

Thus the United Nations remains faced with a serious deficit, estimated by a special UN Ad hoc Committee of 14 financial experts to be, as of September 30, 1965, \$53 million (French-Soviet view) or \$73.4 million (U.S.-British-Canadian view), the differing figures reflecting varying political views on the financing of peacekeeping operations. In the two years between the report of the Ad Hoc Committee financial experts and the 1967 report of the Secretary-General, it was estimated that the minimum deficit had risen to some \$60-\$62 million. After subtracting the \$23.6 million in voluntary contributions, the deficit remains significant.

The financing of UNFICYP has been accomplished without open controversy since, unlike the financing of UNEF and ONUC, it has never been by assessment. The same Security Council resolution which established UNFICYP on March 21, 1964, provided for its financing by voluntary contributions. Voluntary contributions, however, have proved to be an unreliable means of financing. Deficits have plagued UNFICYP from the start and the Secretary-General has been forced to make frequent appeals for contributions. As of June 24, 1968, about \$80.6 million (U.S.) has been collected to meet the organization's costs of about \$89 million (U.S.) up to June 27, 1968. These costs do not include those that some troop-contributors, including Canada, have agreed to absorb at their own expense without seeking reimbursement from the United Nations. During 1967, Canada absorbed about \$1.9 million (Cdn) over and above what it would normally have paid to maintain its contingent in Canada.

While it has made some progress, the Committee of 33 has not yet managed to reach agreement upon guide-lines for the financing of future peacekeeping operations.

Development Funds

The United Nations Development Programme (UNDP) was created by the United Nations General Assembly in November 1965 through the merger of the United Nations Special Fund and the Expanded Programme for Technical Assistance. The Special Fund, which concentrates on pre-investment assistance, began operations in 1959, while the Expanded Programme for Technical Assistance was established in 1949. Canada played a leading role in the establishment of the UNDP and has been a member of the Governing Council since its inception. The relatively modest sums expended under the UNDP and its predecessors have made possible the advanced training and education of over a quarter of a million people, have helped set up over 100 centres for research and its application in developing countries, and have already helped to attract over \$1.8 billion (U.S.) in local and foreign investment from public and private sources. Canada has been a constant supporter of the Special Fund, EPTA and, in turn, the UNDP, and, to the end of the fiscal year 1967-68, has contributed approximately \$68.1 million to these programmes.

The UNDP constitutes a useful complement to bilateral aid programmes. The programme's technical-assistance work, largely carried out by agencies of the United Nations family, has grown in effectiveness and is contributing significantly to economic and social progress in more than 100 developing countries. The most important and valuable role of the UNDP is in the field of investment surveys, which have resulted in some large-scale investments in high-priority development projects. The UNDP also plays an increasingly vital role in the co-ordination and effective implementation of the assistance activities of the United Nations family in developing countries.