efforts should be made in order to increase interest earnings of the Perez-Guerrero Trust Fund so as to increase the resource availability for project financing. The Committee recommended that the UNDP explore ways and means to increase the yield of the fund resources, striking the appropriate balance between yield, safety and availability of resources. The financial status of the Perez-Guerrero Trust Fund appears as Annex 3.

60. The Committee was given to understand by the UNDP that the sum of USD 5,000 indicated by the UNDP as the estimated maximum cost of services to be provided by UNDP in auditing projects funded by the Perez-Guerrero Trust Fund, represents the outer limit of the cost incurred in auditing all projects financed by the Trust Fund over a three-year period. It is understood that should the auditing capacity of UNDP be expanded, such auditing services to the Perez-Guerrero Trust Fund would be provided at a lesser cost.

61. In order to expedite and facilitate the appraisal and implementation of project proposals submitted for funding by the Perez-Guerrero Trust Fund, the Committee recommended that a common format be adopted for presentation of proposals. Such format would contain the following elements:

SP R ~~AG~~ AG P.K

- (a) Project information summary
(including country, title, number, primary function, secondary function, duration, executing organization, estimated starting date, total cost, contribution by the Perez-Guerrero Trust Fund)
- (b) Legal context
- (c) Project description
 - Objectives
 - Background and justification
 - Project outputs
 - Activities/organization of work
 - Inputs
 - *Perez-Guerrero Trust Fund
 - *Other
 - Institutional framework
- (d) Monitoring, evaluation and reports
- (e) Financial arrangements
- (f) Budget summary

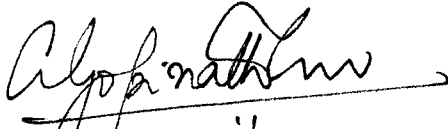
62. A model format will be circulated by the Office of the Chairman of the Group of 77 in New York to all member countries and interested institutions of the Group of 77.

63. The Committee recommended that continuous efforts be deployed in order to increase awareness on the potential of the Perez-Guerrero Trust Fund as a mechanism for providing financial support to ECDC/TCDC activities. In this connection, the Committee recommended that institutions of developing countries capable of preparing project proposals be approached and encouraged to submit proposals. The Committee felt that subregional and regional organizations of developing countries would have an important role to play in this regard.

42, 3, *[Signature]*, *[Signature]*

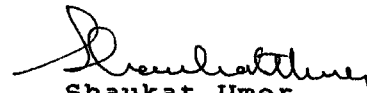
V. ADOPTION OF THE REPORT OF THE COMMITTEE


64. The Committee finalized its report at its meeting on August 16, 1988. At its final session, the original copy of the Report was signed by the members of the Committee.


A. Gopinathan


Saad Khalil


J. I. Mora-Godoy


Shaukat Umer


Eduardo Praselj
(Chairman)

ANNEX 1

COMMITTEE OF EXPERTS OF THE PEREZ-GUERRERO TRUST FUND
FOR ECDC/TCDC

AFRICA

H.E. Ambassador Saad Khalil
Former Under-Secretary of State for
Foreign Affairs of Egypt

ASIA

Shaukat Umer
Minister/Deputy Permanent
Representative of Pakistan to the
United Nations

A. Gopinathan
First Secretary, Permanent Mission of
India to the United Nations

LATIN AMERICA

Eduardo Praselj
Former adviser to the Minister of the
Presidency of Venezuela and to the
Minister of State for International
Economic Affairs

J.I. Mora-Godoy
Third Secretary, Permanent Mission of
Cuba to the United Nations

ANNEX 2

OFFICE OF THE CHAIRMAN OF THE GROUP OF 77 IN NEW YORK

Ambassador Ahmed Ghezal
Permanent Representative of Tunisia
to the United Nations
Chairman of the Group of 77

CORE OF ASSISTANTS

Ahmed Djoghlaif
First Secretary, Permanent Mission of Algeria
to the United Nations

Samir Koubaa
First Secretary, Permanent Mission of Tunisia
to the United Nations

Vladislav Mladenovic
Third Secretary, Permanent Mission of Yugoslavia
to the United Nations

DOCUMENTS OFFICER

Arturo Lozano