

TWENTY-FIRST SESSION
15 January - 4 February 1976

(for reference, see Official Records of the Economic and Social
Council, Sixty-first Session, Supplement No.2, E/5779)

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76/1. United Nations Revolving Fund for Natural Resources Exploration

52. At its 498th and 515th meetings, on 19 January and 4 February 1976, the Governing Council:

(a) Took note of the report of the Administrator (DP/154) and the statements of the Director of the United Nations Revolving Fund for Natural Resources Exploration as well as of the observations made by members of the Council during the consideration of that item;

(b) Requested the Administrator to report to the Governing Council at its twenty-fourth session on the implications of, and, if appropriate, recommended rules and procedures for the financing of feasibility studies through the Fund.

498th and 515th meetings
19 January and 4 February 1976

76/2. United Nations Fund for Population Activities

86. At its 502nd meeting, on 21 January 1976, the Governing Council:

(a) Approved the following projects in the amount of \$1 million or more, subject to the availability of funds, with the understanding that the amount for the third and following years, after a progress review would be resubmitted to the Council for approval:

- (i) Co-ordinated maternal and child health programme in Bolivia (DP/FPA/4/Add.1) in the amount of \$1,520,500 for an estimated period of five years;
- (ii) National programme of family welfare in Ecuador (DP/FPA/4/Add.2) in the amount of \$1,345,800 for an estimated period of four years;

(b) Noted and gave interim approval to the procedures and recommendations on multi-bilateral financing proposed by the Executive Director of the United Nations Fund for Population Activities (UNFPA) in document DP/161, and the further information on them in his statement to the Governing Council at its twenty-first session; and requested the Executive Director, taking into account the comments of Council members at the twenty-first session, to submit at subsequent sessions further information and recommendations on multi-bilateral and other additional sources of funding;

(c) Noted the information supplied by the Executive Director in document DP/147 on the implementation of UNFPA projects in 1974; and requested him to submit information on implementation in 1975 to the Governing Council at its twenty-second session;

(d) Decided to maintain the provisional approval authority given to the Executive Director for 1976 at \$90 million, on the condition that the Executive Director:

- (i) Limit the approval of project budgets to the availability of resources;
- (ii) Report to the Governing Council at its twenty-second session on the status of resources, with a view to enabling the Council to determine whether resources were sufficient to allow for a total 1976 approval authority of \$90 million.

502nd meeting
21 January 1976

76/3. Assistance to drought-stricken areas of Africa and adjacent areas

36. At its 511th meeting, on 27 January 1976, the Governing Council:

(a) Recalled the decisions taken by the Council at its nineteenth and twentieth sessions concerning assistance to drought-stricken areas of Africa and adjacent areas and also Economic and Social Council resolutions 1917 (LVII) and 1918 (LVII);

(b) Noted Economic and Social Council resolution 1971 (LIX) and General Assembly resolutions 3511 (XXX) and 3512 (XXX);

(c) Took note of the report of the Administrator (DP/164), of the additional information brought to its attention by the Assistant Administrator and Director of the Regional Bureau for Africa and the delegations of the countries concerned, and of the views expressed in the course of the consideration of the question;

(d) Expressed its deep concern at the gravity of the situation in certain drought-stricken countries, such as Ethiopia and Somalia, where economic conditions were continuing to deteriorate in an alarming manner;

(e) Requested Member States to continue to give active support to the emergency programmes and the medium-term and long-term rehabilitation programmes of all the drought-stricken countries;

(f) Recommended that the Administrator should take all necessary steps to ensure that planned activities for the benefit of all countries severely affected by the drought, and particularly projects directly connected with medium-term and long-term rehabilitation programmes, did not suffer;

(g) Requested the Administrator to give particular attention to the need indicated by the Governments of the drought-stricken countries in the utilization of any additional funds that were made available;

(h) Requested the Administrator to submit, in the future, his report on the situation of the drought-stricken African countries and neighbouring areas as part of his annual report, taking account of the requests for information made during the consideration of the question at the twenty-first session.

511th meeting
27 January 1976

76/4. Country and intercountry programming and projects:
global projects

269. Following a discussion of the individual country programmes and projects in private meetings, the Governing Council, at its 511th meeting, on 27 January 1976:

(a) Approved the following projects:

(i) Research and training in the development of quality protein maize (Phase III) (GLO/75/007);

(ii) Investigation of nitrogen fixation by free-living bacteria in association with lowland rice (GLO/75/008);

(iii) Southern oceans fisheries survey programme (GLO/75/006);

(b) Authorized the Administrator to make the appropriate arrangements for the execution of those projects. In the case of the southern oceans fisheries survey programme, such arrangements should be made in consultations with the signatories of the Antarctic Treaty.

511th meeting
27 January 1976

76/5. Assistance to colonial countries and peoples

265. At its 512nd meeting, on 28 January 1976, the Governing Council:

(a) Took note with appreciation of the report of the Administrator (DP/163) and the additional information brought to its attention by the Assistant Administrator and Regional Director for Africa, and to the statements made by the President of the United Nations Council for Namibia and the United Nations Commissioner for Namibia;

(b) Took note also of the statements made by members of the Council and by the representatives of the liberation movements recognized by the Organization of African Unity who participated in the debate;

(c) Considered that UNDP should continue to support actively the humanitarian programmes of the African liberation movements recognized by the Organization of African Unity;

(d) Requested the Administrator to utilize the indicative planning figure for Namibia to finance requests submitted by the United Nations Commissioner for Namibia and to continue to respond to requests for assistance submitted by the South West Africa People's Organization by utilizing the resources available for programmes of humanitarian assistance to the African liberation movements recognized by the Organization of African Unity;

(e) Appealed to Member States, in order to enable the Administrator to increase the Programme's humanitarian assistance to the colonial countries and peoples of Africa and to their liberation movements recognized by the Organization of African Unity, to strengthen the action of UNDP by providing additional resources to the Fund established for this purpose or by increasing the general resources of UNDP in order to enable the Programme to discharge its obligations in that respect;

(f) Requested the Administrator to submit future reports on assistance to the colonial countries and peoples of Africa within the framework of his annual report, taking into account the information requested during consideration of the question during the twenty-first session.

512th meeting
28 January 1976

76/6. Country programmes

270. At its 512th meeting, on 28 January 1976, the Governing Council:

(a) Approved the proposed UNDP country programmes for Costa Rica, Fiji, Guatemala, Mauritius, Nepal, Singapore, Solomon Islands and Tonga within the limits of their approved indicative planning figures for 1972-1976 and their IPFs for 1977-1981, to be approved later, and for the duration of their respective programme periods:

(b) Authorized the Administrator to proceed with appraisal and approval action on requests for assistance falling within the outlines of the country programme, while ensuring, in accordance with the decision of the Governing Council at its eighteenth session, 15/ that expenditures were kept in reasonable conformity with the relevant IPFs and were contained within the financial resources available at any given time.

512th meeting
28 January 1976

76/7. Action taken in 1975 by organs of the United Nations and related agencies

464. At its 512th meeting, on 28 January 1976, the Governing Council:

(a) Noted the information provided on action taken by the United Nations and related agencies in 1975 and of the views expressed during the consideration of that item;

(b) Requested the Secretariat to issue a corrigendum to document DP/167 to include General Assembly resolution 3403 (XXX) on the United Nations Institute for Training and Research.

512th meeting
28 January 1976

76/8. Financial resources and related Programme matters

193. At its 513th meeting, on 30 January 1976, the Governing Council adopted the following decision introduced by the First Vice-Chairman, incorporating minor drafting changes:

The Governing Council,

Deeply concerned about the liquidity problem and the problem of resources constraints of UNDP and their impact on orderly programming as laid down in the Consensus of 1970 8/, and on the reliability of the Programme as a vehicle of

8/ General Assembly resolution 2688 (XXV). annex.

development of the developing countries, and their adverse and disruptive effects on the development process as a whole,

(a) Reaffirmed the importance of UNDP as the major source of multilateral technical assistance and co-operation;

(b) Recalled the Consensus of 1970 as the comprehensive framework for the activities of UNDP;

(c) Recalled resolution 3362 (S-VII) adopted by the General Assembly at its seventh special session which stated that the resources of the development institutions of the United Nations system, in particular UNDP, should be increased;

(d) Reaffirmed the decision of the Governing Council at its eighteenth session by which it authorized 1972-1976 UNDP expenditures in a country, and primarily in any country whose next cycle illustrative indicative planning figure (IPF) was significantly higher than its current IPF, reasonably to exceed its IPF for the same period on the understanding that any excess of expenditure would be "debited" against the next IPF in order not to disturb the equity of the allocation of resources among countries and that any balance of a country's IPF for 1972-1976 which was unspent by end 1976 should be carried forward into the second IPF cycle always ensuring that every best effort was made to deliver the full IPF by the end of 1976:

(e) Reaffirmed that, in adopting measures for remedying the current situation of the Programme and for avoiding the recurrence of such situations in the future, the basic concepts and approach of providing UNDP assistance to developing countries as embodied in the Consensus, particularly the country programming system based on IPFs, should be maintained;

(f) Requested the Administrator to ensure that maximum resources be assigned for actual programming of operational activities;

(g) Noted the basic approach taken by the Administrator in his proposals for controlling expenditures in 1976 while urging the Administrator to take into account the views expressed during the twenty-first session of the Governing Council or measures to minimize and, if possible, to reverse the adverse effects on programme activities caused by short-term liquidity problems;

(h) Noted the level of expenditures established by the Administrator to be the minimum for planning purposes for 1976 in the amount of \$370 million and requested the Administrator to ensure the highest possible level of programme delivery consistent with the resources realized by the Programme;

(i) Requested the Administrator to contact Governments on an urgent basis in order to obtain the necessary financial resources to ensure not only that minimum level of programme expenditures for the current cycle but also the originally planned level of programme activities for the cycle;

(j) Appealed strongly to Governments to make additional voluntary contributions to UNDP in 1976;

(k) Requested all Governments to pay their pledges early in the year;

(l) Urged Governments to pay all past due amounts on voluntary contributions, assessed programme costs, Government cash counterpart, and payments under the cost-sharing or cost reimbursable arrangements and requested the Administrator to make maximum efforts to obtain those payments by 15 April 1976 and to report on the results of his efforts to the Governing Council at its twenty-second session. Further requested the Administrator, in co-operation with Governments, to ensure promptest possible payment of similar dues which might occur in 1976;

(m) Invited those countries in a position to do so to consider urgently the possibility of achieving net contributor status;

(n) Called on the Administrator to commence or continue work on cost-sharing projects only once the required advance payment had been received;

(o) Urged the Administrator, when consulting with Governments of recipient countries, to consider any practical arrangements put forward by those Governments in support of their programmes and to report on those arrangements to the Governing Council at its twenty-second session;

(p) Instructed the Administrator to exert the maximum effort to increase resources for programme purposes through minimizing administrative and overhead costs, by pursuing all avenues to that end, taking into account the views expressed by members during the twenty-first session of the Governing Council, including particularly the reduction of headquarters staffing costs and the curtailment of travel costs;

(q) Requested the Administrator to be guided by the discussions at the twenty-first session of the Governing Council and to consult further with Governments and the executing agencies on various measures for the rational use of all currencies, including non-convertible currencies, for the benefit of the recipient countries, and invited the Administrator to submit a report to the Governing Council at its twenty-second session on effective and efficient utilization of all currencies made available to the Programme, exploring new avenues and approaches, including conversion arrangements with other United Nations development bodies;

(r) Urged the Administrator, in those cases where the Programme had accumulations of non-convertible currencies, to return to the traditional practice regarding the proportion of payment made to an expert in the currencies in which his country's pledge was made, and as well, to make payments to contractors for goods and services in the currencies in which their countries' pledges were made until the excess holdings were liquidated;

(s) Recommended that the current portfolio of assets of the Operational Reserve be changed either by utilization or conversion, at the first available opportunity and in such a way as to make its resources fully available to the Programme in the form of programme expenditures or a liquid operational reserve and requested the Administrator to report on that matter to the Governing Council at its twenty-second session;

(t) Asked the Administrator to ensure that any impact on the transition of the programme to the next cycle, particularly in those countries whose next cycle illustrative IPFs were significantly higher than their current IPF, should be

minimized and that the programmes in countries where implementation in the current cycle was lagging behind in relation to the IPF should only moderately be affected;

(u) Requested the Administrator, in any rephasing of the programme which might be necessary, to undertake full prior consultations with Governments of recipient countries and, without prejudice to their sovereign rights and development goals and objectives to take into account the following guidelines:

- (i) No criteria based on a restriction on the delivery of any specific component of projects should be applied without Government agreement;
- (ii) Any reduction in the planned expenditures on ongoing projects scheduled for completion in 1976 or 1977 should be avoided as far as possible;
- (iii) Other projects which were to start implementation in 1976 as well as terminating after 1977 should, if necessary, be rephased in such a manner as to cause minimum disruption to the execution of the projects;
- (iv) Formulation, appraisal and approval of projects to be implemented in the next cycle should not be interrupted;
- (v) Special consideration should be given to requests for the continuation of all projects involving the poorest countries and the poorest and most vulnerable strata of the population in the development process;
- (vi) Every effort should be made to avoid cutting or deferring expenditure on regional projects;

(v) Urged that the current resources constraints should promote the implementation of technical co-operation among developing countries;

(w) Noted the transfer of funds from undistributed regional IPFs to interregional projects as reported by the Administrator in document DP/155 and Corr.1, and requested the Administrator to allocate the balance of available undistributed regional IPFs to regions whose IPFs were relatively small and to report in detail to the Governing Council on such allocations and on the effectiveness of that transfer;

(x) Recognized the need to avoid recurrence in the future of a situation marked by liquidity problems and the vital importance of maintaining the dynamism and growth of the Programme in the coming years and to that end, with the understanding that expenditures were kept within the financial resources available at any given time, recommended that:

- (i) Within the framework of the agreement reached on the level of resources, including the growth element to be taken into account for programme activities, Governments in a position to do so should consider the possibility of supplementing firm pledges for the first year of the cycle with reasonably reliable indications of contributions during subsequent years;
- (ii) The Operational Reserve should be replenished to a \$150 million level on a funded, fully liquid basis as soon as possible; once the \$150 million

level of the Operational Reserve has been achieved, its liquidity should be maintained and the Governing Council would re-examine the level of that Reserve with a view to maintaining an appropriate relationship between that level and the programmes financed under IPFs;

- (iii) The implementation of the decision of the Governing Council at its twentieth session on new dimensions 9/ should be expedited as a means of improving the quality and efficiency of the Programme, in particular by expanding the range and scope of projects entrusted for execution to Governments and institutions in developing countries and, inter alia, of reducing administrative and overhead costs, and in that connexion called on the Administrator to report to the Governing Council at its twenty-second session on the changes in procedures, if any, to be introduced within UNDP and if necessary by agencies for the direct execution by Governments upon their request;
- (iv) To improve forecasting and to control expenditure, the Administrator should ensure more effective co-ordination between budgeting and programming and programme implementation, and for that purpose should, inter alia, make the necessary arrangements for ensuring the timely flow of reliable information among UNDP headquarters, field offices and executing agencies and report to the Governing Council at its twenty-second session;
- (v) A working group be established on the operation of the standard cost of experts as mentioned in paragraph 18 of document DP/173 and Corr.1, and that the group also examine ways and incentives for the agencies to reduce the actual cost of experts and that the Administrator seek to ensure in co-operation with the agencies, that the expert cost incurred accounts of all the agencies were, at all times, available for examination at the request of the Division of Finance of UNDP and that adequate information was submitted to the agency auditors so as to enable them to carry out a detailed audit of the accounts; and that the Administrator, further, request the agencies to observe strictly the existing guidelines and such further guidelines as might be agreed relating to the charging of costs to the expert cost-incurred accounts, and to clear any unusual charges with the Director of Finance of UNDP prior to charging them to those accounts;
- (vi) The Administrator should study and report to the Council at its twenty-second session on:
 - (a) The question of redefining the elements which should be included in actual expert costs and in the computation of standard costs for experts with a view to improving control and reducing actual costs to a minimum;
 - (b) The possibility and desirability of charging real costs for experts and fellowships;

9/ See Official Records of the Economic and Social Council, Fifty-ninth Session, Supplement No. 2A, para. 54.

- (vii) The Administrator's recommendation to increase the standard costs to \$3,500 per month retroactively for 1975 be approved;
- (viii) A decision on the cost figure for 1976 be deferred until the twenty-second session of the Governing Council, it being understood that in the meantime the Administrator was authorized for forward planning purposes to utilize a figure of \$3,800 per month;
- (ix) Keeping in view the interest of the Programme in having a full knowledge of the value of experts, the Administrator take the necessary measures, in co-operation with the Agencies concerned, to make assessments of the work of the experts, taking into account the opinions of the recipient Governments concerned expressed about the usefulness of their assignments;
- (y) Invited the Administrator to submit a report to the Governing Council at its twenty-second session on the costs and benefits and financial, legal and administrative consequences of granting short-term borrowing authority to UNDP, and on the necessary arrangements therefor, taking into account the views expressed on that matter at the twenty-first session of the Governing Council.

513th meeting
30 January 1976

76/9. Technical co-operation among developing countries

302. At its 513th meeting, on 30 January 1976, on the recommendation of its Committee on Technical Co-operation among Developing Countries, the Governing Council adopted the following decision:

The Governing Council,

Recalling resolutions 3251 (XXIX) and 3461 (XXX) as well as other pertinent resolutions of the General Assembly,

Recalling further the relevant decisions adopted at its eighteenth, nineteenth and twentieth sessions,

- (a) Took note of documents DP/148 and Add.1-5 and DP/158;
- (b) Took note with appreciation of the introductory statement made on behalf of the Administrator and of the observations and positive suggestions made during the consideration of the item;
- (c) Requested the Administrator to take all necessary measures for the prompt implementation of the pertinent parts of the resolutions of the General Assembly concerning technical co-operation among developing countries, including the decisions of the Governing Council on that item, in order to integrate those activities, through the work of the Special Unit for Technical Co-operation among Developing Countries, into the regular framework of UNDP, including the

activities and projects carried out by the organizations of the United Nations development system financed by the Programme;

(d) Requested the Administrator to promote the utilization of resources from intercountry indicative planning figures and, where appropriate, at the request of the Government concerned, of national indicative planning figures, for technical co-operation among developing countries, and for that purpose to ensure greater participation of the Governments of developing countries in the formulation, appraisal, planning and identification of intercountry projects;

(e) Requested further the participating and executing agencies to co-operate fully with the Administrator of UNDP for the purpose of achieving practical application of technical co-operation among developing countries, to ensure greater co-ordination and a more integrated approach to such co-operation and, to that end, to give special consideration to the recruitment of experts and consultants, the use of subcontractors, and the purchase of equipment and material from developing countries, as well as the placement of fellows in those countries;

(f) Recommended that the Administrator continue to move forward actively with the establishment of the information referral system and provide the Governments of developing countries, if possible before the regional meetings, with the questionnaire designed for the UNDP information referral system together with the information on the operations of the system and the guidelines for the selection of institutions, as well as take the necessary measures for an early inclusion in the most economic and effective manner of appropriate information on equipment producers from developing countries in the system;

(g) Reiterated the importance of the regional intergovernmental meetings as an important part of the preparations for the conference on technical co-operation among developing countries, which should, inter alia, consider the conclusions and recommendations reached at the regional meetings;

(h) Invited the Governments of member States to assist in covering the cost of the travel of the delegations of developing countries, which might have special difficulties in that respect, in order to enable them to participate in the regional intergovernmental meetings and in the conference on technical co-operation among developing countries;

(i) Requested the Administrator to prepare a document on the organizational and financial aspects of the conference on technical co-operation among developing countries in order to facilitate the discussions on that item at the twenty-second session of the Governing Council, with a view to making appropriate recommendations to the General Assembly at its thirty-first session, through the Economic and Social Council;

(j) Further requested the Administrator, in preparing the documentation for the conference, to give special attention to data on possible sources for the financing of technical co-operation among developing countries, including possible financial arrangements in the context of UNDP that would promote such co-operation;

(k) Invited all Governments of developing countries which have not already done so, to consider the organization of national focal points for technical co-operation among developing countries and urged the Administrator of UNDP to

assist those Governments of developing countries which so request to organize or to improve national focal points for technical co-operation among developing countries, including through the provision of training of their professional staff;

(l) Reiterated the importance of ensuring close and active collaboration between UNDP, through the Special Unit, and schemes of co-operation among developing countries that are taking place within and outside the United Nations development system;

(m) Decided to provide for meetings of the Committee on Technical Co-operation among Developing Countries at the twenty-second session of the Governing Council, if necessary.

513th meeting
30 January 1976

76/10. Provisional agenda for the twenty-second session of the Governing Council

465. At its 513th meeting, under item 15 of its agenda, the Governing Council agreed on the following provisional agenda for its twenty-second session:

1. Opening of the session
2. Adoption of the agenda
3. Country and intercountry programming and projects
4. Report of the Administrator for 1975
5. Programme resources and indicative planning figures for 1977-1981
6. Financial situation of UNDP and related programme matters
7. United Nations Volunteers
8. United Nations Capital Development Fund
9. United Nations Revolving Fund for Natural Resources Exploration
10. Budgetary, financial, and administrative matters:
 - (a) Financial review for 1976 and outlook for 1977-1981 with comprehensive report on financial activities during 1975
 - (b) Report on the question of the use of the standard cost procedure
 - (c) Custodianship of UNDP funds
 - (d) Budget estimates for 1977
 - (e) Global procurement
 - (f) Other matters
11. Technical co-operation among developing countries
12. United Nations Fund for Population Activities:
 - (a) Annual report of the Executive Director for 1975 and proposed revised work plan for 1976-1979
 - (b) Report on the implementation of UNFPA projects
 - (c) Report on the allocation of UNFPA resources
 - (d) Proposed projects and country agreements

- (e) Approval authority for 1977
 - (f) Report on the status of UNFPA country agreements
 - (g) Administrative budget for 1977
13. United Nations technical co-operation activities
 14. Information on the regular programmes of technical assistance of the specialized agencies and the International Atomic Energy Agency in 1975
 15. Revision of the rules of procedure of the Governing Council
 16. Other matters
 17. Date and provisional agenda for the twenty-third session of the Governing Council
 18. Draft report of the Governing Council to the Economic and Social Council at its sixty-first session.

513th meeting
30 January 1976

76/11. Draft statute for the Programme and the
Standard Basic Agreement with Governments

466. The Council decided to take up at its twenty-second session the question of when to resume its consideration of the draft Statute for the Programme and the Standard Basic Agreement with Governments.

513th meeting
30 January 1976

76/12. Organization of work of the twenty-second session of the Governing Council

467. Under item 13 of the agenda, the Council considered the organization of work of the session. It was agreed that, in accordance with the practice followed at the twenty-first session, meetings of the Budgetary and Finance Committee and of the Committee on Technical Co-operation among Developing Countries should not be held simultaneously, and that neither Committee should meet when the Council considered the important questions relating to the financial situation of UNDP and programme resources for the next cycle.

76/13. Date and place of the twenty-second session of the Governing Council

470. At its 513th meeting, on 30 January 1976, the Governing Council:

(a) Took note of the recommendation of the Committee on Conferences approved by the General Assembly in its resolution 3491 (XXX) by which the Assembly decided that the twenty-second session of the Council would be held in June 1976 at Geneva "or in a developing country from which an invitation had been received";

(b) Took note of the invitation extended by the Government of the Republic of Cuba to hold the twenty-second session of the Council in Havana and of the spirit of co-operation it demonstrated in stating its willingness to be host to the Council in June 1976 or January 1977;

(c) Took note of the statements expressing gratitude made in the Council and in the General Assembly;

(d) Took note also of the fact that during the period May-July several meetings of United Nations organs, including a meeting of the Economic and Social Council beginning on 1 July in Abidjan, Ivory Coast, would be held;

(e) Considered it desirable to continue consultations on the subject among the members of the Council, bearing in mind the need to facilitate the participation of delegations in the aforementioned meetings;

(f) Decided, in consequence, to await the result of those consultations and to make a decision on the venue for the twenty-second session during the interval between the twenty-first and twenty-second sessions of the Council.

513th meeting
30 January 1976

76/14. Programme resources and indicative planning figures for 1977-1981

240. At its 514th meeting, on 3 February 1976, the Governing Council:

(a) Recalled resolution 3362 (S-VII), adopted by the General Assembly at its seventh special session which stated, inter alia, that the resources of UNDP should be increased;

(b) Recalled the decisions of the Governing Council at its seventeenth, eighteenth, nineteenth and twentieth sessions on criteria for allocation of indicative planning figures (IPFs);

(c) Took note of the Administrator's proposals as outlined in documents DP/166 and Add.1, as well as the views expressed by members of the Council on that subject;

(d) Endorsed in principle the allocation of available resources in accordance with the individual country IPFs as contained in column 1 of the annex table of document DP/166/Add.1 for purposes of forward planning by Governments and the Administration;

(e) Invited the Administrator to make an appropriate recalculation of the 1977-1981 IPF, upon the request of the affected country, should more definitive data on per capita gross national product (GNP) and population for 1973-1974 result in a materially higher IPF than that currently calculated from provisional data, and requested the Administrator to report to the Council on the outcome of such recalculation;

(f) Further endorsed in principle the allocation of available resources in accordance with the regional IPFs as contained in column 2 of table 4 of document DP/166/Add.1 for purposes of forward planning;

(g) Approved in principle the interregional and global IPF as contained in column 4 of table 2 for purposes of forward planning;

(h) Approved in principle the allocation of resources for Special Industrial Services and the Programme Reserve as contained in column 4 of table 2 for purposes of forward planning;

(i) Decided to consider a final decision on the IPFs at its twenty-second session in the context of total resources that might be assumed available for 1977-1981, together with a review by the Administrator of the proposals in documents DP/166 and Add.1 on the allocation of resources among other major cost categories;

(j) Decided further to take up at the twenty-second session the question of the size and composition of the Operational Reserve, a working capital, agency overhead costs, and UNDP administrative programme support costs for the second cycle;

(k) Requested the Administrator, as soon as additional amounts might become available during the second cycle, to recalculate the IPFs of newly independent countries in order to provide them with increased resources to meet their special acute needs. Due attention should also be given to the provision of appropriate assistance to the national liberation movements recognized by the Organization of African Unity in accordance with the relevant decisions of the UNDP Governing Council;

(l) Agreed with the general assessment of the Administrator in document DP/166 that several conditions should be fulfilled in order to achieve the recommended resource target level. That target was based on an over-all annual increase in voluntary contributions of 15 per cent, each nation determining its own contribution;

(m) Recommended that in order to achieve that dynamic growth in resources, a wider support for UNDP, and an appropriate pattern of contributions, the donor developed countries making a relatively small contribution in relation to their capacity to pay should consider a marked increase;

(n) Recommended those countries at the upper end of the per capita GNP scale in a position to do so to become, in accordance with the decision of the Governing Council at its sixteenth session, 12/ net contributors as early as possible. For such purpose, those countries should consider additional contributions and/or support for UNDP through a variety of means open to them;

(o) Recommended also recipient countries at the upper end of the per capita GNP scale in a position to do so, other than those referred to in the above paragraph, to consider additional contributions and/or support for UNDP through a variety of means open to them;

(p) Invited the Administrator to pursue actively the process of consultations with donor countries, developed and developing countries, with the aim of achieving a stable and realistic financial basis for the Programme's activities in the second cycle. Governments in a position to do so should consider the possibility of supplementing firm pledges for the first year of the cycle with reasonably reliable indications of contributions during subsequent years;

(q) Decided also to undertake a mid-term review of the above decisions, taking into account the needs of all developing countries and without prejudice to established criteria.

514th meeting
3 February 1976

76/15. Authority of the Administrator to approve projects

241. At the same meeting, the Governing Council also decided to extend the authority of the Administrator to approve projects through the period 1977-1981. It was understood that such delegation would be subject to review by the Governing Council within that period if the Council so wished. It was also understood that certain categories of projects would continue to be submitted by the Administrator to the Governing Council for approval, as specified in paragraphs 20 and 23 of the Consensus and amplified by the Governing Council at its thirteenth session. 13/

514th meeting
3 February 1976

76/16. Procedures for approving country programmes

283. At its 514th meeting, on 3 February 1976, the Governing Council:

- (a) Recalled its discussion on the experience in country programming at the twentieth session of the Governing Council;
- (b) Expressed the desire to continue the practice of giving members, if they wished, the opportunity to comment on any country programme submitted for approval;
- (c) Believed that the current procedure for the consideration of country programmes in private meetings of the Council was basically sound and should be continued;
- (d) Decided to retain for the time being as the basis for its consideration and approval the country programme documents supplemented by a note by the Administrator;
- (e) Reconfirmed that country programmes should be formulated according to the general principles of country programming as laid down in the Consensus of 1970; 16/
- (f) Recalled the general endorsement by the Governing Council at its twentieth session of the Administrator's suggestion that the country programme documents during the second cycle should identify technical co-operation requirements mainly in terms of objectives and activities, including the degree of project information endorsed by the twentieth session, the country programme documents thus being of limited volume;
- (g) Requested the Administrator in his accompanying note to provide a succinct and decision-focused presentation covering, inter alia, the following in order to provide the Governing Council with a policy-oriented basis for its considerations:
 - (i) Major aspects of the country development perspective;
 - (ii) Identification of the development objectives towards the achievement of which the Government wished to apply UNDP assistance;
 - (iii) A summary of the significant features of the country programme, including the tables presently provided;
- (h) Appealed to Council members to focus during the discussions on issues of broad significance raised by the country programmes;
- (i) Requested the Administrator, when appropriate, to report to the Council on particular problems and trends of a general policy nature deriving from country programmes submitted for approval;
- (j) Requested the Administrator to furnish the Council on a regular basis with information on the actual implementation of previously approved country programmes.

514th meeting
3 February 1976

76/17. United Nations Fund for Population Activities:
Financial Regulations and Rules

87. At its 515th meeting, on 4 February 1976, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Approved the changes in the Financial Regulations and Rules of the United Nations Fund for Population Activities proposed by the Executive Director in document DP/151, as amended to include in Regulation 15.1 the words "and report" after "audit opinion";

(b) Approved the Executive Director's request for the transfer of credits among appropriate sections of the 1975 administrative budget contained in document DP/168.

515th meeting
4 February 1976

76/18. Financial review of the UNDP resources and programme costs for 1972-1976

349. At its 515th meeting, on 4 February 1976, on the recommendation of its Budgetary and Finance Committee, the Governing Council adopted the following decision on item 9 (a):

The Governing Council,

Mindful of the financial situation of UNDP,

Bearing in mind the need to institute administrative economies as a means of providing the maximum volume of funds for the field programme,

(a) Requested the Administrator to take appropriate action to reduce the top-heaviness of the UNDP management structure at headquarters and, in view of the current financial restraints on the Programme, to limit promotions to the most deserving cases and to reclassify posts during 1976 only on a highly selective basis and to stabilize the number of positions occupied during 1976 at the number occupied on 1 January 1976;

(b) Requested the Administrator to ensure that all travel by UNDP headquarters and field staff would be limited strictly to that essential for the effective and efficient operation of the Programme and to further ensure that proper over-all control over travel was exerted within UNDP headquarters and, at the same time, requested the Administrator to seek the co-operation of the agencies to ensure that all travel, but particularly official travel and mission area travel, by their project staff was substantially reduced;

(c) Requested the Administrator to be guided by the provisions of General Assembly resolution 3198 (XXVIII) regarding standards of accommodation for official travel of United Nations staff;

(d) Requested further that the Administrator hold discussions with the agencies with a view to establishing a mechanism whereby resident representatives might exert greater control over the travel of all project staff in their areas.

515th meeting
4 February 1976

76/19. ITU request for special overhead reimbursement

354. At its 515th meeting, on 4 February 1976, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Authorized the Administrator to make a special overhead reimbursement of \$232,194 to the International Telecommunication Union in respect of the request relating to 1973;

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(b) Decided to consider the request relating to 1974 at its twenty-second session in the light of a review to be undertaken by the Advisory Committee on Administrative and Budgetary Questions and to re-examine the criteria relating to overhead arrangements for smaller agencies.

515th meeting
4 February 1976

76/20. UNDP supplementary budget estimates for the year 1975

364. At its 515th meeting, on 4 February 1976, on the recommendation of the Budgetary and Finance Committee, the Governing Council adopted the following decision:

The Governing Council,

After considering the report of the Administrator (DP/150) and the related report of the Advisory Committee on Administrative and Budgetary Questions (DP/169) on the supplementary estimates for the year 1975, in particular paragraph 6, in

which the Advisory Committee stated that it trusted that future estimates for travel on appointment, reassignment and separation of staff would be based on a careful assessment of requirements and that the necessary internal procedures would be established to ensure that the approved credits were not overspent,

(a) Decided to maintain UNDP Financial Rule 111.8;

(b) Decided to approve as an exception to UNDP Financial Rule 111.8 the 1975 supplementary budget estimates of \$2,956,000 (net) for administrative and programme support services of UNDP, as contained in document DP/150 bringing the total amount approved for 1975 to \$52,429,300 (net) under the following appropriation sections:

	<u>Amounts appropriated at the eighteenth and nineteenth sessions</u>	<u>Increase (Decrease)</u>	<u>Revised appropriations</u>
	\$US	\$US	\$US
Section 1 - Salaries and wages	36,023,900	940,500	36,964,400
Section 2 - Common staff costs	13,382,600	1,557,700	14,940,300
Section 3 - Travel and transportation	1,603,100	40,000	1,643,100
Section 4 - Permanent equipment	785,900	-	785,900
Section 5 - Other general expenses	5,324,300	137,400	5,461,700
Section 6 - Special expenses	1,792,000	-	1,792,000
<u>Total gross</u>	58,911,800	2,675,600	61,587,400
<u>Less:</u>			
Section 7 - Estimated income	9,438,500	(280,400)	9,158,100
<u>Total net</u>	<u>49,473,300</u>	<u>2,956,000</u>	<u>52,429,300</u>

(c) Authorized an additional allocation of \$2,956,000 (net) from the resources of UNDP to finance those supplementary estimates.

515th meeting
4 February 1976

76/21. 1976 budgetary requirements, including the reduction of posts and postponement of reclassifications

The Governing Council,

After considering document DP/149 on the 1976 budget estimates for administrative and support services and supplementary information provided to the Council on measures to reduce UNDP administrative and programme services costs;

Requested the Administrator to submit to the Council at its twenty-second session a reduced 1976 budget for administrative and programme support services, taking into account the views and observations expressed in the Budgetary and Finance Committee during the twenty-first session of the Council.

515th meeting
4 February 1976

76/22. General outline of budget estimates for 1977

The Governing Council,

After considering document DP/160 on the general outline of the budget estimates for administrative and programme support services for the year 1977 and supplementary information provided to the Council on measures to reduce UNDP administrative and programme support services costs,

Requested the Administrator to submit to the Council at its twenty-second session a 1977 budget for administrative and programme support services costs including an outline of the long-term staffing proposals for the second IPF cycle, taking into account the views and observations expressed in the Budgetary and Finance Committee during the twenty-first session of the Council.

515th meeting
4 February 1976

76/23. Use of United Nations Volunteers Special Voluntary Fund

The Governing Council

(a) Decided to approve, as an interim measure, the use of the United Nations Volunteers Special Voluntary Fund to finance the in-country costs of volunteers in least developed countries, pending approval of a permanent solution by the Governing Council;

(b) Requested the Administrator to submit a proposal on the long-term funding of in-country costs of the United Nations Volunteers programme to the Governing Council at its twenty-second session.

515th meeting
4 February 1976

76/24. Cost measurement system

419. At its 515th meeting, on 4 February 1976, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Took note of the progress report of the Administrator on cost measurement (DP/152 and Add.1);

(b) Requested the agencies to study the continued use of the cost measurement system;

(c) Urged the Administrator to prepare, in consultation with the agencies concerned, detailed cost measurement studies to be submitted to the Council at its twenty-fourth session together with his recommendation regarding reimbursement of overhead costs after 1977.

515th meeting
4 February 1976

76/25. Short-term consultants

423. At its 515th meeting, on 4 February 1976, on the recommendation of the Budgetary and Finance Committee, the Governing Council, after having considered the report of the Administrator on short-term consultants (DP/159) and the views and observations expressed in the Budgetary and Finance Committee during the twenty-first session:

(a) Authorized the Administrator to continue to use short-term consultants, in consultation with the specialized agencies and the Governments involved, on a limited basis within a total annual expenditure ceiling of \$50,000;

(b) Requested the Administrator to submit a further report on the use of short-term consultants to the Council at its twenty-third session, with his recommendations as to the advisability of continuing that facility.

515th meeting
4 February 1976

76/26. Audit reports (UNDP and UNFPA)

427. At its 515th meeting, on 4 February 1976, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Took note of documents A/10007/Add.1 and 7 of the General Assembly 24/ and of documents DP/143 and Add.1 and Add.1/Corr.1, DP/144 and Add.1 and Add.1/Corr.1 containing the audit reports of the participating and executing agencies of UNDP and UNFPA accounts as at 31 December 1974, and of the comments and observations expressed by the Committee thereon;

(b) Approved the accounts and audit reports as contained in the documents referred to above.

515th meeting
4 February 1976

76/27. Revision of UNDP Financial Regulations and Rules

430. At its 515th meeting, on 4 February 1976, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Took note of document DP/145 containing certain modifications in the UNDP Financial Regulations and Rules;

(b) Approved the modifications to the UNDP Financial Regulations and Rules as contained in the document referred to above.

515th meeting
4 February 1976

76/28. Cost sharing

456. At its 515th meeting, on 4 February 1976, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Took note of the report of the Administrator on the use of cost sharing in UNDP projects (DP/162);

(b) Authorized the Administrator to continue for the time being the practice of cost sharing arrangements, including those involving third parties, taking into account the comments and suggestions expressed in the Budgetary and Finance Committee during the twenty-first session;

(c) Confirmed that contributions made available by one country to another under a cost sharing arrangement should not be considered by the contributing Government as part of its pledged contribution to the general resources of UNDP;

(d) Requested Governments participating in cost sharing arrangements, especially third parties thereto, to ensure that cost sharing contributions did not jeopardize their contributions to UNDP general resources;

(e) Requested Governments participating in cost sharing arrangements to pay in advance their agreed share of the costs in accordance with the agreed schedule and to reimburse UNDP for the additional administrative costs involved in implementing these arrangements;

(f) Approved the steps taken by the Administrator effective the beginning of 1976 to charge the actual cost of experts providing services against cost sharing contributions;

(g) Requested the Administrator to submit to the Council at its twenty-second session a report on cost sharing arrangements and proposals for further activities in that field.

515th meeting
4 February 1976