

# ELEVENTH SESSION

14 January - 2 February 1971

(for reference, see Official Records of the Economic and Social Council, Fifty-first Session, Supplement No.6, E/4954)

<u>No. of decision</u>	<u>Title</u>	<u>Page</u>
71/1	UNDP (Special Fund) programme	128
71/2	UNDP (Technical Assistance) programme	129
71/3	Capacity of the United Nations development system: management information services	129
71/4	Capacity of the United Nations development system: personnel for development assistance	129
71/5	Capacity of the United Nations development system: accounting system	130
71/6	United Nations Volunteers	130
71/7	United Nations regular programme of technical co-operation	130
71/8	Contributions	131
71/9	Resources and Programme costs for 1971	131
71/10	Local cost assessments	131
71/11	Audit reports	132

<u>No. of decision</u>	<u>Title</u>	<u>Page</u>
71/12	United Nations Capital Development Fund	132
71/13	Action taken in 1970 by organs of the United Nations and related agencies	132
71/14	Future organization, methods and general procedures of UNDP	133
71/15	Capacity of the United Nations development system: voluntary contributions	136
71/16	Capacity of the United Nations development system: Financial matters	137
71/17	Budget estimates for the administrative and support services of the UNDP for the year 1971	139
71/18	Establishment of the Advisory Panel on Programme Policy	140
71/19	Office accommodations for UNDP headquarters	140
71/20	Development Support Information Service	140
71/21	Date and place of the twelfth session of the Governing Council	141
71/22	Provisional agenda for the twelfth session of the Governing Council	141

71/1. UNDP (Special Fund) programme

45. At its 245th meeting the Governing Council:

(a) Approved the programme valued at \$130,914,600 representing the following estimates of costs for 129 projects and supplementary financing for twenty-five projects recommended under document DP/SF/R.11 and its addenda 1-154:

	<u>Project Costs</u>	<u>Overhead Costs</u>
For 134 Country Projects	\$ 97,672,400	\$ 9,917,500
For 19 Regional Projects	20,693,600	2,268,700
For 1 Global Project	<u>327,500</u>	<u>34,900</u>
	\$118,693,500	\$12,221,100

(b) Authorized the Administrator to make the appropriate arrangements with the Governments and Executing Agencies for the execution of those projects;

(c) Noted the redesignation as project REG 235 of the project "Navigation Study of the Paraguay River South of Asunción" (PAR 12) approved by the Special Fund's Governing Council at its thirteenth session in January 1965 and confirmed the retention of the earmarking of \$825,300 for implementation of the project;

(d) Approved an increase in the earmarking for the project "Industrial University of Santander" (COL 5) in the amount of \$92,000 to provide the funds required by the Executing Agency for the payment of a compensation award;

(e) Approved an increase in the earmarking for the project "Master Plan for Water Supply and Sewerage for the Istanbul Region" (TUR 20) in the amount of \$330,000 to provide funds for the increased costs of the subcontract;

(f) Authorized the Administrator to waive local costs for project REG 157 (Integrated Development of Andean Communities) approved at the seventh session as well as for seventeen projects submitted for approval at the eleventh session to the extent indicated in the recommendations contained in annex II to this report.

245th meeting  
15 January 1971

71/2. UNDP (Technical Assistance) programme

49. At its 246th meeting, the Governing Council took note of the observations made during the discussion and approved the regional and inter-regional project recommendations of the Administrator (DP/TA/L.29 and Add.1).

246th meeting  
18 January 1971

71/3. Capacity of the United Nations development system:  
management information services

104. At its 255th meeting, the Governing Council:

(a) Took note of documents DP/L.162 and Add.1;

(b) Approved the participation of the UNDP in the Inter-Organizational Board and in the International Computing Centre;

(c) Approved the establishment of a Management Information Service at UNDP headquarters; and

(d) Deferred its consideration of the financial implications of recommending the action outlined above until it took up the budget estimates under agenda item 7.

255th meeting  
22 January 1971

71/4. Capacity of the United Nations development system:  
personnel for development assistance

85. At its 257th meeting, the Governing Council decided to postpone the consideration of this question until its twelfth session.

257th meeting  
25 January 1971

71/5. Capacity of the United Nations development system: accounting system

87. At its 257th meeting, the Governing Council decided to postpone the consideration of this question until its twelfth session.

257th meeting  
25 January 1971

71/6. United Nations Volunteers

142. At its 258th meeting, the Governing Council:

(a) Took note of General Assembly resolution 2659 (XXV) and the progress report by the Administrator of UNDP (DP/L.164) and the views expressed by members of the Council and the Deputy Administrator during the discussion;

(b) Approved in principle the proposals made by the Administrator for the initial period of the programme of United Nations Volunteers, with the provision that the financial implications would be decided upon in the context of the Council's discussion on item 7 of its agenda concerning administrative and budgetary matters;

(c) Requested the Administrator, in the light of discussions during the eleventh session, to submit a progress report at its twelfth session and to report in detail at its thirteenth session on the experience gained from the operation of the United Nations Volunteer programme, and in particular on the suitability of the administrative structure of the programme, with special reference to the future location of the Co-ordinator's office.

258th meeting  
26 January 1971

71/7. United Nations regular programme of technical co-operation

176. At its 258th meeting, the Council took note of the report of the Secretary-General (DP/RP/10).

258th meeting  
26 January 1971

## 71/8. Contributions

145. At its 259th meeting, the Council took note of the statement of contributions pledged to UNDP for 1971 as at 10 January 1971 (DP/L.158) and of the statements as of 30 November 1970 of contributions outstanding for 1970 and preceding years (DP/C/L.99 and DP/C/L.100).

259th meeting  
26 January 1971

## 71/9. Resources and Programme costs for 1971

146. At its 259th meeting, the Council:

(a) Took note of the estimate of resources available in 1971 totalling \$437,800,000 which included an amount of \$164,700,000 of prior years' resources brought forward from 1970;

(b) Confirmed its approval of the amount of \$78,705,966 for the financing of the following categories of expenditures under the Technical Assistance programme in 1971:

Country targets . . . . .	\$57,316,000
Inter-country projects. . .	12,504,000
Agency overhead costs . . .	8,885,966;

(c) Authorized the Administrator, within the total resources estimated to be available, to allocate funds to the Participating and Executing Agencies to enter into commitments for the full cost to completion of approved projects and to incur expenditures for carrying out project activities in the year 1971.

259th meeting  
26 January 1971

## 71/10. Local cost assessments

147. At its 259th meeting, the Council approved the waiver of local costs assessed to the Government of Peru under the Technical Assistance component for the years 1968, 1969 and 1970, totalling \$120,430.

259th meeting  
26 January 1971

**.71/11. Audit reports**

148. At its 259th meeting, the Council took note of the audited financial report and accounts of UNDP for the year ended 31 December 1969 18/ and the consolidated status of funds of UNDP as at 31 December 1969. 19/ It also took note of the relevant comments of the Advisory Committee on Administrative and Budgetary Questions 20/ and General Assembly resolutions 2653 (XXV) and 2730 (XXV).

259th meeting  
26 January 1971

**71/12. United Nations Capital Development Fund**

186. At its 259th meeting, the Council took note of the report of the Administrator (DP/L.161) and requested the Administrator to place the question of the United Nations Capital Development Fund on the agenda of the twelfth session of the Council in order to allow further debate on the matter.

259th meeting  
26 January 1971

**71/13. Action taken in 1970 by organs of the United Nations and related agencies**

190. At its 259th meeting, the Council took note of the action taken by the organs and agencies in the United Nations system in 1970 on matters relating to UNDP (DP/L.165).

259th meeting  
26 January 1971

71/14. Future organization, methods and general procedures of UNDP

52. At its 262nd meeting, the Governing Council, taking into account the observations and reservations expressed by members on the subject, took the following decision:

"The Governing Council,

2688 "Recalling its Consensus as contained in General Assembly resolution (XXV);

"Taking note of the Administrator's proposals outlined in document DP/L.155 concerning organization, methods and general procedures designed to implement this Consensus, and the observations and reservations on this document expressed by members during the consideration of this item,

"1. Agrees that the Administrator's full accountability for the management of all aspects of the Programme can be discharged both by making necessary arrangements in his Office and through delegation of authority to the Resident Directors through the Regional Bureaux;

"2. Agrees that the Administrator proceed with the reorganization and strengthening of the field staff and authorizes him to delegate to the Resident Directors authority to approve all types of projects within country programmes up to a value of \$100,000 subject to such guidelines as the Administrator may lay down from time to time;

"3. (a) Agrees to the establishment of the following four Regional Bureaux, on the understanding that additional Regional Bureaux may be established when appropriate in order to meet the needs of the various geographical areas:

- (i) Regional Bureau for Africa
- (ii) Regional Bureau for Asia and the Far East
- (iii) Regional Bureau for Latin America
- (iv) Regional Bureau for Europe, Mediterranean and Middle East;

As soon as the Economic and Social Council shall have acted in the renaming of the regional economic commissions as called for in General Assembly resolution 2686 (XXV), the Administrator will undertake the necessary steps to rename the Regional Bureaux in accordance with the decision of the Economic and Social Council.

"(b) Agrees that each of the Bureaux should be headed by an officer with the rank of Assistant Administrator;

"(c) Agrees that, under the authority of the Administrator, the Regional Bureaux be responsible for the administration of country, sub-regional and regional programmes in their respective areas and that as a general rule interregional and global projects be assigned by the Administrator to a particular Regional Bureau;

"(d) Agrees that the Regional Bureaux maintain close consultation with regional and sub-regional organizations in the United Nations system;

"(e) Agrees that at the Headquarters level the Regional Bureaux, in close co-operation with the Resident Directors, carry out on behalf of the Administrator the appraisal of country programmes and the formulation, appraisal, implementation, evaluation and follow-up of projects. For this purpose, they would deal direct, as appropriate, with Governments and Executing Agencies and firms. They would make proposals to the Administrator for policy guidelines for the determination of indicative planning figures for the formulation, appraisal, implementation, evaluation and follow-up of projects and for the selection of executing agents, including the use of the services of governmental and non-governmental institutions and firms;

"(f) Agrees that each Regional Bureau should have within it or available to it adequate technical, financial and investment services, including the services of high level consultants for the effective discharge of its functions;

"(g) Agrees that a Planning Bureau, headed by an Assistant Administrator, be established at Headquarters to carry out long-term planning, programme analysis, research and over-all evaluation of the Programme and to suggest new directions for it;

"(h) Requests the Administrator to make the necessary arrangements in his Office for policy and programme co-ordination in order to ensure that the UNDP continues to be a single unified Programme and to evolve, with the full co-operation of the heads of the Regional Bureaux, consistent with coherent policies and practices in its relationships with Governments and its collaboration with the Participating Organizations; and also to provide advisory services on technical and financial matters to the Administrator, and to the Regional Bureaux as appropriate and at their request, and agrees to the appointment of an Assistant Administrator to advise and assist the Administrator in these tasks;

"(i) Emphasizes that the arrangements envisaged under sub-paragraphs (g) and (h) above are not intended to interfere with the direct line of authority from the Administrator to the Regional Bureaux.

"4. Notes that the arrangements outlined in paragraphs 3 (g) and (h) will be put into effect during a transitional period and agrees to undertake a comprehensive review of the organization, methods and general procedures of the UNDP at its fourteenth session in the light of the experience gained in the interim period;

"5. Taking into account the transitional period, the Administrator should envisage the possibility of appointing all Assistant Administrators for an initial term not exceeding two years."

262nd meeting  
28 January 1971

71/15. Capacity of the United Nations development system:  
voluntary contributions

71. After an extensive discussion, the Council, at its 263rd and 265th meetings, took the following decisions:

I

"The Governing Council,

"Having in mind the goals and objectives of the International Development Strategy for the Second United Nations Development Decade, adopted by the General Assembly in resolution 2626 (XXV),

"Recalling that the decisions concerning the restructuring of the United Nations Development Programme and the establishment of country programming procedures were inspired by the desire to give the United Nations Development Programme the capacity to use vastly increased resources,

"Taking note of the fact that the Secretary-General of the United Nations and the Administrator of the Programme had set a target of resources equivalent to \$350 million for the Programme by 1970 and its doubling by 1975,

"Mindful of the fact that the provision for growth of 9.6 per cent per annum over the next five years in the over-all resources of the Programme is of a minimal character, would require eight to ten years to double current resources, would not lead to an increase in expenditures for field programmes at a comparable rate of recent years and might well result in the levelling off of the programme in real terms,

"Takes note of the Administrator's statement in document DP/L.157 that the doubling of the programme by 1975 is a realistic goal and can be met through determination and co-operation,

"Notes with regret that in the Pledging Conference in 1970, the increase in the resources pledged to the Programme was lower (8.4 per cent) than in the previous year (13.8 per cent),

"Urges Governments to increase substantially their financial contributions to the Programme so as to enable it to use as completely as possible its improved capacity to assist developing countries in reaching the objectives of the Second Development Decade."

263rd meeting  
28 January 1971

71/16. Capacity of the United Nations development system:  
Financial matters

"The Governing Council

"(a) Takes note of the use for the purpose of forward programming of an estimated average annual increase of 9.6 per cent in voluntary contributions during the five-year period 1972-1976,

and notes

- (i) that on this assumption a total of \$1,737.5 million in new resources should be available over this period, and
- (ii) that subject to the forthcoming review and decision at the the twelfth session on the level of the Operational Reserve an amount of \$178.7 million can be made available from existing resources,

"(b) Recognizes that the adoption of this basis for initial planning purposes in no way inhibits the possibility of upward revisions of future programme projections in the light of increased contributions,

"(c) Recommends that the Administrator make provision for total expenditures, during the period in question, in accordance with total anticipated resources,

"(d) Recommends the Administrator to limit, as a general rule, the growth in:

- (i) the administrative budget and programme support costs, and,
- (ii) the overhead costs of the executing agencies, to a rate of growth below, or at most equal to, the average annual increase in contributions during the period 1972-1976,

"(e) Decides that, as a first charge to resources after providing for the estimated costs of the administrative and programme support services and agency overhead, a Programme Reserve will be established annually as from 1 January 1972 at a figure of \$9 million to meet the requirements mentioned in paragraph 27 of the Consensus, i.e., the need to ensure an adequate level in the activities of the Special Industrial Services programme, the needs of least developed countries and unforeseen needs,

"(f) Decides that the net resources then available for the field programme will be apportioned in a ratio of not less than 82 per cent for country programming and not more than 18 per cent for inter-country programming,

"(g) Approves the indicative planning figures covering country programmes (see annex III), recommended in document DP/L.157/Add.1, and inter-country programmes (see annex IV) recommended in document DP/L.157/Add.2, and notes that its present decisions regarding the level of the Programme Reserve and the objective to be pursued in relation to administrative and programme support costs will permit an upward revision in later years of provision for country and inter-country programmes,

"(h) Decides furthermore to review at its twelfth session the criteria to be followed in calculating the indicative planning figures, taking as the overriding consideration the needs of the least developed countries and the need to correct further any inequities in the pattern of resource distribution due to historical circumstances as reflected in paragraph 16 of the Consensus so that the Administrator in presenting his proposals for indicative planning figures at the thirteenth session may benefit from more precise criteria and guidelines, any comments by Governments as provided by paragraph 15 of the Consensus, as well as the experience acquired in the transitional period,

"(i) Decides that in this consideration and refinement of the criteria due weight should be given to the importance of establishing a formula under which the more developed countries with greater capacity to pay would assume a larger share of total costs of projects,

"(j) Takes note of the fact that the Committee for Development Planning will report to the fifty-first session of the Economic and Social Council on identification of the least developed among developing countries and requests the Administrator to make arrangements for the report to be made available to the Governing Council at its twelfth session,

"(k) Approves the proposal of the Administrator that a uniform rate of 8 per cent should be applied provisionally to the indicative planning figures for each country to cover local costs, it being understood that the full or partial waivers which may be made by the Administrator in certain special cases should not lead generally to the abandonment of the principle of the sharing of local costs by the recipient Government. The periodic review should take into account particularly the situation of the least developed countries as reflected in paragraph 16 of the Consensus and the possibility of adopting a flexible formula for determining local costs taking into account the specialized character of some projects,

"(l) Takes note of the progress report of the Administrator on agency overhead costs as contained in document DP/L.157 and requests the Administrator, bearing in mind the comments and observations made during the current session, to submit a further report to the twelfth session of the Council."

265th meeting  
29 January 1971

71/17. Budget estimates for the administrative and support services of the UNDP for the year 1971

170. At its 265th meeting, the Council finally reached agreement by consensus on the formulation by the President as mentioned in paragraph 158 (b) above. This agreement is reflected on the following text of the decision of the Council:

"The Governing Council

"(a) Approves the 1971 budget estimates submitted by the Administrator (DP/L.156 and Add.1), but reduced to the level of \$29.5 million (net) as announced by the Administrator and subject to the observations and reservations made by members during the discussion and on the understanding that the Administrator would submit to the twelfth session a report on the reductions which he had been able to make and on further reductions which he envisaged. The total of \$29.5 million comprises the following sections:

Section 1. Salaries and wages	\$16,725,700
Section 2. Common staff costs	6,859,100
Section 3. Travel and transportation	1,496,800
Section 4. Permanent equipment	523,000
Section 5. Other general expenses	3,203,700
Section 6. Subvention to the United Nations and contribution to ICC Geneva	691,700
<u>Total</u>	<u>\$29,500,000</u>

"(b) Decides that the Administrator may transfer credits between sections only with the authorization of the Governing Council, such authorization to be obtained, if necessary, by canvassing members through correspondence.

"(c) Authorizes an allocation in the amount of \$29,500,000 from the resources of the UNDP, in order to finance these requirements."

265th meeting  
29 January 1971

71/18. Establishment of the Advisory Panel on Programme Policy

62. At its 266th meeting, the Governing Council reached the following decision:

"The Governing Council, bearing in mind paragraph 65 of the Consensus concerning the Inter-Agency Consultative Board, hopes to receive at its twelfth session an interim report about the 'thorough review of its basic functions and methods of work and its relations with the Governing Council' and requests the Administrator, after seeking the views of the Inter-Agency Consultative Board, to submit to the Council at its next session comments on the establishment by the Administrator of the Advisory Panel on Programme Policy and its functioning and any proposals on the best method of benefitting from the advice of the Panel."

266th meeting  
1 February 1971

71/19. Office accommodations for UNDP headquarters

193. At its 266th meeting, the Council took note of the information contained in the statement by the Deputy Administrator.

266th meeting  
1 February 1971

71/20. Development Support Information Service

197. At its 266th meeting, the Council took note of the remarks concerning the Development Support Information Service.

266th meeting  
1 February 1971

71/21. Date and place of the twelfth session of the Governing Council

198. The Council decided to accept an invitation from the Chilean Government to hold its twelfth regular session in Santiago. The Council also agreed that its twelfth session would be held from 7 to 25 June 1971.

267th meeting  
1 February 1971

71/22. Provisional agenda for the twelfth session of the Governing Council

200. The draft provisional agenda for the twelfth session read as follows:

1. Opening of the session.
2. Adoption of the Agenda.
3. UNDP programme recommendations of the Administrator:
  - (a) Consideration of individual projects of the UNDP (Special Fund) programme in private meetings;
  - (b) Approval of UNDP (Special Fund) programme recommendations;
  - (c) Approval of UNDP (Technical Assistance) regional and inter-regional project recommendations of the Administrator.
4. General debate

Report on the activities of the United Nations Development Programme in 1970 with relevant supplementary documentation.
5. Further consideration of the question of the capacity of the United Nations Development System:
  - (a) Report on implementation of decisions taken by the Governing Council at its preceding sessions;
  - (b) Other questions in areas not yet fully discussed by the Council:
    - (i) Personnel for development assistance;
    - (ii) Accounting system;
  - (c) Draft omnibus statute for the programme for consideration by the General Assembly (General Assembly resolution 2688 (XXV));
  - (d) Basic Agreements with Governments and Project Work Plans;

- (e) The role of UNDP in promoting follow-up investment.
- 6. Financial matters:
  - (a) Statement on the financial position of UNDP;
  - (b) Review of the size and composition of the Operational Reserve;
  - (c) Review of the arrangements relating to the custodianship of UNDP funds;
  - (d) Agency overhead costs;
  - (e) Revised resources and programme costs for 1971;
  - (f) UNDP financial regulations and rules.
- 7. Administrative and budgetary matters:
  - (a) General policies in respect of budget estimates for the administrative and programme support services of UNDP for 1972;
  - (b) Question of timing of the presentation to the Council of annual budget estimates for the administrative and programme support services;
  - (c) Reports of the Joint Inspection Unit received by the Administrator.
- 8. United Nations technical co-operation activities.
- 9. United Nations Volunteers.
- 10. United Nations Capital Development Fund.
- 11. Information papers on the regular programmes of technical assistance in 1970 of the specialized agencies and the International Atomic Energy Agency.
- 12. Date and provisional agenda for the thirteenth session of the Governing Council.
- 13. Other matters.
- 14. Draft report of the Governing Council to the fifty-first session of the Economic and Social Council.

267th meeting  
1 February 1971

