

TWENTY-THIRD SESSION
18 January - 4 February 1977

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77/1. Global, interregional and regional programmes

174. At its 558th meeting, on 27 January 1977, the Governing Council adopted the following decision:

The Governing Council,

Having considered the global and interregional programme (DP/216), the regional programme for Asia and the Pacific (DP/217), the regional programme for Europe, the Mediterranean and the Middle East (DP/218), the regional programme for Africa (DP/219) and the regional programme for Latin America (DP/225) presented by the Administrator for the second cycle (1977-1981),

(a) Took note with appreciation of the programmes presented to the Council and requested the Administrator to take into account in their implementation the views expressed during their consideration; and

(b) Authorized the Administrator to incur expenditure for global programmes up to \$25,000 on preparatory work in a given field without recourse to the Council on a case-by-case basis, and to incur expenditure annually for the interregional and regional programmes up to 0.1 per cent of the intercountry IPF for programme preparation and review, the funds to be programmed outside of the present procedures for government endorsement.

558th meeting
28 January 1977

77/2. Approval of country programmes and global project

175. At its 560th meeting, on 28 January 1977, the Governing Council:

(a) Approved the proposed UNDP country programmes for Burundi, Chile, Colombia, Democratic Yemen, the Dominican Republic, Guyana, Haiti, Honduras, Jamaica, Lesotho, the Libyan Arab Republic, Madagascar, Peru, the Philippines and Romania for the duration of their respective programme periods and within the limits of their IPFs for 1977-1981, taking into account the balance of over-expenditure or under-expenditure of their 1972-1976 IPFs;

(b) Authorized the Administrator to proceed with appraisal and approval action on requests for assistance falling within the outlines of the respective country programmes, while ensuring, in accordance with the decision of the Governing Council at its eighteenth session, 7/ that expenditures are kept in reasonable conformity with the relevant IPFs and are contained within the financial resources available at any given time; and

(c) Approved the global project for assistance to the International Centre of Insect Physiology and Ecology (ICIPE) (Phase II) (GLO/76/004) and authorized the Administrator to make the appropriate arrangements with ICIPE for the execution of this project.

560th meeting
28 January 1977

77/3. Actions taken in 1976 by organs of the United Nations and related agencies

443. At its 562nd meeting, on 31 January 1977, the Governing Council took note of the information contained in the note by the Administrator (DP/237 and Add.1 and 2) on action taken in 1976 by organs of the United Nations and related agencies.

562nd meeting
31 January 1977

77/4. Implementation of new dimensions in technical co-operation

76. At its 563rd meeting, on 1 February 1977, the Governing Council:

(a) Took note with appreciation of the Administrator's reports on implementation of new dimensions in technical co-operation (DP/220) and government execution of projects (DP/221) and of the views expressed during the discussion of these items in the Council;

(b) Reaffirmed its decision taken at the twentieth session on new dimensions in technical co-operation;

(c) Requested the Administrator, in close collaboration with the specialized agencies, to continue to pursue the application of new dimensions approaches in the Programme's technical co-operation activities, especially by promoting awareness at the country level of the new concepts of and attitudes towards technical co-operation, of which the new dimensions approaches were a reflection;

(d) Requested the Administrator to inform the Council in his annual report for 1977 and subsequent years about the manner in which the new dimensions in technical co-operation were being reflected in the programmes and projects;

(e) Authorized the Administrator, pursuant to its decision at its twenty-second session, to continue the execution of projects including ongoing projects by Governments and institutions on the basis of the procedures outlined in document DP/221 and taking into full consideration the views of the members of the Council expressed during the discussion of that document;

(f) Requested the Administrator to report periodically on the implementation of this decision and, as appropriate in the light of experience gained, on such procedural changes as may be required for the effective execution of projects by Governments and institutions.

563rd meeting
1 February 1977

77/5. United Nations Fund for Population Activities

371. At its 563rd meeting, on 1 February 1977, the Governing Council, taking into account the comments made during the consideration of item 11:

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

- (i) Country agreement with Egypt (DP/FPA/6/Add.5) in the amount of \$10 million for an estimated period of five years;
- (ii) Support of the Government family planning programme in Thailand (DP/FPA/6/Add.1) in the amount of \$2,240,000 for two years;
- (iii) Maternal and child health and family planning programme in El Salvador (DP/FPA/6/Add.3) in the amount of \$2,521,500 for four years;
- (iv) Programme of medical services for maternal and child health and family planning in Mexico (DP/FPA/6/Add.2) for the remaining two years (phase II) in the amount of \$4,543,200;
- (v) Maternal and child health programme in Colombia (DP/FPA/6/Add.4) for the remaining year (phase III) in the amount of \$1,317,200; and
- (vi) World Fertility Survey (DP/FPA/6/Add.6) for an estimated period of five more years (phase II) in the amount of \$2,348,000 for two years;

(b) Took note of the information supplied by the Executive Director on quantitative implementation of UNFPA projects in 1975 (DP/228) and requested the Executive Director to continue submitting reports on quantitative and qualitative implementation;

(c) Took note of the Executive Director's report on the application of criteria for establishing priorities (DP/232); requested the Executive Director, taking into account the comments of the Council, to apply the recommendations set out in the report in a flexible manner, with due regard to the Fund's obligation to honour in full the commitments it had already entered into and the priority needs of all developing recipient countries; and requested him to report to the Council on further progress made in the application of criteria at appropriate intervals;

(d) Took note of the Executive Director's statement on the top management structure of UNFPA; and authorized him to proceed in accordance with his recommendation in document DP/235/Add.1;

(e) Took note of the information given by the Executive Director on progress made in multi-bilateral funding arrangements; and endorsed his suggestion that such arrangements be entered into also for smaller projects.

563rd meeting
1 February 1977

77/6. Draft statute for the Programme and the Standard Basic Agreement with Governments

446. At its 564th meeting, on 3 February 1977, the Governing Council postponed its consideration of the draft statute for the Programme and the Standard Basic Agreement with Governments until after the General Assembly completed its deliberations on the international structure for a new international economic order.

564th meeting
3 February 1977

77/7. Arrangements for the evaluation of field programmes

100. At its 565th meeting, on 4 February 1977, the Governing Council took note of the reports of the Administrator (DP/224 and DP/227) on the arrangements for the evaluation of the UNDP field programmes and of the views expressed by the members of the Council during the discussion. It further took note of the intention of the Administrator to revert to the question of evaluation in the documentation which he would present to the Council at its twenty-fourth session, taking into account the views expressed by members of the Council.

565th meeting
4 February 1977

77/8. Budget estimates for 1977

255. At its 565th meeting, on 4 February 1977, on the recommendation of the Budgetary and Finance Committee, the Governing Council adopted the following decision:

The Governing Council,

After having considered the 1977 budget estimates for administrative and programme support services of the United Nations Development Programme,

(a) Approved appropriations in an amount of \$77,815,500 gross to be allocated from the resources of UNDP to finance the 1977 Programme budget as follows:

<u>Programme</u>	<u>US dollars</u>
Policy-making Organs	1,355,780
Executive Direction and Management	1,147,660
Programme Management and Support	35,099,350
Sectoral Support Services	6,711,430
Administrative and Common Services	32,093,780
United Nations Volunteers	1,081,500
United Nations Capital Development Fund	326,000
<u>Total gross</u>	<u>77,815,500</u>

and decided that the appropriation request for special translation costs of \$440,000 under the Programme policy-making organs shall be limited to \$200,000 in 1977 with the saving on this item remaining unspent pending a report by the Administrator on this matter being submitted to the twenty-fourth session of the Governing Council;

(b) Resolved that the income estimates in an amount of \$17,669,800 shall be used to offset the gross appropriations in paragraph (a) above;

(c) Agreed that the Administrator shall be authorized to transfer credits between programmes of the 1977 budget, within reasonable limits with the concurrence of the Advisory Committee on Administrative and Budgetary Questions;

(d) Approved appropriations in an amount of \$1,628,930 gross for the Office for Projects Execution to be financed from overheads on projects executed by UNDP;

(e) Resolved that the income estimates in an amount of \$160,000 shall be used to offset the gross appropriations in paragraph (d) above;

(f) Approved appropriations in an amount of \$1,170,900 gross for extrabudgetary costs of programme management and support (\$105,400), administrative and common services (\$562,500), and support services for UNDP-executed projects (\$503,000) to be financed from overheads on projects executed by UNDP;

(g) Resolved that income estimates in an amount of \$125,300 shall be used to offset the gross appropriations in paragraph (f) above;

(h) Approved appropriations in the amount of \$542,100 gross for the United Nations Revolving Fund for Natural Resources Exploration to be financed from the resources of the Fund;

(i) Resolved that income estimates in an amount of \$61,500 shall be used to offset the gross appropriations in paragraph (h) above;

(j) Called upon the United Nations to provide UNDP with conference services and special translations at no cost to the Programme;

(k) Decided that only identifiable and incremental costs directly attributable to the execution of projects by the Office for Projects Execution should be charged to the overheads on UNDP-executed projects;

(l) Requested the Administrator to review all posts currently charged under the heading "Support for UNDP Executed Projects" in the light of paragraph (k) above, and report the results of this review to the Council at its twenty-fourth session;

(m) Decided that the reimbursement by OPE to UNDP should be eliminated commencing with the 1978 budget;

(n) Decided that overhead income earned on projects executed for other funds should be calculated at the level necessary to cover the costs of executing those projects and should not result in UNDP subsidizing the expenses incurred in execution of these projects or, similarly, should not result in subsidizing the expenses incurred in the execution of projects funded from the UNDP regular programmes;

(o) Decided with respect to paragraph (n) above, that future budget estimates should include information on the size of the programme to be executed by OPE for other funds and the anticipated overhead income to be earned thereon;

(p) Keeping in view the needs of developing countries in different stages of the development process, approved the recommendation of the Executive Director of UNIDO, as presented by the Administrator, to increase budgetary provision of SIDFA posts from 23 to 30 during 1977 and, to this end, provisionally approved additional appropriations in an amount of \$317,000 gross which would be offset by additional income estimates of \$87,300 to finance the 1977 requirements, and requested the Administrator to submit to the Council at its twenty-fourth session a report on the sectoral support, including alternative sources of financing, to permit the Council to discuss this matter fully and in depth and to establish a comprehensive policy thereafter;

(q) Requested the Administrator to provide to the Governing Council at its twenty-fourth session comprehensive information on the status of job classification in UNDP, particularly in respect of locally-recruited field staff, to form a basis for the Council's consideration of the need for a job classification programme.

565th meeting
4 February 1977

77/9. General outline of the budget estimates for 1978

277. At its 565th meeting, on 4 February 1977, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Took note of the general outline of the budget estimates for administrative and programme support services for 1978;

(b) Requested the Administrator, when formulating the budget estimates for 1978, to take into account the views expressed in the Budgetary and Finance Committee during the twenty-third session of the Council;

(c) Further requested the Administrator to include the following in his budget estimates for 1978:

- (i) More detailed information on inflation projections by country or by region, and by major items of expenditure;
- (ii) Proposals to offset, to the extent feasible, costs due to inflation through the economies and productivity increases;
- (iii) Proposals to reduce further, if possible, the top-heaviness of the UNDP staff structure at headquarters, keeping in view the spirit of of the decision taken by the Council at its twenty-first session. 10/

565th meeting
4 February 1977

77/10. Recruitment and use and prospects of reducing the cost of UNDP-financed experts

291. At its 565th meeting, on 4 February 1977, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

- (a) Took note of the note by the Administrator on recruitment and use and prospects of reducing the costs of UNDP-financed experts (DP/223);
- (b) Further took note of the opinions expressed in the Budgetary and Finance Committee with regard to the two proposals contained in that note;
- (c) Endorsed the general thrust of the proposal for an in-depth study of the role of experts in development assistance as outlined in that note;
- (d) Stressed the importance of giving special emphasis in the in-depth study to the feasibility and modalities of innovative approaches to the provision of expert services and particularly to alternatives to the traditional use of experts;
- (e) Further stressed the need to involve the recipient countries actively in the in-depth study;
- (f) Requested the Administrator to consult with the Joint Inspection Unit in order to determine the conditions and modalities for the Unit to assume the main responsibility for the study;
- (g) Further requested the executing agencies and the International Civil Service Commission to co-operate with the Administrator in the study and to give priority attention to any requirement that may arise from it;
- (h) Authorized the Administrator to provide, from the Programme Reserve, and upon the request of the Joint Inspection Unit, an amount of up to \$100,000, if such resources should prove necessary to the successful completion of this study;
- (i) Requested the Administrator, after consultations with the Joint Inspection Unit, to present to the Council at its twenty-fourth session, a detailed work programme for the proposed study for further review by the Governing Council;
- (j) Requested the Joint Inspection Unit to complete this study as early as possible so as to permit the Administrator to transmit the report to the Council at its twenty-sixth session in June 1978.

565th meeting
4 February 1979

77/11. Audit reports

302. At its 565th meeting, on 4 February 1977, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Took note of document DP/230 (transmitting document A/31/7/Add.1) 12/ and of document DP/230/Add.1 and Corr.1 containing the accounts and audit reports of UNDP and the participating and executing agencies as at 31 December 1975 and the comments and observations expressed by the Committee thereon;

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

(c) Requested the Administrator to take such remedial action as may be required by the comments made by the External Auditors in their reports and those expressed by members in the Budgetary and Finance Committee;

(d) Further requested the Board of Auditors in its future reports on UNDP to include observations on the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of the organization.

565th meeting
4 February 1977

77/12. Custodianship of UNDP funds

307. At its 565th meeting, on 4 February 1977, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Took note of the report of the Administrator contained in documents DP/236 and Add.1;

(b) Decided to defer consideration of the custodianship of UNDP funds to the twenty-fourth session of the Governing Council.

565th meeting
4 February 1977

77/13. Interagency procurement services

323. At its 565th meeting, on 4 February 1977, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Took note of the report of the Administrator on consolidated procurement (DP/234) and of the additional information furnished by the Administrator to the Budgetary and Finance Committee;

(b) Requested the Administrator to continue preliminary studies of the matter in co-operation with the executing agencies and with the assistance of the Working Group on Inter-Agency Procurement Matters, taking into full account the views and observations expressed in the Budgetary and Finance Committee at the twenty-third session;

(c) Requested the Administrator to prepare a detailed progress report and time-table for the future work on the study, with estimates of all costs to be encountered by UNDP in connexion with the activity in 1978, together with proposals for their financing, for consideration by the Council at its twenty-fourth session;

(d) Decided to inscribe the matter on the agenda of the twenty-fourth session of the Council under the heading "Inter-Agency Procurement Services".

565th meeting
4 February 1977

77/14. UNDP Financial Regulations and Rules

327. At its 565th meeting, on 4 February 1977, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Approved the revision of Financial Regulations 13.1 and 13.3 as proposed in document DP/221/Add.1, to read as follows:

"Regulation 13.1: Arrangements for the execution of projects, including projects to be executed by the requesting Government, shall be subject to the approval or acceptance of the requesting Government or Governments, and shall be specified in agreements with each of those Governments."

"Regulation 13.3: Under conditions established by the Governing Council, the Administrator is also authorized to contract for the services of other agencies, private firms or individual experts in the execution of projects and to assign projects to a Government, a governmental institution or governmental agency for execution. The Administrator shall issue appropriate rules to implement this Regulation."

(b) Took note of the revision of Financial Rule 101.1 (f), which would be promulgated by the Administrator, to read as follows:

"Rule 101.1 (f): Executing Agency means an international organization or institution, a Government or governmental institution or governmental agency when executing technical assistance activities on behalf of UNDP."

565th meeting
4 February 1977

77/15. United Nations Fund for Population Activities : audit report

372. At its 565th meeting, on 4 February 1977, on the recommendation of the Budgetary and Finance Committee, the Governing Council:

(a) Approved the following transfer of credits among sections of the authorized 1976 UNFPA administrative budget:

	Increase (Decrease)
	US \$
Section 1 - Salaries and wages	(110,000)
Section 2 - Common staff costs	30,000
Section 3 - Travel and transportation	25,000
Section 5 - Other general expenses	55,000

(b) Took note of document A/31/7/Add.7 of the General Assembly 14/ and of documents DP/226 and Corr.1 and Add.1, containing the accounts and audit report of UNFPA and the Participating and Executing Agencies as at 31 December 1975 and the comments and observations thereon expressed in the Committee;

(c) Approved the accounts and audit report as contained in the documents referred to in subparagraph (b).

565th meeting
4 February 1977

77/16. Implementation of the recommendations in the report of the Working Group on Technical Co-operation among Developing Countries on its third session

The Governing Council,

Recalling resolutions 3251 (XXIX), 3461 (XXX) and 31/179 as well as other pertinent resolutions of the General Assembly,

Recalling further the relevant decisions adopted at its eighteenth, nineteenth, twentieth, twenty-first and twenty-second sessions,

(a) Took note of the reports of the Administrator, the Participating and Executing Agencies and the regional commissions (DP/222 and Add.1-6);

(b) Took note with appreciation of the introductory statements made by the Administrator and Assistant Administrator and of the observations and suggestions made during the consideration of the item;

(c) Considered that any assistance extended to the Governments of developing countries by the United Nations development system to achieve the sharing of technical resources, skills and capacities between them for their mutual development was a TCDC activity; that "mutual development" expressed the purpose or objective of TCDC; where "mutual" referred to benefits accruing to developing countries as a whole, although they might be distributed unequally within the group; that "sharing" was a deliberate voluntary act related to TCDC as a means; and that objectives and means should be present concurrently in any TCDC activity.

(d) Decided to request the Administrator to take all necessary measures for the full implementation of the recommendations contained in the report of the Working Group on Technical Co-operation among Developing Countries (DP/69) subject only to the following considerations:

- (i) In regard to paragraph (25) of the report of the Working Group on Technical Co-operation among Developing Countries, UNDP, Participating and Executing Agencies and regional commissions should make systematic efforts to review their procedures, organizational and financial arrangements, programmes and projects and make adjustments therein to facilitate technical co-operation among developing countries. To this effect UNDP in particular, upon the request of the countries concerned and in a manner consistent with the decisions of the Governing Council on the allocations of resources, should, inter alia, permit expeditious extension of national, regional and interregional projects when such an extension is designed to enable other developing countries to derive benefits from such projects;
- (ii) When implementing the recommendation contained in paragraph (26) of the report of the Working Group on Technical Co-operation among Developing Countries, it should be borne in mind that, in maintaining and in order to further improve the over-all efficiency and effectiveness of the Programme, UNDP, Participating and Executing Agencies and regional commissions should give special consideration, in designing and implementing programmes and projects, to the technical co-operation capacities and potentialities existing in developing countries, and make a conscious effort to use them;
- (iii) Noted with appreciation, with reference to the recommendation contained in paragraph (29) of the report of the Working Group on Technical Co-operation among Developing Countries, that the Special Unit for Technical Co-operation among Developing Countries has been created. This mechanism for conducting the activities envisaged in that paragraph should be reviewed in the light of the recommendations to be made by the United Nations Conference on Technical Co-operation among Developing Countries;
- (iv) Technical co-operation among developing countries already constitutes an integral part of UNDP activities, and, therefore, no specific targets should be established within the intercountry IPF for TCDC operational activities as recommended in paragraph (36)(b) of the report of the Working Group on Technical Co-operation among Developing Countries. Since intercountry programmes constitute one of the most effective instruments for promoting TCDC, a systematic effort should be made to incorporate TCDC elements in the on-going regional, interregional and global projects or, wherever possible, to transform them into TCDC projects as well as to establish in the future new TCDC operational activities of a regional, interregional and global nature;

- (v) For the 1977-1981 period, the Programme Reserve should be used for TCDC as an exceptional measure, if resources are not available elsewhere, especially in cases where the least developed countries are involved rather than in the circumstances indicated in paragraph (36)(c) of the report of the Working Group on Technical Co-operation among Developing Countries;
- (vi) In order to expand further TCDC activities, developed and developing countries should consider increasing their voluntary cash contributions to UNDP but no contributions should be made in kind as recommended in paragraph (39)(a) of the report of the Working Group. However, UNDP and Participating and Executing Agencies should make use of contributions in kind from developing activities through multi-bilateral projects and through other suitable arrangements;
- (vii) With an understanding that all additional resources available will also benefit TCDC, there is no need to devote part of the increased volume of UNDP resources specifically to TCDC purposes as recommended in paragraph (39)(c) of the report of the Working Group on Technical Co-operation among Developing Countries;
- (viii) In regard to paragraph (48)(a) of the report of the Working Group on Technical Co-operation among Developing Countries, UNDP and Participating and Executing Agencies should formulate and implement specific programmes to provide information to developing countries on quality control, standards and other requirements to be met in order to compete effectively in making supplies available for projects and programmes of the United Nations development system, as well as to incorporate into the specifications for goods and services required the standards used in developing countries;
- (ix) The review of the recommendations contained in paragraphs (43), (44) and (46) of the report of the Working Group on Technical Co-operation among Developing Countries will be made at its twenty-fourth session, together with consideration of the study on "Rules, Regulations, Procedures and Practices of the United Nations Development System in Recruiting Experts, Subcontracting, Procuring Equipment and Providing Fellowships, pursuant to General Assembly resolution 3461 (XXX), paragraph 3, on Technical Co-operation among Developing Countries" contained in document DP/229 (Vol. I and II).

(e) Requested the Administrator, the Participating and Executing Agencies and regional commissions, in the preparation of their future progress reports on the implementation of the recommendations of the Working Group on Technical Co-operation among Developing Countries in pursuance of General Assembly resolution 3251 (XXIX), to provide statistical tables, wherever possible, to illustrate the quantitative aspects of the implementation of the different recommendations.

565th meeting
4 February 1977

77/17. Technical co-operation among developing countries

The Governing Council

(a) Decided to postpone to its twenty-fourth session the consideration of the study on rules, regulations, procedures and practices of the United Nations development system in recruiting experts, subcontracting, procuring equipment and providing fellowships, prepared in pursuance of General Assembly resolution 3461 (XXX), paragraph 3, on technical co-operation among developing countries;

(b) Requested the Administrator to make arrangements for the sessional Committee on Technical Co-operation among Developing Countries to meet during the twenty-fourth session of the Governing Council.

565th meeting
4 February 1977

77/18. Preparations for the United Nations Conference on Technical Co-operation among Developing Countries

The Governing Council

(a) Took note of the report of the Preparatory Committee for the United Nations Conference on Technical Co-operation among Developing Countries; 18/

(b) Decided to transmit it to the General Assembly at its thirty-second session through the Economic and Social Council at its sixty-third session.

565th meeting
4 February 1977

77/19. Financial situation and related matters

58. At its 566th meeting, on 4 February 1977, on the recommendation of the Informal Working Group on Item 4, the Governing Council:

(a) Took note of the improved financial situation as described in the reports of the Administrator on the financial situation of UNDP as at 30 September 1976 (DP/214) and on the financial situation and related matters (DP/238) and in the Administrator's opening statement and the views expressed by the members of the Council;

(b) Commended the Administrator for his efforts undertaken in co-operation with Governments and all Executing Agencies in overcoming the short-term liquidity crisis faced by UNDP in 1976 as a part of the over-all effort to improve the financial situation of UNDP;

(c) Expressed deep concern over the limited resources available for programme purposes in 1977;

(d) Appealed to all Governments able to do so to make every possible effort to provide additional voluntary contributions to the Programme;

(e) Appealed to recipient Governments to make supplementary voluntary contributions in local currency to compensate for payments formerly made available under assessed programme costs, in accordance with the decisions taken by the Governing Council at its twentieth session;

(f) Noted the level of expenditures established by the Administrator in the amount of \$347.3 million to be the minimum for planning purposes for 1977 and requested the Administrator to ensure to the best of his ability that all IPFs for the second programming cycle were fully delivered and that the highest possible level of programme delivery consistent with the resources realized by the Programme was achieved, taking particularly into account in consultation with recipient Governments those projects actually delayed or curtailed and further requested the Administrator to take the necessary steps to ensure that the pattern of annual country expenditure ceilings was in keeping with the IPFs for the second programming cycle without prejudice to the adjustments required to duly account for excesses or shortfalls of approved IPFs during the first programming cycle;

(g) Requested the Administrator to ensure that expenditures were maintained within the limits of available resources;

(h) Noted with deep concern that the level of administrative and programme support costs as a proportion of the costs of programme delivery in the field had increased from 13 per cent in 1973 to approximately 14 per cent in 1976 and was projected at 14.7 per cent for 1977, while there had been a continuous decline in resources for programme delivery in the field since 1975, and requested the Administrator to ensure that administrative and programme support costs were kept to the minimum, consistent with the necessary workload, effective management and the need for increased programme delivery, bearing in mind the necessity to reverse the above-mentioned trend;

(i) Requested the Administrator to continue his efforts to improve management within UNDP; further requested Governments and specialized agencies to co-operate in strengthening the central and leading role of UNDP in the funding and co-ordination of technical assistance within the United Nations system;

(j) Approved the Administrator's proposed schedule of instalments for progressive restoration of the Operational Reserve in the amounts of \$15 million in 1977, \$35 million in 1978 and \$50 million each year in 1979 and 1980; further decided to review periodically this pace of restoration of the Operational Reserve, keeping in view the total resources mobilized for the Programme;

(k) Decided to close the Programme Reserve account at the end of 1976 and to open a new account for the second IPF cycle, on the understanding that unliquidated obligations or ongoing projects at the end of 1976 would be charged against the second cycle Programme Reserve;

(l) Recognized that the success of the future activities of UNDP to a great extent depended on timely, effective and full utilization of all contributions placed at the disposal of UNDP for technical co-operation purposes; noted with concern the continuing accumulation in the accounts of UNDP of those non-convertible currencies so far unutilized; urged Governments in this connexion to contribute to UNDP in currencies readily usable, or convertible in accordance with regulation 6.4 of the Financial Rules and Regulations, in order to ensure that IPFs in the current cycle shall be fully delivered; requested the Administrator, in continuing his efforts in co-operation with Governments and specialized agencies, to find practical methods to employ all financial resources with due regard to the need for the speedy utilization of the non-convertible currencies so far unutilized while adhering strictly to Financial Regulation 6.5 which provides that voluntary contributions shall be made without limitation as to use by a specific Participating and Executing Agency, in a specific recipient country or for a specific project, and that no contributing Government shall receive special treatment with respect to its voluntary contribution nor shall negotiations for the use of currencies contributed to UNDP take place between contributing and recipient Governments;

(m) In order to ensure an equitable distribution of expenditure ceilings based on all available currencies, decided that the Administrator shall include accumulations of non-convertible currencies in the total resources available for aggregate annual expenditure ceilings on the basis of realistic estimates of total expenditures of all currencies including those currencies and requested the Administrator to report annually to the Council;

(n) Requested the Administrator to take the necessary steps to ensure that all payments for goods and services (including the provision of equipment, subcontracts, transport, etc.) rendered to all UNDP-financed projects by entities headquartered in countries whose currencies have been accumulated in UNDP are made exclusively in currencies in which their country contribution is paid to UNDP until these accumulations are used, and further requested the Administrator to make a detailed status report to the Governing Council as soon as possible but not later than the twenty-sixth session of the Council on (i) the measures he has taken to implement this request; and (ii) the problems if any, he has encountered in its implementation;

(o) Took note with appreciation of the reported agreement of field experts of some countries contributing to UNDP in non-convertible currencies to receive their salary in accordance with the traditional system, i.e. in three currencies: non-convertible, local and convertible;

(p) Took note of the Administrator's action to circularize UNDP staff informing them of the adoption of a new system whereby the staff and experts have been invited to accept voluntarily a portion of their base salary and dependency allowance in UNDP's accumulated non-convertible currencies, and requested the Administrator to include the progress of the utilization of accumulated non-convertible currencies through this arrangement in his report to the Council requested in subparagraph (n);

(q) Authorized the Administrator to provide assistance to Governments which have relinquished or foregone their IPFs and to accept special contributions from those Governments to implement programmes in their respective countries on a fully paid basis, including the appropriate part of UNDP administrative costs, and requested the Administrator to report periodically to the Council on the provision of such assistance;

(r) Requested the Administrator, in close co-operation with the Executing Agencies, to proceed as early as possible to elaborate and develop an improved system-wide financial and programme information network linking UNDP headquarters, field offices and the Executing Agencies and instituting controls that would in future help prevent the occurrence of financial difficulties as encountered by UNDP in 1975 and 1976. To this end, authorized the Administrator, if additional resources are forthcoming, to increase the administrative budget by up to \$1,150,000 over 1977-1978 for this purpose, and requested the Administrator to report to the Council at its twenty-fifth session on the development of the financial and programme information network;

(s) Approved the revised IPFs for 1977-1981 for Seychelles and the Socialist Republic of Viet Nam at \$1.6 million and \$44 million respectively, this amount to be provided from the provision earmarked for new participants in the Programme, as decided by the Council at its twenty-second session;

(t) Took note of the Administrator's intention to extend his delegation of authority to resident representatives to approve projects within the guidelines provided by him, and endorsed the increase in the upper limit of such approvals from \$150,000 to \$400,000, and requested the Administrator to report on the use of this delegated authority, including a report on the central monitoring and evaluation functions, to the Governing Council at its twenty-sixth session for its review.

566th meeting
4 February 1977

77/20. Periodicity of the sessions of the Governing Council

447. At its 565th meeting, on 4 February 1977, the Governing Council:

(a) Noted the opening statement of the Administrator on the question of holding annual sessions of the Council;

(b) Requested the Administrator to submit a full report on his proposals on this matter for consideration by the Governing Council at its twenty-fourth session;

(c) Further requested that the Administrator circulate his report to member Governments at least two months in advance to enable Governments to consider carefully the proposal before and at its twenty-fourth session.

565th meeting
4 February 1977

77/21. Date and place of the twenty-fourth session of the Governing Council

448. At its 566th meeting, on 4 February 1977, the Governing Council decided to hold its twenty-fourth session between 7 June and 1 July 1977 at Geneva. It further decided that the Committee on Technical Co-operation among Developing Countries would convene on 7 June, that the Budgetary and Finance Committee would convene on 9 June, also at Geneva, and that the Council itself would convene on 13 June. In addition, it was noted that the Council's meetings on 16 and 17 June 1977 would be at an appropriately high level.

566th meeting
4 February 1977

77/22. Provisional agenda for the twenty-fourth session of the Governing Council

449. At the same meeting, the Governing Council approved the following provisional agenda for its twenty-fourth session:

1. Opening of the session
2. Adoption of the agenda
3. Annual report of the Administrator for 1976
4. Role and activities of UNDP
5. United Nations Volunteers
6. United Nations Revolving Fund for Natural Resources Exploration
7. United Nations Capital Development Fund
8. Country and intercountry programming and projects
9. Budgetary, administrative and financial matters
 - (a) Financial outlook for 1977-1981, with comprehensive report on financial activities during 1976 and other related matters
 - (b) Recruitment and use and prospects of reducing the costs of UNDP-financed experts
 - (c) Agency overhead costs
 - (d) Administrative budget for 1978
 - (e) Financial Regulations and Rules
 - (f) Custodianship of UNDP funds
 - (g) Inter-Agency Procurement Services
 - (h) Sectoral support
 - (i) Other matters

10. United Nations Fund for Population Activities
 - (a) Annual report of the Executive Director for 1976 and proposed revised work plan for 1978-1981
 - (b) Report on the implementation of UNFPA projects
 - (c) Progress report on the application of priorities
 - (d) Proposed projects and country agreements including proposed second phase projects
 - (e) Report on infrastructure costs
 - (f) Approval authority for 1978
 - (g) Administrative budget for 1978
 - (h) Other matters
11. Technical co-operation among developing countries
12. United Nations technical co-operation activities
13. Information on the regular programmes of technical assistance of the specialized agencies and the International Atomic Energy Agency in 1976
14. Other matters
15. Date and provisional agenda for the twenty-fifth session of the Governing Council
16. Draft report of the Governing Council to the sixty-third session of the Economic and Social Council

566th meeting
4 February 1977

