

TWENTY-EIGHTH SESSION

9 June - 1 July 1981

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81/1. United Nations Volunteers

The Governing Council

1. Takes note of the successful completion of the United Nations Volunteer programme's first decade of service with the expectation that the programme's role and potential will be increasingly utilized in the coming years in accordance with the needs of developing countries, in particular the least developed and newly independent countries;
2. Notes the progress of the programme's activities in response to its related mandates in the fields of domestic development service and youth, particularly the preparatory activities for the International Youth Year;
3. Requests the Executive Co-ordinator to continue his efforts to recruit volunteers on the widest possible geographical basis;
4. Reiterates its invitation to Governments, organizations and individuals to consider starting or increasing their contribution to the Special Voluntary Fund, which assists the programme to undertake its various programme responsibilities more effectively;
5. Requests the Administrator to submit to the Council at its twenty-ninth session a short analytical report on the use of volunteers in the development process.

722nd meeting
18 June 1981

81/2. United Nations Capital Development Fund

The Governing Council,

Having considered the annual report of the Administrator on the United Nations Capital Development Fund (DP/536 and Corr.1) and the report on the implementation of the partial funding system (DP/INF/34),

Recalling General Assembly decision 35/422 of 5 December 1980,

Recalling also Council decisions 79/21 of 28 June 1979 3/ and 80/19 of 26 June 1980, 4/

3/ See Official Records of the Economic and Social Council, 1979, Supplement No. 10 (E/1979/40), chap. XXI, sect. L.

4/ Ibid., 1980, Supplement No. 12 (E/1980/42/Rev.1), chap.XI.

Considering the magnitude of the needs for concessional capital assistance of the least developed countries, in order to accelerate their economic and social development,

Considering also the forthcoming United Nations Conference on the Least Developed Countries, which is to be convened in September 1981 at the request of the General Assembly,

1. Takes note with satisfaction of the Administrator's annual report on the United Nations Capital Development Fund and the report on the implementation of the partial funding system;

2. Welcomes the measures taken by the Administrator to implement the partial funding system, and commends the Administrator on the substantial progress achieved with regard to programme delivery and expansion of the Fund's activities;

3. Decides that the Fund should continue the partial funding system for one more year, and requests the Administrator to submit a detailed report on implementation of the system to the Council at its twenty-ninth session in June 1982;

4. Reiterates its previous requests to the Economic and Social Council to recommend to the General Assembly that the Fund should be authorized to meet the administrative and programme support costs pertaining to its activities from its own resources;

5. Reaffirms that, paragraph 4 above notwithstanding, the United Nations Development Programme will continue to provide to the Fund all field support services as well as all headquarters administrative support services;

6. Welcomes the participation of the United Nations Capital Development Fund in the subregional meetings which will precede the United Nations Conference on the Least Developed Countries, and expresses the hope that the Fund will be enabled to play a direct role in implementation of the action programme to be drawn up by the Conference;

7. Calls upon all countries to provide voluntary contributions to the Fund so as to enable it to maintain the momentum achieved in the past year and thereby play an increasingly effective role in channelling concessional capital assistance to the developing countries, particularly the least developed countries.

724th meeting
19 June 1981

81/3. United Nations Special Fund for Land-locked Developing Countries

The Governing Council,

1. Takes note of the report of the Administrator on the United Nations Special Fund for Land-locked Developing Countries (DP/541);

2. Appeals, in the light of General Assembly resolution 35/58 of 5 December 1980 on specific action related to the particular needs and problems of land-locked developing countries and of the International Development Strategy for the Third United Nations Development Decade as it pertains to land-locked developing countries, to all countries to review their position with respect to the Fund and to contribute urgently and generously to it;

3. Requests the Administrator to report henceforth on the activities of the Fund on a biennial basis, the first of such reports to be presented to the Governing Council at its June 1983 session.

724th meeting
19 June 1981

81/4. Implementation of the Plan of Action to Combat
Desertification in the Sudano-Sahelian region

The Governing Council,

Conscious of the need for the speedy implementation in the Sudano-Sahelian region of the Plan of Action to Combat Desertification as an integral part of the general efforts to promote the economic and social development of the region on an ecologically sound basis,

Stressing that desertification is both a major form of environmental degradation and an obstacle to development in fragile ecosystems characterized by low and erratic rainfalls,

1. Takes note with satisfaction of the report of the Administrator on the implementation of the Plan of Action to Combat Desertification in the Sudano-Sahelian region (DP/543), and of the statement by the Director of the United Nations Sudano-Sahelian Office (see DP/SR. 721);

2. Commends the Administrator for the progress achieved by the United Nations Sudano-Sahelian Office, acting on behalf of the United Nations Environment Programme and within the joint UNEP/UNDP venture, in implementing the Plan of Action to Combat Desertification in the Sudano-Sahelian region;

3. Endorses decision 9/22 B of 26 May 1981 of the Governing Council of the United Nations Environment Programme 5/ to add Benin to the list of countries eligible to receive assistance through the United Nations Sudano-Sahelian Office in implementing the Plan of Action to Combat Desertification;

4. Requests the Administrator to continue to support the administrative and programme costs of the joint UNEP/UNDP venture in full partnership with the United Nations Environment Programme, with a view to ensuring the timely and effective provision of assistance, through the United Nations Sudano-Sahelian Office, in combating desertification in the Sudano-Sahelian region;

5/ See Official Records of the General Assembly, Thirty-sixth Session, Supplement No. 25 (A/36/25), annex I.

5. Urges all Governments, organizations, organs and other bodies of the United Nations system, as well as other intergovernmental organizations and private organizations, to intensify their assistance, either bilaterally or through the United Nations Sudano-Sahelian Office or any other intermediary, in response to the priority requirements of the countries of the Sudano-Sahelian region;

6. Further requests the Administrator to continue to report annually to the Governing Council on the implementation of the Plan of Action to Combat Desertification in the Sudano-Sahelian region.

724th meeting
19 June 1981

81/5. Implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-Sahelian region

The Governing Council,

Considering that the nature and magnitude of the needs of the countries of the Sudano-Sahelian region, which are among the least developed countries, make it necessary for the international community to continue to strengthen its action of solidarity in support of the recovery and rehabilitation efforts, and of the economic development of those countries,

Expressing its deep concern about the severe living conditions of the Sudano-Sahelian people and the continuing critical food situation in the region,

Welcoming the initiative of the Administrator to include the United Nations Trust Fund for Sudano-Sahelian Activities in the United Nations Pledging Conference for Development Activities, with a view to expanding and intensifying the mobilization of the resources needed for the implementation of the recovery and rehabilitation programme in the Sahel,

1. Notes with satisfaction the decisive role being played by the United Nations Sudano-Sahelian Office in helping to combat the effects of the drought through the mobilization of resources necessary for the implementation of the medium-term and long-term recovery and rehabilitation programme of the States members of the Permanent Inter-State Committee for Drought Control in the Sahel;

2. Takes note with satisfaction of the report of the Secretary-General on the implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-Sahelian region (A/36/208);

3. Commends the Administrator for the results achieved by the United Nations Sudano-Sahelian Office, and for his continuing priority attention to the pressing needs of the drought-affected Sudano-Sahelian countries;

4. Expresses its gratitude to the Governments, agencies of the United Nations system, intergovernmental organizations, private organizations and individuals that have contributed to the implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-Sahelian region;

5. Calls upon all Governments to make special efforts to enable the United Nations Sudano-Sahelian Office to respond more fully to the priority requirements of the States members of the Permanent Inter-State Committee for Drought Control in the Sahel, including voluntary contributions to be made at the 1981 United Nations Pledging Conference for Development Activities;

6. Invites the United Nations Sudano-Sahelian Office to continue its close co-operation with the Permanent Inter-State Committee for Drought Control in the Sahel with a view to hastening the implementation of the recovery and rehabilitation programme in the Sudano-Sahelian region;

7. Requests the Administrator to continue to enhance the capacity of the United Nations Sudano-Sahelian Office to respond effectively in the field to the priority requirements of the States members of the Permanent Inter-State Committee for Drought Control in the Sahel through the greater use of resources available to the Programme, particularly the United Nations Fund for Population Activities, the United Nations Capital Development Fund and the United Nations Revolving Fund for Natural Resources Exploration;

8. Further requests the Administrator to continue to report to the Governing Council on the implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-Sahelian region.

724th meeting
19 June 1981

81/6. Assistance to drought-stricken countries in Africa

The Governing Council,

Having considered the report of the Administrator (DP/544 and Corr.1) in the light of the recent information provided by the Assistant Administrator and Director of the Regional Bureau for Africa in his statement (see DP/SR.721), as well as other information provided during the debate by representatives of drought-stricken African countries,

Noting with anxiety that drought continues to wreak havoc in several parts of Africa,

1. Takes note with appreciation of the report of the Administrator and of the additional information provided during the debate;

2. Requests the Administrator to continue to report on the drought situation in Africa;

3. Appeals to the international community to give drought-stricken African countries generous emergency assistance that will enable them to cope with the situation created by the persistence and spread of drought.

724th meeting
19 June 1981

81/7. United Nations Fund for Population Activities

The Governing Council,

I

Taking into account the comments made during the consideration of agenda item 7 (a), and paragraphs 2 and 3 of General Assembly resolution 3019 (XXVII) of 18 December 1972, concerning the role of the Council,

1. Takes note of the reports of the Executive Director of the United Nations Fund for Population Activities on the activities of the Fund in 1980 (DP/527) and on allocations to projects in 1980 (DP/528 and Corr.1);

2. Requests the Executive Director to undertake a review and reassessment of the total UNFPA programme for the period 1982-1985, including the new programmes submitted to the Council at its twenty-eighth session, in view of the current resource situation and in the light of the revised work plan, assuming an annual constant increase of 10 per cent for the period 1982-1985, taking an expected \$131 million in contributions and other income in 1981 as the basis, and in line with the guidelines outlined below, and to report to the Council at its twenty-ninth session on the results of the review and reassessment;

3. Confirms that the Fund should concentrate on supporting the following areas in the order of priority indicated:

(a) Family planning, oriented towards the individual and the family, both in the form of programmes integrated with maternal child health services in the primary health care context and in other programmes, as appropriate to social and cultural conditions, including:

- (i) Delivery of services at the community level, including improvements in the logistical systems through which such services can be provided;
- (ii) Training of personnel;
- (iii) Strengthening of management;
- (iv) Logistics support, including provision of contraceptives, if required;
- (v) Encouragement, where appropriate, of local production of contraceptives;
- (vi) Research into traditional and new contraceptive methods and development of improved means, including natural family planning methods;

(b) Population education, communication, motivation and dissemination of information on family planning;

(c) Basic data collection;

(d) Population dynamics;

(e) Formulation, implementation and evaluation of population policy;

4. Reaffirms that the current list of priority countries will continue to be applied for the time being and that all efforts will be made to devote up to two thirds of country programme resources to them in accordance with the decision taken at its twenty-third session; 6/

5. Reaffirms its decision 79/28 of 28 June 1979 3/ that the Fund's support of intercountry activities should be within the level of approximately 25 per cent of total programme resources by 1982, requests the Executive Director to submit a report on intercountry activities to the Council at its twenty-ninth session which will (a) identify types of programmes and projects that are clearly technical assistance and backstopping for country activities, (b) indicate the effects of other intercountry programmes at the country level, (c) recommend activities which should be phased out and which should be given priority in maintaining the above-mentioned level, and (d) provide precise guidelines for all new projects, and further requests the Executive Director to exercise extreme caution in the interim in approving any new projects or programmes for regional, interregional or global activities, to ensure that the ceiling of approximately 25 per cent is respected;

6. Requests the Executive Director to submit a report which, while preserving the target established for the share of resources for priority countries and the level established by the Council for intercountry activities, would consider the possibilities of arriving at an over-all distribution of resources to the priority areas mentioned in paragraph 3 above, a substantial increase in the proportion of resources for family planning and population education, communication and information, and a substantial decrease as regards the share for basic data collection and population dynamics, and to make recommendations in this regard, bearing in mind the specific situation in a number of developing countries;

7. Further requests the Executive Director to report to the Council on the experience of the UNFPA with the system of priority countries and to explore the possibilities for introducing additional criteria to be applied in a future revision;

8. Takes note of the report of the Executive Director on the UNFPA in the 1980s (DP/530) and requests the Executive Director, in making project allocations, to take into account the following:

- (a) Magnitude of the population problems in relation to per capita gross national product;
- (b) Population size and the annual increase in absolute numbers;
- (c) Policies and programmes of the Government;
- (d) Commitment by Governments to stated population policy;
- (e) Absorptive capacity;
- (f) Level of support of development assistance per capita from other sources;

6/ See Official Records of the Economic and Social Council, Sixty-third Session, Supplement No. 3 (E/5940), para. 371.

(g) Level of support for population activities from other sources;

(h) Actual and projected implementation rates;

9. Requests the Executive Director to (a) undertake a comprehensive review of needs and opportunities in the field of contraceptive research and development which would address, inter alia, (i) the question of identifying those activities as a category separate from other intercountry activities, (ii) the question of what set percentage of the Fund's intercountry activities, if any, should be earmarked for research programmes designed to develop and improve various kinds of contraceptives, including natural family planning methods, and (iii) the question of continued Fund support - including the annual level of such support - for the World Health Organization Special Programme of Research, Development and Research Training in Human Reproduction and other research programmes within the proposal presented, as requested by the Governing Council at its twenty-sixth session; and (b) explore with the World Bank and other interested agencies - World Health Organization, International Planned Parenthood Foundation, and private foundations - how the World Bank proposal for the establishment of a joint board for health research could affect the contraceptive research field;

II

1. Approves the following large-scale programmes and projects, subject to the review and reassessment requested in section I, paragraph 2, above:

In Benin (DP/FPA/12/Add.5) in the amount of \$1,460,390;

In Bhutan (DP/FPA/12/Add.8) in the amount of \$2,070,000;

In Ecuador (DP/FPA/12/Add.4) in the amount of \$2,850,000;

In Egypt (DP/FPA/12/Add.13) in the amount of \$15,000,000;

In Ethiopia (DP/FPA/12/Add.1) in the amount of \$16,000,000;

In the Gambia (DP/FPA/12/Add.3) in the amount of \$2,550,000 (including \$1,581,500 approved by the Governing Council at its twenty-seventh session (DP/FPA/11/Add.1));

In Guinea (DP/FPA/12/Add.2) in the amount of \$5,400,000;

In Haiti (DP/FPA/12/Add.7) in the amount of \$3,121,400;

In Morocco (DP/FPA/12/Add.14) in the amount of \$10,000,000;

In Nigeria (DP/FPA/12/Add.10) in the amount of \$17,300,000 (including \$1.8 million approved by the Governing Council at its twenty-seventh session (DP/FPA/11/Add.4));

In Pakistan (DP/FPA/12/Add.12) in the amount of \$30,000,000;

In Sri Lanka (DP/FPA/12/Add.9) in the amount of \$5,400,000;

In the Syrian Arab Republic (DP/FPA/12/Add.6) in the amount of \$9,000,000;

In Tunisia (DP/FPA/12/Add.15) in the amount of \$5,000,000;

In Yemen (DP/FPA/12/Add.11) in the amount of \$8,000,000;

For World Fertility Survey (continuation of Phase III) (DP/FPA/12/Add.16) for \$1,500,000 for one year;

For assistance to selected major intercountry programmes (DP/FPA/12/Add.17);

2. Decides, after reviewing the work plan for 1982-1985, to give the Executive Director additional approval authority for 1982, based on the assumption of an increase of 10 per cent per year, of \$33.75 million to make a total of \$144 million for 1982, additional approval authority of \$34.5 million for 1983 to make a total of \$108 million for 1983, and approval authority of \$72 million for 1984, on the understanding that the Executive Director will limit approval of projects to available resources and in line with the guidelines set forth in section I, paragraph 3, above, as well as the review and reassessment to be undertaken as requested in section I, paragraph 2, above;

3. Requests the Executive Director, in the event of a short-fall in the resources projected for 1982 and future years, to make programme adjustments, as necessary, in accordance with the priorities established above and in consultation with the recipients concerned;

4. Takes note of the views of the Executive Director in regard to the holding of a World Population Conference in 1984 proposed by the Population Commission, and requests the Executive Director to inform the Economic and Social Council at its second regular session of 1981 that, in the view of the Governing Council, given the scarcity of resources, the UNFPA should not contribute from its regular budget to the financing of the proposed conference;

III

Having considered the budget estimates for administrative and programme support services for the year 1982 and supplementary appropriations for the year 1981 of the UNFPA (DP/531 and Corr.1-3), together with the report of the Advisory Committee on Administrative and Budgetary Questions (DP/532 and Corr.1), the report and recommendations of the Executive Director concerning the Operational Reserve (DP/534), and the audit reports of the participating and executing agencies relating to funds allocated to them by the UNFPA (DP/533),

1. Approves a supplementary appropriation under Programme II of the 1981 budget in the amount of \$1,249,500 as recommended in document DP/531 to be allocated from the resources of the Fund to finance the non-recurrent expenditures incurred for office space planning, design and construction in connexion with the transfer to the new UNFPA premises;

2. Approves appropriations in the amount of \$9,345,579 as recommended in document DP/531 to be allocated from the resources of the Fund to finance the 1982 administrative and programme support budget, including the reclassification of the Assistant Executive Director from the Director level (D-2) to the Assistant Secretary-General level, one post from the D-1 to the D-2 level and four posts from the P-4 to the P-5 level as follows:

<u>Programme</u>	<u>US dollars</u>
Executive direction and management	1,211,365
Administrative and public information support services	2,593,736
Programme planning, appraisal and monitoring	5,540,478
Total net	<u>9,345,579</u>

3. Requests the Executive Director to submit to the Governing Council at its twenty-ninth session a report on the plans of the Fund to submit biennial budget estimates for administrative and programme support services with a view to achieving this in time for the biennium 1984-1985 of the budgetary cycle of the United Nations Development Programme and funds administered by the Programme;

4. Decides that the elements to be compensated for and covered by the Operational Reserve of the Fund shall be limited to:

- (a) Downward fluctuations or short-falls in resources;
- (b) Uneven cash flows;
- (c) Increases in actual costs as compared to planning estimates or fluctuations in delivery;
- (d) Other contingencies which result in a loss of resources for which the Fund has made commitments for programming;

5. Also decides that the level of the Operational Reserve for each year shall be established at 25 per cent of the estimated contributions for that year, rounded off to the nearest \$1 million, this target to be fully achieved as soon as possible and preferably not later than by the end of 1989; the Reserve shall be fully funded and gradually increased by amounts set aside out of annual income, taking into account the objective of retaining the level of delivery of projects in developing countries; the Executive Director shall present to the Governing Council an annualized replenishment schedule showing also drawdowns for that year in conjunction with the annual submission to the Council of his resource utilization projection included in the work plan of the Fund;

6. Decides that the Operational Reserve should be held in liquid assets which are irrevocably and promptly available for disbursements;

7. Takes note of the audit reports of the participating and executing agencies relating to funds allocated to them by the UNFPA as at 31 December 1979;

8. Agrees that the Executive Director shall be authorized to transfer credits between programmes of the reviewed 1981 and 1982 budgets, within reasonable limits, with the concurrence of the Advisory Committee on Administrative and Budgetary Questions.

727th meeting
23 June 1981

81/8. United Nations Revolving Fund for Natural Resources Exploration

The Governing Council

I

1. Takes note of the report of the Administrator on the activities of the United Nations Revolving Fund for Natural Resources Exploration in 1980 (DP/537);

2. Decides to delegate to the Administrator authority to approve supplementary short-term funding, subject to the availability of funds, beyond approved allocations at any stage in project development, where further work would be vital to the continuation of field operations, and until such time as the next session of the Governing Council is convened, on the understanding that such action will be reported to the Governing Council at its regular annual session;

3. Appeals to Governments to contribute generously to the Fund so that it may respond to the requests of developing countries;

4. Recognizes that an annual funding target of at least \$10 million is desirable for the Fund's solid minerals exploration programme;

5. Requests the Fund to reopen negotiations with those countries whose projects were approved by the Governing Council in its decision 80/29 of 26 June 1980 4/ have since been cancelled, and to submit possible new projects to the Council at its twenty-ninth session;

II

1. Notes the approval by the Administrator of the minimum work phase of the following three projects:

(a) Exploration for kaolin in Benin (BEN/NR/78/001) (BEN/NRE/PROJECTS/1) in the amount of \$100,000;

(b) Investigations on the offshore phosphate deposits (Pointe Noire sector) in the Congo (PRC/NR/79/001) (DP/NRE/PROJECTS/2) in the amount of \$165,000;

(c) Mineral exploration in the Adrar des Iforas, Mali (MLI/NR/78/001) (DP/NRE/PROJECTS/3) in the amount of \$1,300,000;

2. Approves the following three projects:

(a) Exploration for kaolin in Benin (BEN/NR/78/001) (DP/NRE/PROJECTS/1), involving a total possible expenditure of \$600,000;

(b) Investigations on the offshore phosphate deposits (Pointe Noire sector) in the Congo (PRC/NR/79/001) (DP/NRE/PROJECTS/2), involving a total possible expenditure of \$865,000;

(c) Mineral exploration in the Adrar des Iforas, Mali (MLI/NR/78/001) (DP/NRE/PROJECTS/3), involving a total possible expenditure of \$2.8 million;

3. Decides that these approvals shall be cancelled unless the respective Governments and the Fund have signed project agreements within a period of nine months after the date of approval of the minimum work, it being understood that the Governing Council shall be notified of any such cancellation at the Council's first session after such action has been taken;

III

Approves the supplementary project recommendation for mineral exploration in the province of Chubut, Argentina (ARG/NR/77/001) (DP/NRE/PROJECTS/4), involving additional funding up to a maximum of \$650,000.

722nd meeting
18 June 1981

81/9. United Nations Interim Fund for Science and Technology for Development

The Governing Council,

Recalling General Assembly resolution 34/218 of 19 December 1979, in which the Assembly decided, inter alia, to establish a United Nations Interim Fund for Science and Technology for Development for a two-year period ending on 31 December 1981, and a United Nations Financing System for Science and Technology for Development to come into being from 1 January 1982,

Being concerned to ensure an orderly transfer of the functions and responsibilities of the Interim Fund to the Financing System,

1. Decides to authorize the Administrator, in response to decisions and requests from competent intergovernmental bodies, to make arrangements to ensure an orderly transition from the Interim Fund to the Financing System covering, inter alia:

(a) Transfer of the assets, resources and commitments against such resources and assets of the Interim Fund to the Financing System;

(b) Acceptance of any additional pledges and payments of past pledges, including cost sharing funds and trust funds, intended by contributors for the benefit of the Interim Fund or the Financing System;

(c) If needed, continued administration and monitoring of approved projects and the approval of new projects subject to any decisions or modalities regarding approval of projects which may be agreed upon by competent intergovernmental bodies as applicable during the transition period;

(d) Extension of the contracts of existing staff of the Interim Fund as necessary beyond 31 December 1981 to undertake the functions set out in subparagraphs (a), (b) and (c) above;

2. Further decides that the carrying out of the responsibilities set out in paragraphs 1 and 3 above is conditional on the agreement of the competent intergovernmental bodies that the costs involved shall be chargeable to the resources of the Interim Fund or the Financing System or to sources other than UNDP funds or resources;

3. Authorizes the Administrator to assist the Financing System, if so requested, in the preparation of the articles of agreement, the prospectus and such other documents as may be needed to enable the Financing System to undertake its responsibilities.

727th meeting
23 June 1981

81/10. Interim arrangements for energy exploration and pre-investment surveys

The Governing Council,

1. Takes note with appreciation of the report of the Administrator (DP/540) on action taken in respect of the Energy Account and the preparations by the United Nations Development Programme for the United Nations Conference on New and Renewable Sources of Energy;

2. Expresses its satisfaction with the progress made in assisting Governments in the identification, planning and implementation of high priority energy projects;

3. Authorizes, in principle, the Administrator to accept the administration and management of any new funding mechanism for activities related to energy, if so requested by the United Nations Conference on New and Renewable Sources of Energy and endorsed by the General Assembly.

727th meeting
23 June 1981

81/11. United Nations technical co-operation activities

The Governing Council,

1. Takes note of the reports of the Secretary-General on United Nations technical co-operation activities (DP/RP/23, DP/RP/24);
2. Endorses the current orientation of the work of the Department of Technical Co-operation for Development of the Secretariat and use of the United Nations regular programme of technical co-operation for innovative activities for promoting global priorities recognized by the United Nations bodies, technical co-operation among developing countries and new dimensions, special consideration being given to the needs of the least developed countries and the island and land-locked developing countries;
3. Invites the Administrator to take fully into account the special competence, experience and expertise of the Department of Technical Co-operation for Development in its fields of specialization when selecting executing agencies for implementation of UNDP-financed projects, or projects financed by other funds already managed by UNDP or by such new funds as may be entrusted to UNDP in the future as the result of such international conferences as the United Nations Conference on New and Renewable Sources of Energy;
4. Endorses the recommendation of the Working Group of Government Experts, as contained in paragraphs 50 and 51 of its report (E/1981/23), that the United Nations Revolving Fund for Natural Resources Exploration should maintain close co-ordination with the Department of Technical Co-operation for Development, and that maximum use should be made of technical services existing within the Department for the operational activities financed by the Revolving Fund.

728th meeting
24 June 1981

81/12. Assistance to the national liberation movements
recognized by the Organization of African Unity

The Governing Council,

Having considered the report of the Administrator (DP/513) in the light of the additional information provided by the Assistant Administrator and Director of the Regional Bureau for Africa in his statement (see DP/SR.723), as well as the statements made during the debate by representatives of the national liberation movements recognized by the Organization of African Unity,

1. Takes note with appreciation of the report of the Administrator;
2. Welcomes the intention of the Administrator to prepare, in co-operation with the United Nations Commissioner for Namibia, a comprehensive report on development problems of an independent Namibia, as he did in the case of Zimbabwe, taking also into account the activities under the Nationhood Programme for Namibia;

3. Requests the Administrator to continue to assist efficiently and with the maximum of flexibility the national liberation movements recognized by the Organization of African Unity, bearing in mind the comments made in this respect during the debate;

4. Also requests the Administrator to study the possibility of financing out of the indicative planning figures for national liberation movements the participation of several representatives of the national liberation movements recognized by the Organization of African Unity in meetings convened by the United Nations Development Programme, including the sessions of the Governing Council, as this will contribute to their familiarization with issues being discussed at those meetings;

5. Further requests the Administrator to continue to report to the Council on assistance to national liberation movements recognized by the Organization of African Unity.

729th meeting
24 June 1981

81/13. Assistance to the Palestinian people

The Governing Council,

Recalling its decision 79/18 of 26 June 1949, 3/,

1. Takes note of the progress that has been made in the implementation of decision 79/18;

2. Urges all concerned parties to assist in the full implementation of that decision;

3. Authorizes the Administrator to increase, where necessary, the notional amount of expenditures for projects listed in document DP/410, keeping within the over-all allocation of \$3.5 million from the Programme Reserve;

4. Requests the Administrator to report the Governing Council on this subject at its twenty-ninth session.

727th meeting
23 June 1981

81/14. Report of the Administrator for 1980

The Governing Council

1. Takes note with appreciation of the report of the Administrator for 1980 (DP/510 and Add.1) and of the basic and supplementary programme data for 1980 contained in documents DP/511 and Corr.1, DP/512 and Add.1 and DP/525;

2. Commends the Administrator for his efforts to improve programme performance, for the growing service functions on behalf of development performed by the Programme at the field level and for the substantial continued growth in programme delivery achieved during the year;

3. Takes note also of the reports of the Joint Inspection Unit submitted to the Council at its twenty-seventh session on the Commonwealth Caribbean Project for the Education and Training of Allied Health Personnel (JIU/REP/79/17) and on the Asia-Pacific Institute for Broadcasting Development (JIU/REP/80/2), as well as the relevant comments of the Secretary-General thereon, as contained in documents DP/500/Add.1 and DP/501/Add.1, respectively;

4. Requests the Administrator to take into account, as appropriate, those recommendations of the Inspectors designed to enhance the quality of UNDP-supported programmes and projects and to increase the over-all effectiveness and efficiency of the Programme.

734th meeting
27 June 1981

81/15. Revised country programming procedures

The Governing Council,

Having considered the Administrator's report on the implementation of revised country programming policies and procedures for the third programming cycle, 1982-1986 (DP/518 and Corr.1 and Add.1) and the oral statement of the Assistant Administrator on the implementation of Governing Council decision 80/9 of 14 June 1980, 4/ concerning intercountry programming (see DP/SR.709),

Noting the recommendations of the Administrator for procedural changes in the country programming process,

Appreciating the concern expressed in the Governing Council that country and regional programmes should respond to the priority needs for technical co-operation established by the Governments individually and collectively, and at the same time take account of global priorities established in intergovernmental forums,

Recognizing the need to make the UNDP country programming process more responsive to the requirements of individual Governments, and to simplify the preparation of country programme documents without affecting the quality of the programming of UNDP resources for development or the information on which the Council has to base its assessment of individual country programmes,

Taking into consideration General Assembly resolution 2688 (XXV) of 11 December 1970, containing the Consensus of the Governing Council, 3405 (XXX) of 28 November 1975 on new dimensions in technical co-operation and 32/197 of 20 December 1977 on the restructuring of the economic and social sectors of the United Nations system and Governing Council decisions 80/7 of 13 June 1980 4/ and 80/9 of 17 June 1980, 4/

1. Requests the Administrator to ensure that, in the dialogue between UNDP and individual Governments in establishing country programmes and with Governments collectively in formulating regional programmes, Governments will be informed on over-all global concerns enunciated in intergovernmental forums, bearing in mind their prerogative in preparing their own country programmes;

2. Takes note with approval of the steps taken by the Administrator for the implementation of Governing Council decision 80/9;

3. Requests the Administrator to ensure that the timing of individual country programmes is decided in full agreement between the Government and the Resident Representative, bearing in mind (a) the provisions of paragraph 7 of the Consensus; (b) the need to avoid gaps between successive country programmes; and (c) the desirability of timely submission for the Council's approval of new country programmes;

4. Endorses the Administrator's proposals for the approval of extensions of country programmes contained in the addendum to his report (DP/518/Add.1);

5. Endorses the Administrator's decision to continue to examine carefully the proposed use of programme resources for equipment in country programmes which are to be submitted to the Governing Council, bearing in mind paragraph 48 of the Consensus and subparagraph (e) (iv) of the annex to General Assembly resolution 3405 (XXX), as well as his decision (DP/522, para. 21) regarding information to the Governing Council on the proposed use of programme resources, and requests the Administrator to submit to it at its twenty-ninth session an in-depth study on this matter, taking into account all pertinent factors;

6. Endorses the Administrator's proposals for continuous programming contained in paragraphs 5 to 28 of his report (DP/518 and Corr.1);

7. Endorses the Administrator's proposal (DP/518, para. 25) to submit to the Governing Council annual progress reports on programme implementation in each region, highlighting significant developments in selected individual programmes;

8. Endorses the Administrator's proposals for the simplification of country programme documents, including the use of short-format documents for country programmes of \$20 million and less, including cost sharing;

9. Approves the Administrator's recommendations to discontinue, for country programmes of \$20 million or less, including cost sharing, the submission of an accompanying note by the Administrator and to accept their presentation with the Administrator's recommendation only;

10. Endorses the Administrator's proposal to convene a special meeting of the Governing Council in February 1983 to facilitate the timely approval of new country programmes for the third programming cycle.

734th meeting
27 June 1981

The Governing Council,

Mindful of the continuing urgent problems of development which are faced by peoples of developing countries, and reaffirming that the attainment of individual and collective self-reliance of the developing countries would make an important contribution to the ultimate solution of those problems,

Recalling General Assembly resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, and 35/56 of 5 December 1980, containing the International Development Strategy for the Third United Nations Development Decade,

Taking into account the current world economic situation,

Bearing in mind the role of the United Nations Development Programme in multilateral technical co-operation for the economic and social development of developing countries as defined by the General Assembly in its resolutions 2688 (XXV) of 11 December 1980 and 3405 (XXX) of 28 November 1975,

Taking into account the need for achieving adequate real growth of the Programme in the period 1982-1986, and the prevalence of significant world-wide inflation,

Taking note with concern of the results of the consultations carried out by the Administrator in compliance with Governing Council decision 80/30 of 26 June 1980, 4/ which indicate that the resources available to UNDP in the third cycle, 1982-1986, may fall short of the total envisaged in that decision,

Taking note also of the reports of the Administrator (DP/517, DP/519, DP/565),

1. Reaffirms its decision 80/30 of 26 June 1980;
2. Decides:

(a) To retain, for the purposes of forward planning, the level of resources envisaged for the third cycle in decision 80/30, which requires an assumed over-all average annual growth of voluntary contributions of 14 per cent on a cumulative basis from the level set for 1977-1981, and to request the Administrator to continue his consultations with donor countries, with a view to reaching the level envisaged for 1982-1986, and to report on the result of those consultations to the Governing Council at its twenty-ninth session;

(b) To request all countries, especially those with which, in conformity with decision 80/30, the Administrator has had consultations, to reconsider the magnitude of their third-cycle contributions, and to urge those donors who may lag behind in the first part of the third cycle to compensate, taking into account the level of their contributions, with increased contributions in the latter part of the cycle, each nation determining its own contribution so that the over-all resource objective of decision 80/30 is achieved;

(c) To request, in full conformity with decision 80/30, all countries, in particular those whose previous contributions may have been below their capacity to pledge, to reconsider increasing substantially their present levels of contributions to UNDP, so as to help achieve a more balanced country pattern of resource mobilization for the Programme in 1982-1983;

(d) To consider at its twenty-ninth session the report referred to in paragraph 2 (a) above with a view to deciding on ways and means of securing adequate resource mobilization for the third cycle;

3. Further decides:

(a) To confirm the third-cycle country, intercountry and unallocated illustrative indicative planning figures (IPFs), and the illustrative magnitudes for the Programme Reserve, special industrial services and sectoral support, as approved by the Council in its decision 80/30;

(b) To approve the newly established and the revised third-cycle illustrative indicative planning figures as recommended by the Administrator in documents DP/519 (paras. 37, 39, 40, 48, and 49) and DP/565, and to approve, for countries for which a recommendation on such figures has not yet been submitted to the Council, the use of second-cycle figures as illustrative third-cycle figures until the twenty-ninth session, when the Council will consider the Administrator's specific recommendations;

(c) To request the Administrator to ensure the delivery of technical co-operation projects to the fullest extent of the 1982-1986 IPFs and other elements in the field programme as set out in document DP/496, table 2, always subject to the overriding requirement of containing expenditures within the financial resources available at any given time, so as to preserve the financial integrity of the Programme, and, within these limits, to endeavour to achieve a high level of delivery in 1982;

4. Urges the Administrator to reduce the size of the administrative budget of the Programme in the third cycle and decides, in order to maximize the availability of resources for programme activities in developing countries, to establish, as general guidelines for the third cycle, that the administrative budget should not, in any case, rise, in real terms, beyond the levels approved for the 1982-1983 budget, and that any justifiable need for additional resources tied with an increase in programme delivery should be met by redeployment of staff and other facilities;

5. Requests host Governments with UNDP field offices that are in a position to do so to increase significantly their contributions towards meeting the local costs of such offices, bearing in mind the level of their contributions, and requests the Administrator to consult with Governments on this matter and to report on the results of those consultations at the twenty-ninth session with a view, inter alia, to enabling the Governing Council to evolve guidelines within the framework of which the Administrator could consult Governments for meeting local costs of UNDP field offices;

6. Reaffirms the central funding and co-ordinating role of the Programme in the field of technical co-operation within the United Nations system in conformity with the Consensus of 1970 and General Assembly resolutions 32/197 of 20 December 1977, 33/202 of 29 January 1979 and 35/81 of 5 December 1980, recommends to the relevant intergovernmental bodies that the need to preserve this role should be taken fully into account in the consideration of funding arrangements for technical co-operation activities, and authorizes the Administrator to provide to the interested intergovernmental bodies the information they may request in this respect on the services available within UNDP;

7. Decides provisionally, taking into account the particular position of the host country concerned, to raise the ceiling on cost-sharing activities to double the present level in the case of those financed by the IPF recipient country and to increase by 50 per cent the present limit for those financed by third parties, it being understood that existing legislation on the reimbursement of administrative and programme support costs will apply, and requests the Administrator to submit to the Council at its twenty-ninth session an in-depth study, prepared in consultation with host Government authorities of a representative group of countries which utilize cost sharing, focusing in particular on the actual added costs resulting from cost-sharing activities within the framework of total costs of services provided by UNDP field offices, in order to enable the Council to reconsider the question of cost sharing, taking into account all relevant factors, including agreements already in force;

8. Decides, in order to accomplish the basic objectives of the Programme, namely promoting self-reliance and raising the living standards, technical capacity and economic and social development of the developing countries, that the following provisions shall apply to the payment and utilization of contributions:

(a) Recipient countries with a per capita gross national product of more than \$3,000 which make their voluntary contributions wholly or in part in their national non-convertible currencies shall, as far as possible, contribute in convertible currencies over and above the reimbursement stipulated in paragraph 6 (e) (iii) of decision 80/30;

(b) In view of the multilateral nature of the Programme, non-recipient donor countries which make their voluntary contributions wholly or partly in (their national) non-convertible currencies (shall pay) (are requested if possible to pay) a gradually increasing share of their contributions in convertible currencies (so that their contributions will be fully convertible by the year 1985);

(c) Meanwhile, entities headquartered in net donor countries which have contributed in non-convertible currencies where such currencies are accumulated and until such accumulations are used shall be reimbursed for services and equipment purchased under the Programme (only in the currency of that country) (in the currencies in which their contribution is paid): (conversely, if, when utilizing a non-convertible contribution, costs are incurred in other currencies, these shall be reimbursed to UNDP in the form of a convertible share of the non-convertible contributions);]

9. Decides to extend the authority of the Administrator, further to the Council's decision at its twenty-first session, 7/ to approve projects through the period 1982-1986, it being understood that such delegation would be subject to review by the Governing Council within that period if the Council so wished, and 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;

10. Endorses the Administrator's request, having regard to paragraphs 53 to 57 of document DP/519, to apply in the current cycle an amount of up to \$20 million for certain intercountry programmes, by borrowing from the 1982-1986 indicative planning figures of those programmes, it being understood that this level of borrowing will be within the amount of underspending that is expected in the total indicative planning figures in the current cycle.

734th meeting
27 June 1981

81/17. Assistance for the rehabilitation and reconstruction of Uganda

The Governing Council,

Having considered the reports of the Administrator on assistance for the rehabilitation and reconstruction of Uganda (DP/520, paras. 79-83 and DP/564) in the light of the additional information provided in his statement by the Assistant Administrator and Director of the Regional Bureau for Africa (see DP/SR.726), as well as by members of the Governing Council who participated in the debate,

Recalling General Assembly resolution 35/103 of 5 December 1980, and Governing Council decision 80/17 of 26 June 1980, 4/

Recognizing the special situation being faced by Uganda as a result of the mismanagement of the country's economy during the 1970s compounded by war damages and a persistent and severe drought,

Considering the determination of the new Government of Uganda to overcome this situation as soon as possible,

1. Takes note with appreciation of the Administrator's report;
2. Requests the Administrator to co-operate closely with and to assist the Government of Uganda in its efforts of rehabilitation and reconstruction;
3. Also requests the Administrator to assist the Government of Uganda, in co-operation with other donor agencies, in the organization of a donor conference that would enable Uganda to mobilize international support for its programme of rehabilitation and reconstruction;

7/ Ibid., Sixty-first Session, Supplement No. 2 (E/5779), para. 241.

4. Decides to review again Uganda's situation at its twenty-ninth session and requests the Administrator to prepare, for that purpose, a report on the implementation of UNDP assistance to Uganda.

729th meeting
24 June 1981

81/18. Assistance to Lebanon

The Governing Council,

Recalling its decision 80/30 of 26 June 1980, 4/

Considering the difficult situation of Lebanon and the urgent need for its development,

Convinced that, unless a concerted effort is undertaken to assist Lebanon in overcoming its present difficulties, the adverse effect on its future development can cause serious problems in the region,

Decides to defer the determination of the illustrative indicative planning figure for Lebanon until the twenty-ninth session of the Council, and to consider this question at that time as a matter of priority and with a view to increasing UNDP assistance.

733rd meeting
26 June 1981

81/19. Implementation of decisions adopted by the Governing Council at its twenty-seventh session

The Governing Council

1. Takes note of the Administrator's report (DP/516) on implementation of Governing Council decisions 80/8 of 17 June 1980 and 80/26 and 80/28 of 26 June 1980, 4/ and of the progress achieved in the implementation of General Assembly resolutions relating to the restructuring of the economic and social sectors of the United Nations system;

2. Notes with appreciation the progress achieved in the designation of Resident Co-ordinators as further evidence of the implementation of General Assembly resolutions relating to the restructuring of the economic and social sectors of the United Nations system;

3. Requests the Administrator to pursue, through the appropriate machinery, consultations on more uniform procedures to facilitate the administration of development co-operation, with special emphasis on the least developed countries;

4. Authorizes the Administrator to implement the proposal contained in paragraph 7 of General Assembly resolution 35/80 of 5 December 1980 on the role of qualified national personnel in the social and economic development of the developing countries, and to disseminate information on the national experience of countries in training qualified national personnel and in enhancing their role in national social and economic development, as set out in paragraph 11 of his report, and to that end to utilize Programme resources in the amount of \$80,000;

5. Requests the Administrator to submit the report called for in paragraph 8 of General Assembly resolution 35/80 through the Governing Council at its twenty-ninth session.

734th meeting
27 June 1981

81/20. Improvement of the methods and procedures for the recruitment of project professional staff and consultants

The Governing Council,

Having considered the report of the Administrator (DP/558 and Corr.1), in particular section IV dealing with the recruitment of project professional staff and consultants,

Taking into account General Assembly resolution 35/81 of 5 December 1980 on the comprehensive policy review of operational activities for development,

Recognizing that there is need for improvement of the methods and procedures for the recruitment of project professional staff and consultants, especially from developing countries,

1. Invites the countries that have not yet established national expert recruitment services to consider doing so and those that have such services to strengthen the existing ones;

2. Requests the Administrator to assist developing countries, at their request, in either establishing or strengthening their national expert recruitment services;

3. Further requests the Administrator, in consultation, as appropriate, with the participating and executing agencies, to submit to the Governing Council at its twenty-ninth session a report containing:

(a) Detailed information on the existing rules, procedures and practices of the United Nations Development Programme and the participating and executing agencies for the preparation and updating of the rosters of project professional staff and consultants;

(b) Detailed information regarding the rules, procedures and practices that ensure that a job description and/or terms of reference of vacancies for experts and consultants for UNDP-supported activities are always made available in due time to all national expert recruitment services, for their review and submission of qualified candidates;

(c) Suggestions and recommendations, in the light of the information referred to in subparagraphs (a) and (b) above, for improving the methods and procedures for the recruitment of project professional staff and consultants and for ensuring that the best qualified experts are being recruited world-wide for UNDP-supported projects.

734th meeting
27 June 1981

81/21. Government execution and management; project design, monitoring and evaluation; and UNDP-financed experts

The Governing Council,

Having considered the report of the Administrator (DP/558 and Corr.1), as well as the comments of representatives of Governments made at the twenty-eighth session of the Governing Council,

Recalling the decision adopted at its twenty-third session, 8/

Taking into account paragraph 10 of General Assembly resolution 35/81 of 5 December 1980 on the comprehensive policy review of operational activities for development,

1. Requests the Administrator, in co-operation with the organizations of the United Nations system:

(a) To give full consideration, in discharging his responsibility for the designation of executing agents, to implementation of United Nations Development Programme assistance by the host Governments, bearing in mind the views expressed by members of the Council on the proposals contained in his report;

(b) to review and analyse in greater detail the reasons for the lack of progress in implementing government execution and to report to the Governing Council at its twenty-ninth session on proposals for amendments to the financial and administrative arrangements for the implementation of United Nations Development Programme assistance to projects, with a view to further increasing the use of government execution; the report should include proposals for any change in financial and administrative procedures which might be necessary, with due regard to the need for meeting the normal financial and audit requirements of the United Nations system, and should identify the elements for which compensation for additional costs to recipient Governments resulting from government execution of

8/ Ibid., Sixty-third Session, Supplement No. 3 (E/5940), para. 76.

United Nations Development Programme-assisted projects should be considered and the manner in which such costs might be met;

(c) To examine how the implementation of United Nations Development Programme assistance by Governments will affect the workload of Programme field offices, particularly in least developed countries, to refer to the Council for consideration at its twenty-ninth session any proposals for additional staff that may be considered necessary, and to report to the Council any other administrative measures that may be taken in the mean time;

2. Takes note of the Administrator's view that any additional costs will be offset by savings in support costs;

3. Invites the Administrator, in co-operation and consultation with the organizations of the United Nations system, to improve, on the basis of the proposals contained in his report, project management and design, monitoring and evaluation in order further to enhance the quality of technical co-operation;

4. Invites Governments, the United Nations Development Programme and organizations of the United Nations system:

(a) Increasingly to use qualified national Professional staff as an alternative to internationally recruited staff, on the basis of the contractual arrangements recommended by the Consultative Committee on Administrative Questions (Personnel), such as reimbursable loan agreements and service agreements, bearing in mind the importance to technical co-operation within the United Nations system of ensuring that the best-qualified advice and expertise should continue to be obtained;

(b) To consider such other available options as alternatives to internationally recruited experts as non-resident nationals and institutional twinning, keeping in mind the specific requirements of each project and the availability of qualified national resources;

5. Requests the Administrator to keep the Governing Council informed of the implementation of the present decision.

734th meeting
27 June 1981

81/22. Pre-investment activities

The Governing Council

1. Takes note with appreciation of the report of the Administrator on pre-investment activities (DP/521) and of the views expressed during the discussion of the report;

2. Endorses the revised definition of pre-investment presented by the Administrator after consultation with the participating and executing agencies (DP/521, foot-note 6);

3. Invites Governments, in preparing their country programmes, to give due priority to pre-investment activities;

4. Requests the Administrator to further strengthen Programme relationships with multilateral financial institutions and regional development banks and, where appropriate, with other sources of finance, and also to associate them with United Nations Development Programme-assisted projects at an early stage with a view to promoting follow-up investment;

5. Requests the Administrator, in co-operation with the agencies, to strengthen his efforts with a view to ensuring that Governments receive needed advice in the identification and formulation of pre-investment projects;

6. Takes note of the concept of the reimbursable aid arrangement between the United Nations Development Programme and the multilateral financial institutions and regional development banks;

7. Endorses the plans made by the Administrator for the continuation of the training courses for the resident representatives and deputy resident representatives and requests the Administrator to extend, within available resources, such training to agency staff and, upon request of host Governments, to government counterparts;

8. Further requests the Administrator to evaluate training for pre-investment activities and submit his report to the Council at its thirtieth session;

9. Authorizes an additional amount of \$100,000 out of the Programme Reserve for 1981 for the implementation of co-operative arrangements with the agencies as described in the Administrator's report (*ibid.*, paras. 4-9), on the understanding that in future years the pre-investment work should be included in the design of pre-investment projects and the necessary provision made in the budget of such projects;

10. Requests the Administrator to report on United Nations Development Programme involvement in pre-investment activities to the Council at its twenty-ninth session.

734th meeting
27 June 1981

I

The Governing Council

Takes note of the report of the Administrator on trends and problems in the country programmes proposed for approval in 1981 (DP/522), as well as the comments made thereon by the representatives of Governments.

729th meeting
24 June 1981

II

The Governing Council

1. Approves the proposed country programmes for Bangladesh (DP/GC/BGD/R.3), Bhutan (DP/GC/BHU/R.3), Bulgaria (DP/GC/BUL/R.3), the Congo (DP/GC/PRC/R.2), Cuba (DP/GC/CUB/R.3), Egypt (DP/GC/EGY/R.3 and Corr.1), Kenya (DP/GC/KEN/R.4), Maldives (DP/GC/MDV/R.3), Mauritius (DP/GC/MAR/R.3), Nepal (DP/GC/NEP/R.3), the Philippines (DP/GC/PHI/R.3 and Corr.1), Poland (DP/GC/POL/R.3) and Rwanda (DP/GC/RWA/R.3) for the duration of their respective programme periods and within the limits of the financial resources available from the relevant portions of their indicative planning figures for the periods 1977-1981 and 1982-1986;

2. Approves the proposed country programme for Viet Nam (DP/GC/VIE/R.2) for the duration of its programme period and within the limit of the financial resources available from the relevant portions of its indicative planning figures for the periods 1977-1981 and 1982-1986, and requests the Administrator to report to the Council, at its twenty-ninth session, on the steps set forth in paragraph 6 of his programme recommendation (DP/GC/VIE/R.2/RECOMMENDATION);

3. Further requests the Administrator to report to the Council on action taken in pursuance of paragraph 2 above and to submit to the Council those projects which, in accordance with paragraph 20 of the Consensus and paragraphs 102 and 106 of the Council's report on its thirteenth session, 9/ require the Council's consideration and approval;

9/ Ibid., Fifty-third Session, Supplement No. 2 (E/5092).

4. Authorizes the Administrator to proceed with appraisal and approval of requests for assistance falling within the outlines of the respective country programmes while ensuring, in accordance with the decision taken by the Governing Council at its eighteenth session, 10/ that expenditures are kept in conformity with the relevant IPFs and are contained within the financial resources actually available at any given time, and that the relevant provisions of decision 81/16 of 27 June 1981 are taken fully into account in the event of a short-fall in resources during the third programming cycle.

730th to 732nd meetings
15 and 26 June 1981

III

The Governing Council

1. Takes note with appreciation of the intercountry programme for Asia and the Pacific for the third cycle, 1982-1986, presented by the Administrator (DP/523);

2. Requests the Administrator to proceed with appraisal and approval of requests for assistance falling within the outlines of the intercountry programme for Asia and the Pacific, ensuring that expenditures are kept in conformity with the relevant IPF and are contained within the financial resources actually available at any given time, and that the relevant provisions of decision 81/16 of 27 June 1981 are taken fully into account in the event of a short-fall in resources during the third programming cycle;

3. Requests the Administrator to take into account in the implementation of the programme the views expressed during its consideration by the representatives of Governments.

732nd meeting
26 June 1981

IV

The Governing Council

1. Approves the following global projects:

Special Programme for Research and Training in Tropical Diseases (Phase II)
(GLO/80/005) (DP/PROJECTS/R.14/Add.1);

International Centre for Insect Physiology and Ecology: Development of Long-range Means of Control of Crop and Livestock Pests and Diseases (GLO/81/004)
(DP/PROJECTS/R.14/Add.2 and Corr.1);

10/ Ibid., Fifty-seventh Session, Supplement No. 2^a (E/5543/Rev.1),
para. 17.

Testing and Demonstration of Small-scale, Solar-powered Pumping System (GLO/78/004) (DP/PROJECTS/R.14/Add.3);

Research and Development in Integrated Resource Recovery (GLO/80/004) (DP/PROJECTS/R.14/Add.4);

International Crops Research Institute for the Semi-Arid Tropics (ICRISAT): West African Sorghum and Millet Improvement Programme (Phase III) (GLO/81/002) (DP/PROJECTS/R.14/Add.5 and Corr.1);

Research, Graining and Production Programme for Nutritional Quality Maize, Supported by Farm-level Surveys (GLO/78/009) (DP/PROJECTS/R.14/Add.6 and Corr.1);

2. Authorizes the Administrator to make the appropriate arrangements for the execution of these projects.

733rd meeting
26 June 1981

V

The Governing Council

1. Takes note of the report of the Administrator on the global and interregional programmes (DP/524 and Add.1) and of the comments made thereon by the representatives of Governments;

2. Requests the Administrator to take into account in the implementation of those programmes the views expressed during their consideration by the representatives of Governments.

734th meeting
27 June 1981

81/24. Report of the Working Group of Government Experts on its review of the United Nations Revolving Fund for Natural Resources Exploration

The Governing Council

1. Takes note of the report of the Working Group of Government Experts (E/1981/23) and the views expressed thereon;

2. Reaffirms that the functions and scope of the United Nations Revolving Fund for Natural Resources Exploration should include assisting countries in their efforts to pursue the findings of a solid minerals exploration project in such a way as to improve its chances of reaching the stage of exploitation, and agrees that, for such activities, the Fund may negotiate a replenishment contribution based on reimbursement to the Fund as specified in paragraph 35 of the report of the Working Group of Government Experts;

3. Confirms that the present 2 per cent rate of replenishment contributions in respect of solid minerals should be maintained, but with a concessional reduction of the rate to 1 per cent in the case of the least developed countries;

4. Decides that a ceiling of 10 times project costs at constant prices should be applied to repayment by recipient countries to the Fund for successful exploration projects for solid minerals;

5. Decides to review at its twenty-ninth session the possible expansion of the Fund's activities under its mandate to include geothermal energy, as recommended by the Working Group, in the light of relevant decisions taken at the United Nations Conference on New and Renewable Sources of Energy;

6. Requests the Administrator, with respect to paragraph 5 above, to report to the Governing Council at its twenty-ninth session on the nature and scope of requests for assistance in the field of geothermal energy, and the capacity of the Fund to respond thereto;

7. Recognizes the United Nations Development Programme's over-all role of policy guidance and co-ordination and that its administration of the Fund assures appropriate support to carry out its managerial and financial responsibilities;

8. Agrees that the Fund should maintain a core of technical staff for decision making, particularly in order to ensure adequate direction of all aspects of project selection, financing and management;

9. Endorses the recommendation of the Working Group of Government Experts that maximum use should be made of the technical services of the Division of Natural Resources and Energy of the Department of Technical Co-operation for Development for the operational activities of the Fund;

10. Decides that the Joint Operations Group of the Fund should be chaired by the Administrator or his representative;

11. Requests the Administrator to apply the necessary modifications to the present operational procedures and administrative arrangements (DP/142) of the Fund in accordance with the present decision;

12. Decides that a second review of the activities of the United Nations Revolving Fund for Natural Resources Exploration should be carried out at a later date, to be determined by the Governing Council;

13. Recommends that the Economic and Social Council take note of the report of the Working Group of Government Experts;

14. Further recommends to the Economic and Social Council the adoption of the following draft resolution:

"The Economic and Social Council

"1. Takes note of Governing Council decision 81/24 of 23 June 1981;

"2. Endorses the recommendations contained in that decision;

"3. Decides to amend its resolution 1762 (LIV) of 18 May 1973 as follows:

- "(a) Paragraph 1 (h) (ii): 'Payments by recipient participating States as specified in Project Agreements with the Fund';
- "(b) Paragraph 1 (i): '... the rate of repayment and the length of the repayment period should be on the basis of the pertinent provisions contained in the operational procedures and administrative arrangements approved by the governing body of the Fund';
- "(c) Paragraph 1 (m): 'The Governing Council of the United Nations Development Programme shall continue to be the governing body of the Fund';

"4. Urges all States Members of the United Nations to recognize the need for additional voluntary contributions to the Fund to enable it to fulfil more adequately its mandate for the benefit of developing countries."

727th meeting
23 June 1981

81/25. Annual review of the financial situation, 1980

The Governing Council,

Having reviewed the Administrator's report on the review of the financial situation in 1980 (DP/547 and Corr.1),

1. Takes note with satisfaction of the continuing steady growth in programme delivery;

2. Notes with concern the increasing level of amounts outstanding to the United Nations Development Programme and, in this respect:

(a) Invites Governments to pay amounts due to the United Nations Development Programme for 1981 and prior years, in full, before the end of calendar year 1981;

(b) Urges Governments which are unable to make such payments during calendar year 1981 to indicate to the Administrator by 31 October 1981 the date, in early 1982, on which they expect to make payment;

(c) Calls upon Governments to pay their annual pledge to the United Nations Development Programme as early as possible in the year for which the pledge is made, in order to avoid potential liquidity problems;

(d) Requests the Administrator to consult with donor Governments to determine to what extent payment schedules can be established and to report to the Council at its twenty-ninth session on the results of those consultations;

3. Authorizes the carry-over of the committed balance of the Programme Reserve as at 31 December 1981 as an add-on to the authorized level of the Programme Reserve for the third cycle;

4. Authorizes an increase in the level of special industrial services from \$17.5 million to \$18.2 million for the 1977-1981 cycle, and further authorizes the transfer of \$0.7 million from the Programme Reserve to the special industrial services for this purpose;

5. Reaffirms its decision 79/43 of 2 July 1979 3/ with respect to loans to Governments for accommodation, and requests the Administrator to submit a detailed analytical report on the loans to Governments for accommodation of field personnel, both in terms of housing and office accommodation, at the twenty-ninth session;

6. Reaffirms paragraph 8 of its decision 79/43 of 2 July 1979 3/ with respect to cost sharing arrangements;

7. Reaffirms paragraph 11 of its decision 79/34 of 2 July 1979, 3/ in which it requested the Administrator to continue his efforts to increase the placement of UNDP funds in developing countries on the basis of safety, profitability, liquidity and convertibility.

735th meeting
30 June 1981

81/26. Supplementary budget estimates for the biennium 1980-1981

The Governing Council,

Having considered the supplementary estimates for the 1980-1981 biennial budget of the United Nations Development Programme and the funds administered by the Programme (DP/550 and Corr.1),

1. Takes note with appreciation of the report of the Advisory Committee on Administrative and Budgetary Questions (DP/551) and reiterates the view that supplementary estimates should, in the future, be limited to unavoidable increases due to inflation or currency fluctuations or to the implications of specific requests of the Governing Council, and that the Administrator should not recruit staff in advance of specific authorization by the Council;

2. Request the Administrator to report to the Council at its twenty-ninth session on the 1980-1981 programme support and administrative services expenditures by detailed objects of expenditure, in addition to the information provided on a programme basis;

3. Approves the establishment of the following posts out of those proposed by the Administrator in paragraph 5 of document DP/550:

(a) Three Professional and four General Service posts in the Division of Management Information Services;

(b) Six Professional and eight General Service posts in the United Nations Capital Development Funds;

(c) Two Professional and two General Service posts in the United Nations Volunteers;

(d) Three Professional, two Field Service level and 20 locally-recruited General Service posts for the field office in the Democratic People's Republic of Korea;

4. Approves supplementary appropriations for the biennium 1980-1981 in an amount of \$39,558,400 gross to be allocated from the resources indicated in paragraph 5 below;

5. Resolves that the income estimates in an amount of \$7,597,700 as indicated below shall be used to offset the gross supplementary appropriations, resulting in net supplementary appropriations of \$31,960,700 as indicated below:

	Gross supplementary appropriations	Estimated income	Net supplementary appropriations
(US dollars)			
<u>Resources of UNDP</u>			
(i) UNDP (excluding OPE)	32,662,800	3,667,700	28,995,100
(ii) OPE (including support services)	3,202,900	3,202,900	-
(iii) UNV	817,600	423,900	393,700
(iv) UNCDF	1,668,800	202,700	1,466,100
Total UNDP . .	38,352,100	7,497,200	30,854,900
<u>Resources of UNRPNRE</u>			
United Nations Revolving Fund for National Resources Exploration . .	938,700	85,200	853,500
<u>Resources of UNSO</u>			
UNSO	267,600	15,300	252,300
Total supplementary appropriations . .	39,558,400	7,597,700	31,960,700

6. Further notes that the actions in paragraphs 4 and 5 above result in total 1980-1981 biennial budget appropriations as shown below:

	Gross appropriations	Estimated income	Net appropriations
(US dollars)			
<u>Resources of UNDP</u>			
(i) UNDP (excluding OPE)	240,278,600	47,479,700	192,798 900
(ii) OPE (including support services)	12,320,500	12,320,500	-
(iii) UNV	4,432,100	682,000	3,750,100
(iv) UNCDF	3,314,000	414,200	2,899,800
(v) UNSO-UNDP/UNEP Joint Venture.	<u>1,822,100</u>	<u>1,006,100</u> a/	<u>816,000</u>
Total UNDP . .	262,167,300	61,902,500	200,264 800
<u>Resources of UNRPNRE</u>			
United Nations Revolving Fund for Natural Resources Exploration . .	2,513,400	266,400	2,247,000
<u>Resources of UNSO</u>			
UNSO	<u>2,117,000</u>	<u>274,000</u>	<u>1,843,000</u>
Total appropriations . .	<u>266,797,700</u>	<u>62,442,900</u>	<u>204,354,800</u>

a/ Includes UNEP half-share of the cost of the joint venture institutional support.

735th meeting
30 June 1981

The Governing Council,

Having considered the estimates for the 1982-1983 biennial budget of the United Nations Development Programme and the funds administered by the Programme (DP/548),

Concerned about the rate of increase of the biennial budget, particularly at a time when the resources for programming purposes are becoming scarce,

Considering that the Administrator's assumptions on cost increases should be revised,

1. Takes note with appreciation of the report of the Advisory Committee on Administrative and Budgetary Questions (DP/549 and Corr.1) and requests the Administrator to submit the budget estimates to the Advisory Committee in sufficient time for it to intensify the examination of the United Nations Development Programme budget in the future;

2. Calls upon the Administrator to exercise extreme caution in the use of United Nations Development Programme funds approved for the programme support and administrative services budget and to ensure that such expenditures are closely controlled;

3. Decides, without prejudice to paragraph 4 below, to reduce the Administrator's proposed appropriations for the programme support and administrative services budget by \$7 million gross;

4. Approves the establishment of the following posts out of those proposed by the Administrator:

(a) One Professional post and one General Service post for the Emergency Co-ordination Unit;

(b) Two Professional and four General Service posts for the United Nations Volunteers;

(c) One Professional post for Regional Information Officer, Arab States;

5. Approves an additional appropriation of \$2.5 million from United Nations Development Programme resources to be reflected as a separate appropriation line within the 1982-1983 biennial budget entitled "Transitional measures in 1982 due to the reallocation of posts between duty stations";

6. Authorizes the Administrator to utilize the appropriation approved under paragraph 5 above to accommodate the payments for terminations with proper notice following the reduction of posts in certain field offices necessitated by the distribution of IPFs for the third cycle, the modalities of which will be subject to the concurrence of the Advisory Committee on Administrative and Budgetary Questions;

7. Further authorizes the Administrator to utilize the appropriation approved under paragraph 5 above to fund a maximum of 100 locally-recruited staff during the period from 1 January to 1 July 1982 above the currently approved staffing levels of 3,071 locally-recruited posts, to meet the cost of essential locally-recruited staff in those field offices where IPFs increase significantly in the third cycle compared with the second cycle;

8. Requests the Administrator to report to the Governing Council at its twenty-ninth session on action taken under paragraphs 6 and 7 above;

9. Approves appropriations in an amount of \$339,094,400 gross to be allocated from the resources indicated in paragraph 10 below to finance the 1982-1983 biennial budget;

10. Resolves that the income estimates in an amount of \$76,435,300 as indicated below shall be used to offset the gross appropriations, resulting in net budget appropriations of \$262,659,100 as indicated below:

	Gross appropriations	Estimated income	Net appropriations
(US dollars)			
<u>Resources of UNDP</u>			
(i) UNDP (excluding OPE)	303,129,100	57,663,800	245,465,300
(ii) Transitory measures in 1982 due to the reallocation of posts between duty stations	2,500,000	-	2,500,000
(iii) OPE (including support services)	15,151,200	15,151,200 a/	-
(iv) UNV	5,461,500	871,000	4,590,500
(v) UNCDF	4,359,100	558,300	3,800,800
(vi) UNSO-UNDP/UNEP Joint Venture	<u>2,395,300</u>	<u>1,469,800</u> b/	<u>925,500</u>
Total UNDP	332,996,200	75,714,100	257,282,100
<u>Resources of UNRPNRE</u>			
United Nations Revolving Fund for Natural Resources Exploration	3,075,500	309,100	2,766,400
<u>Resources of UNSO</u>			
UNSO	<u>3,022,700</u>	<u>412,100</u>	<u>2,610,600</u>
Total appropriations	<u>339,094,400</u>	<u>76,435,300</u>	<u>262,659,100</u>

a/ Includes estimated support cost reimbursements of \$2.4 million in respect of CDF-funded activities, \$1,272,700 in respect of UNSO-funded activities and \$300,000 in respect of UNRPNRE-funded activities.

b/ Includes UNEP half-share of the cost of the joint venture institutional support.

735th meeting
30 June 1981

81/28. UNDP financial regulations

The Governing Council,

Having considered the Administrator's proposed revision of the financial regulations of the United Nations Development Programme as contained in documents DP/552 and Add.1 and Corr.1, Add.2 and Corr.1 and Add.3,

Noting with appreciation the observations of the Advisory Committee on Administrative and Budgetary Questions as contained in its report (DP/553),

1. Approves the proposed UNDP financial regulations as contained in documents DP/552/Add.1 and Corr.1, Add.2 and Corr.1 and Add.3, as amended by the annex to the present decision, subject to the provisions of paragraph 2 below;

2. Decides, notwithstanding the absence of a consensus in respect of the Administrator's proposed regulations 3.5, 3.6, 12.3 and 12.4 and the newly proposed regulation 3.6, remaining in brackets, that all other regulations approved by the present decision are fully in effect and that, with respect to the five paragraphs remaining in brackets, the old financial regulations 6.4, 6.6, 4.2 and 4.3 shall, in the absence of such a consensus, apply until a decision is reached at the twenty-ninth session of the Governing Council;

3. Requests the General Assembly to authorize the Governing Council of the United Nations Development Programme to formulate financial regulations in respect of all funds administered, or to be administered in future, by UNDP, thereby amending, in particular, the relevant provisions of the annex to General Assembly resolution 31/177 of 21 December 1976, by which was established the United Nations Special Fund for Land-locked Developing Countries, and those of Assembly resolutions 2186 (XXI) of 13 December 1966 and 2525 (XXIV) of 5 December 1969 concerning the United Nations Capital Development Fund;

4. Requests the Administrator, should the General Assembly take the action requested in paragraph 3 above, to prepare, where appropriate, annexes to the UNDP financial regulations covering the unique requirements of the funds and programmes entrusted to UNDP for administration, for consideration and approval by the Governing Council after being reviewed by the Advisory Committee on Administrative and Budgetary Questions;

5. Requests the Administrator to present to the Governing Council at its twenty-ninth session brief guidelines setting forth the fundamental principles and bases under which he would exercise his authority to establish trust funds, granted under the provisions of regulation 4.1;

6. Requests the Administrator to circulate the financial rules, promulgated in accordance with financial regulation 13.1, to members of the Governing Council, for information, at least 30 days before they become effective, thereby amending the request contained in paragraph 5 of its decision 80/38;

7. Requests the Administrator to submit to the Governing Council at its twenty-ninth session the guidelines developed pursuant to UNDP financial regulation 14.4.

735th meeting
30 June 1981

Annex

Regulation 1.1

The UNDP financial regulations shall not be applicable to UNFPA. Annex I to the UNDP financial regulations will state: "The UNDP financial regulations are not applicable to UNFPA which operates under its own financial regulations and rules as approved by the Governing Council in a decision taken at its seventeenth session." 11/

Regulation 2.1 (f)

Delete the last sentence "However the Administrator ..." (see new art. III and new regulation 3.1 below)

Regulation 2.2 - B

Delete "all foreseen"

Regulation 2.2 - C (iii)

Add at the end the words "received by UNDP"

Regulation 2.2 - C (iv)

Add at the end the words "received by UNDP"

Regulation 2.2 - E (i)

Replace the last word "desirable" with the word "justifiable"

Regulation 2.2 - F (ii)

Insert the word "accounting" between the words "independent" and "entity"

Regulation 2.2 - P (ii)

Insert the word "accounting" between the words "independent" and "entity"

. 11/ Ibid., Supplement No. 2 (E/5466), para. 202 (f).

Regulation 2.2 - P (v)

Delete in its entirety. Renumber subsequent definitions under P (see regulation 2.2 - S below)

Regulation 2.2 - S

Insert "Special Programme Resources" and include the definition set forth for "Programme Reserve" deleted under regulation 2.2 - P (v) above

New article III

Retitle "Accountability"

New Regulation 3.1

Text to be the last sentence of currently proposed regulation 2.1 (f) without the first word "However" and with insertion of the words "of UNDP" after the word "Administrator" (the text to read "The Administrator of UNDP is fully ...").

All subsequent articles and regulations to be renumbered accordingly.

Regulation 3.5

Not approved pending consideration by the plenary.

Regulation 3.6

Not approved pending consideration by the plenary.

Regulation 3.7

In the preambular paragraph, replace the words "shall be" with the word "are"

In subparagraph (b) of regulation 3.7, replace the first two sentences by the following: "(b) By making available, either in cash or in kind or both, a substantial part of the project's requirements, normally at least that part payable in local currency, except in cases of hardship". The text would continue with "In the light of policies ... project document".

Regulation 3.8

In the first sentence, replace the words "shall be" with the word "are"

Regulation 3.14

To read: "Individual donations of a value in excess of \$25,000 shall be accepted only with the prior approval of the Governing Council."

Regulation 4.1

Replace, in the second sentence, the word "may" by the word "shall" and add in the third sentence the words "in detail" after the word "reported"

Regulation 6.2

Insert the word "expected" before the words "... resources formulated ...".
Add a new sentence at the end as follows: "In cases where it would seem that the objective had been over-estimated, the Governing Council would take the necessary measures to revise the over-all target referred to in regulation 6.1 above."

Regulation 6.4

Replace the words "Programme Reserve" with the words "Special Programme resources"

Regulation 7.10 (d)

Replace the first clause of the second sentence "To the extent ... Government or Governments" by the words "Keeping in mind the principle of Government execution,"

Regulation 7.10 (e)

To read:

"Under conditions established by the Governing Council, the Administrator is also authorized, subject to the agreement of the requesting Government or Governments, to contract for the services of other agencies, private firms or individual experts in the execution of projects and to assign projects to a governmental or intergovernmental institution or agency not part of the United Nations system, or to UNDP itself for execution."

Regulation 7.10 (f)

Insert the words "authorized by the Governing Council" after the words "executing agencies"

Regulation 8.7

Last clause to read as follows: "... statements as may be requested by the Governing Council or as the Administrator may deem necessary and useful"

Regulation 11.1

Insert the word "accounting" before the word "entitles" in the last line

Regulation 11.2 (a)

In the last paragraph, after (iv), after the words "regular session and" replace the remainder of the text with the following: "between sessions, to members of the Governing Council as may be prescribed by the Council or whenever the situation in the Administrator's opinion so merits"

Regulation 11.3

Insert the word "accounting" before the words "... entity and trust fund"

Regulation 12.3

Not approved pending consideration by the plenary.

Regulation 12.4

Not approved pending consideration by the plenary.

Regulation 13.1 (a)

Add the following to the end of the present text: "and circulate the financial rules to members of the Governing Council for information at least 30 days before they become effective"

Regulation 13.3

Revised text to read as follows: "The Administrator may make such ex gratia payments not exceeding \$40,000 as he deems to be necessary in the interest of UNDP, provided that such payments shall be submitted to the General Assembly and the Governing Council with the accounts."

Regulation 13.5

To read: "In conformity with decisions taken by the General Assembly, in particular in resolution 2688 (XXV), annex, paragraphs 41, 42 and 44, and resolution 3405 (XXX), annex, and guidelines issued by the Governing Council, the Administrator shall be responsible for the purchasing of equipment and supplies and the contracting of services where budgetary provision has been made in the biennial budget and in the budgets of projects which UNDP itself executes."

Regulation 14.4

To read: "Notwithstanding the provisions of regulation 14.1, the Administrator may issue guidelines, regarding the procurement of equipment, supplies and services in accordance with the principles approved by the General Assembly and in particular the Consensus of 1970, resolution 2688 (XXV), annex, paragraphs 41, 42 and 44, and resolution 3405 (XXX), annex. Such guidelines shall be drawn up in consultation with the executing agencies which are organizations of the United Nations system and submitted to the members of the Governing Council in accordance with regulation 13.1."

Regulation 16.2

Delete the words "any such" after the words "shall submit". The text would then read "... shall submit audit reports annually ..."

81/29. Evaluation programme

The Governing Council

Takes note with appreciation of the progress report of the Administrator on thematic evaluations (DP/515) and the extract from the evaluation study entitled "Institutional Infrastructure for Trade Promotion at the National Level - a Joint UNDP/ITC Programme Evaluation" (DP/515/Add.1).

734th meeting
27 June 1981

81/30. Establishment of a UNDP study programme

The Governing Council

1. Requests the Administrator, subject to the availability of resources, to establish a UNDP study programme to be financed by voluntary contributions of Governments, international institutions and private foundations, and to organize seminars to which high-level national policy-makers, government representatives to international organizations, senior secretariat officials and field experts should be invited to discuss informally various aspects of technical co-operation in order to promote greater understanding of development problems and to generate new resources and ideas;

2. Requests the Administrator to consult with interested Governments, international institutions and private foundations in order to ensure the necessary financing for a UNDP study programme;

3. Invites member Governments and relevant international organizations and foundations to finance the programme and to co-operate with the Administrator in organizing the activities of this programme;

4. Requests the Administrator to report to the Governing Council at its twenty-ninth session on the implementation of the present decision.

734th meeting
27 June 1981

Annex

ESTABLISHMENT OF UNDP STUDY PROGRAMME

A. Issues and background

1. The decade of the 1980s was born into a period of tumultuous international economic relations. The world economy at present is in a slowdown phase, in both developed and developing countries. The rate of growth of developed market economy countries, which averaged more than 5 per cent per annum in the early 1970s, declined to 1.3 per cent in 1980 according to recent estimates. Similarly, the

rather good growth performance of developing countries, averaging nearly 6 per cent per annum in the 1970s, decreased to 3.8 per cent in 1980. Inflation and unemployment are at the highest levels since the great depression of the 1930s. Current trends indicate movement toward a more sombre future for the world economy and international development co-operation.

2. In the 1950s and 1960s, the economic development of developed and developing countries was largely considered to be two separate issues and not as being interlinked and interdependent. In the early 1950s, development problems were seen largely in terms of aid. By the 1970s, however, it became evident that these problems could not be solved merely by the provision of aid, since they were fundamentally part of the weakness of the existing world economic system.

3. There are many lessons to be drawn from the experiences of the past few decades. At present not only are more resources required for assisting developing countries, but also greater understanding and technical knowledge of development issues and political determination are needed to remedy the existing situation. Similarly, owing to insufficient public knowledge, there has been little recognition of the interdependence between issues and of the mutuality of interest and opportunities for partnership between developed and developing countries. According to the report of the Brandt Commission, international institutions need to communicate to an audience wider than the community of persons who participate in their intergovernmental bodies. The resolutions, decisions and programmes adopted by these institutions can be effective only if they influence the public at large. On the other hand, it may be said that public opinion in industrialized countries has often been critical of assistance given to the developing countries. The mass media have given much publicity to cases of waste and failure, instead of to the aims of such assistance, to mutual gains and success stories. Such approaches have also negatively influenced parliaments and governmental circles, which has resulted in scepticism and created resistance to the adoption of more liberal policies.

4. Therefore, it appears that there is an urgent need to bridge the intellectual gulf which growing dangerously between those who are directly involved in administering the aid programmes and those who are called upon to vote the requisite appropriations, as well as between governmental negotiators at international organizations and the internal policy-makers. It is essential that every effort be made to enable the national policy-makers and public mass media producers better to understand the implications of arguments on international economic and technical co-operation for their own people.

5. Moreover, during the past three decades, the programmes, organizations and agencies of the United Nations system dealing with operational development activities, which have acquired substantial experience and carried out extensive research within their own fields, have seldom had joint substantive exchanges of views and discussions for effectively combining their efforts, evaluating their accumulated knowledge and information and forecasting relevant developments for the attention of Governments. Similarly, at present, there is little dialogue between the negotiators at the global level and practitioners - namely field experts, consultants and project managers - who deal daily with specific development issues. It may be said that the general commitments agreed upon at the international level can produce tangible results only if convergent measures are being taken at every level.

6. As a programme for development and not simply a fund to finance technical co-operation, UNDP has a special responsibility to encourage a better understanding of development problems and the generation of new ideas and possible solutions. Indeed, the success of its operations depends largely on the conceptual framework of development and technical knowledge within which such operations are carried out. A better understanding of the issues involved in technical co-operation activities is required in order to respond promptly to the changing needs of the development process.

7. It is therefore proposed to establish a study programme for development issues under the umbrella of UNDP, to be known as the United Nations Development Programme Study Programme (UNDPSP). The output of such a programme may assist the Governing Council in its consideration of policy issues related to the operational activities carried out by the funds and programmes under its supervision. Similarly, the activities of the Programme may be beneficial to the General Assembly and the Economic and Social Council for their comprehensive policy review of operational activities and their consideration of other development issues.

B. Seminars

8. The new programme will organize and finance - as do, for example, the United Nations Environment Programme and the United Nations Fund for Population Activities - special seminars to discuss informally various aspects of technical and economic co-operation and development issues. Its aim will be to promote a better understanding of issues and to work out possible options and alternative courses of action, which may also be considered by the relevant intergovernmental bodies. The new programme may also finance and publish independent research activities related to technical co-operation and development.

9. Twenty to thirty invitees from developed and developing countries and relevant international organizations will participate in such seminars. According to the subject-matters, high-level government officials, government representatives to international organizations, senior secretariat officials and field experts of international organizations, parliamentarians, journalists, academicians, etc., will be invited to these seminars. The invitees will participate in their private capacities.

10. The Administrator, with the assistance of an advisory committee, will establish annual work programmes, which will include the subject-matter to be taken up by different seminars. The subjects to be discussed will be related to problems of development and technical co-operation.

11. At the early stages of UNDPSP, a maximum of three to four seminars will be organized per year. One of these will be for the senior officials of the United Nations system and will deal primarily with development co-operation problems. The seminars will normally be held in different developed and developing countries, depending on hosting facilities. In order to ensure to the extent possible that discussions are of a free and informal nature, retreat locations will be preferred. At the end of each seminar a short report will normally be issued, in order to bring the results to the attention of the Governing Council, the Economic and Social Council and the General Assembly. Depending on the nature of the discussions, however, there could also be off-the-record meetings.

C. Organization and management

12. The United Nations Development Programme Study Programme will be administered by the Administrator. An honorary advisory programme committee will be established to assist the Administrator to draw up a yearly programme of work for the subjects to be discussed at different seminars and for research activities to be carried out by independent researchers. For the related development policy matters of the programme, the Administrator will consult and closely co-operate with the Director-General for Development and International Economic Co-operation and seek, as appropriate, the advice of the executive heads of the relevant specialized agencies and organizations of the United Nations system.

13. The secretariat of the Governing Council will normally provide support services to the seminars and other activities of UNDPSP. Close co-operation and continuous working relationships will be established with the secretariats of other relevant organizations of the United Nations system for the carrying out of these functions.

14. The programme will pay the travel costs and other expenses of the participants in the seminars, finance research activities and publish reports of the seminars and the results of research activities. In order to meet the financial and administrative costs, a special trust account will be established for UNDPSP. Voluntary contributions from Governments, international institutions or foundations will be sought by the Administrator for financing the activities of the programme. Similarly, Governments, international institutions or foundations may also provide free hosting facilities for the seminars organized by the programme.

81/31. Technical co-operation among developing countries and the policies, rules and procedures of UNDP

The Governing Council,

Recalling the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, 12/ endorsed by the General Assembly in its resolution 33/134 of 19 December 1978,

Recalling also Council decisions 79/29 of 19 June 1979 3/ and 80/46 of 30 June 1980, 4/

1. Takes note of the report of the High-level Committee on the Review of Technical Co-operation among Developing Countries on its second session (TCDC/2/19); 13/

2. Requests the Administrator:

(a) To ensure that, for the period of the third programming cycle, earmarking from country IPFs for TCDC activities for the benefit of other countries does not exceed 10 per cent of the country's IPF or \$7.5 million, whichever is smaller;

(b) To lift the present blanket restriction on the reimbursement of local currency costs;

(c) To ensure that the following basic guidelines of technical co-operation among developing countries be used in assessing TCDC project proposals:

- (i) TCDC activities or projects involve the deliberate and voluntary sharing or exchange of technical resources, skills and capabilities between two or more developing countries for their individual or mutual development;
- (ii) TCDC is initiated, organized and managed primarily by developing countries themselves; in such a process Governments of developing countries would normally take the lead or responsibility; TCDC could also involve the participation of national public institutions, and, within the framework of the policies laid down by Governments of developing countries, private organizations and individuals;

12/ Report of the United Nations Conference on Technical Co-operation among Developing Countries, Buenos Aires, 30 August-12 September 1978 (United Nations publication, Sales No. E.78.II.A.11 and corrigendum), chap. I

13/ Subsequently issued as Official Records of the General Assembly, Thirty-sixth Session, Supplement No. 39 (A/36/39).

(iii) The financing and project inputs, such as expertise, consultancy services, research and training facilities, equipment and supplies in TCDC activities, should be the primary responsibility of developing countries themselves and the country IPF should be considered to be a catalyst and a supplementary contribution; at its third session in 1983 the High-level Committee will, on the basis of financial data for the years 1980-1982 submitted by the Administrator of UNDP, consider guidelines for the share of earmarked IPF funds of total TCDC contributions;

(iv) TCDC can include all sectors and all kinds of technical co-operation activities of developing countries; it can be bilateral or multilateral in scope, subregional, regional or interregional in character; it should try, whenever possible, innovative approaches, methods and techniques particularly adapted to local needs, as well as existing modalities of technical co-operation to the extent that they are considered useful;

(d) To allow that projects conforming to the basic guidelines enumerated in subparagraph (c) above may be financed from country IPFs subject to the existing rules and procedures established for UNDP as a whole, with regard to project assessment, approval, implementation and evaluation; within this framework, expenditure for provision of inputs necessary in the execution of projects should be allowed in the same manner and with the same flexibility as for the rest of UNDP;

(e) To allow that advances, current payments and reimbursements from the IPF resources be made by UNDP in the currencies of expenditure on the inputs concerned, and shall be drawn as far as possible from the Programme's holding of such or any other suitable currencies;

(f) To apply the following rules with regard to the reimbursement of certain local costs, associated with services and materials, which the Governments or national public or private institutions of the "IPF country" should primarily bear in accordance with paragraph 2 (c) (iii) above:

(i) Any part of the salary and allowances of professional staff and any part of the cost of contractual services payable in the home country of the staff or contractor would be reimbursable in the "IPF country" currency only;

(ii) The local currency cost of equipment and materials purchased would be reimbursable in the "IPF country" currency only;

(g) To apply regular UNDP procedures related to approval of its assisted projects, compensation, hiring of national experts, procurement of equipment and services, subcontracting and related matters;

(h) To incorporate the principles and criteria set out above into the standing guidelines and instructions of the UNDP Policies and Procedures Manual;

3. Also requests the Administrator, for the purpose of monitoring the guidelines of TCDC set out in paragraph 2 (c) above, to notify the High-level Committee on the Review of Technical Co-operation among Developing Countries at its third session and the Governing Council at its thirtieth session with respect to:

- (a) The relevant financial costs of projects funded from the country IPFs;
- (b) The amounts of IPF resources, if any, expended by UNDP in implementing the provisions of paragraph 2 (e) and (f) above;
- (c) The breakdown of expertise, equipment and supplies, consultancy services and training present in these projects.

733rd meeting
26 June 1981

81/32. Report of the High-level Committee on the Review of Technical Co-operation among Developing Countries on its second session

The Governing Council,

Recalling the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, 12/ endorsed by the General Assembly in its resolution 33/134 of 19 December 1978,

Recalling also Council decision 80/46 of 30 June 1980, 4/

1. Takes note of the report of the High-level Committee on the Review of Technical Co-operation among Developing Countries on its second session (TCDC/2/19) 13/, in particular its decision 2/9;
2. Decides to allocate \$1 million from the Programme Reserve for TCDC promotional purposes for the first two years of the third programming cycle, 1982-1983;
3. Requests the Administrator to submit to the Governing Council at its twenty-ninth session a report on the use and proposed use of those funds, as well as a study on the possibility of financing TCDC activities from other sources, including the regional and interregional IPFs;
4. Further requests the Administrator to report to the Governing Council at its twenty-ninth session on the TCDC activities under the regional and interregional programmes for the third cycle;
5. Requests the Administrator to submit to the High-level Committee at its third session in 1983 the above-mentioned reports, together with any comments of the Governing Council and an assessment on the use of the funds allocated.

733rd meeting
26 June 1981

81/33. Enhancing the capabilities of maritime transport
training institutions in developing countries

The Governing Council,

Recognizing the importance, in international economic development, of maritime transport among the developing countries and between them and the developed countries,

Recalling General Assembly resolution 35/56 of 5 December 1980, containing the International Development Strategy for the Third United Nations Development Decade, in which the international community is called upon to assist the developing countries in the maritime transport sector and in the infrastructure in the training of maritime personnel,

Taking note of decision 2/5 of the High-level Committee on the Review of Technical Co-operation among Developing Countries (see TCDC/2/19 13/) in which the Governing Council was requested to take steps to identify and strengthen national maritime transport training facilities with multinational scope in the developing countries.

1. Requests the Administrator, in co-operation with the United Nations Conference on Trade and Development, the Inter-Governmental Maritime Consultative Organization and other agencies to take the necessary measures to enhance the capabilities of maritime transport training institutions with multinational scope in the developing countries through, inter alia, interregional and regional programmes and assisting them with training specialists, training equipment and fellowships in the field of maritime transport;

2. Requests the Administrator to report to the Governing Council at its twenty-ninth session on the implementation of the present decision.

733rd meeting
26 June 1981

81/34. Information on agency regular and extrabudgetary
technical co-operation expenditures

The Governing Council

1. Takes note of the report of the Administrator containing information on United Nations system regular and extrabudgetary technical co-operation expenditures in 1980 financed from sources other than UNDP (DP/545 and Corr.1);

2. Requests the Administrator to continue to provide this information to the Council until alternative arrangements for the provision of such data have been made within the United Nations system.

734th meeting
27 June 1981

81/35. United Nations Conference on the Least Developed Countries

The Governing Council,

Recalling resolution 122 (V) of 3 June 1979 of the United Nations Conference on Trade and Development 14/ on the Comprehensive New Programme of Action for the Least Developed Countries, and General Assembly resolution 35/205 of 16 December 1980 on the United Nations Conference on the Least Developed Countries to be held in September 1981,

Convinced that technical co-operation will continue to be an important element in the development process of the least developed countries, and recalling the role of UNDP in this respect,

1. Takes note of the report of the Administrator to the United Nations Conference on the Least Developed Countries (DP/554 and Corr.1);
2. Endorses the proposals of the Administrator to place, upon request, the intensive experience of UNDP in co-operation with the least developed countries, including the UNDP field establishment and the funds and programmes under UNDP administration, at the disposal of the international community in the manner consonant with the activities outlined in paragraph 52 of his report;
3. Takes note with appreciation of the support provided by UNDP for the preparation of the Conference;
4. Requests the Administrator to ensure the full participation of UNDP in the Conference itself and to undertake within existing administrative resources the necessary preparation effectively to discharge any role, consistent with its mandate, which might be requested of UNDP by the Conference regarding the implementation of the Substantial New Programme of Action for the 1980s;
5. Requests the Administrator to report to the Governing Council at its twenty-ninth session on how UNDP has responded to the recommendation of the United Nations Conference on the Least Developed Countries.

734th meeting
27 June 1981

14/ See Proceedings of the United Nations Conference on Trade and Development, Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

81/36. Relations between UNDP and external institutions

The Governing Council,

Takes note of the report of the Administrator on relations between UNDP and external institutions (DP/561) and of the introductory statement made thereon (see DP/SR.734).

734th meeting
27 June 1981

81/37. Streamlining and rationalization of the work of the Governing Council

I

The Governing Council,

1. Decides, with respect to the role and function of the Council:

(a) Henceforth to allocate and orient a well-defined part of its deliberations to major policy issues and emerging development in the operational activities carried out under its supervision on which immediate action is necessary; for this purpose, and in full accordance with its functions under the relevant resolutions of the General Assembly and the Economic and Social Council, the Governing Council will make recommendations, as appropriate, to the Member States participating in the Programme and will establish adequate policy guidelines and directives for the programmes and funds for which it is responsible;

(b) That the agenda of the Council at each session will include, as a main item, policy reviews;

(c) To define at each session which policy area or subject will be reviewed at the following session;

2. Requests the Administrator to prepare relevant documentation on the priority topic selected by the Council for review, including options and possible courses of action for its consideration;

3. Decides, with respect to the sessions of the Council:

(a) To hold a short part of its annual sessions at a high, senior policy-maker level for the purpose of considering issues which could provide the necessary dynamism to technical co-operation activities carried out under the supervision of the Council;

(b) That, whenever required, short sessions may be held by the Council, immediately before or after regular sessions, to examine specific matters;

(c) To hold a short special meeting prior to the twenty-ninth regular session for the consideration of country and intercountry programmes and a special meeting in February 1983 to facilitate the timely approval of new country programmes of the third programming cycle;

(d) To hold an organizational meeting of one or two days duration at the beginning of February each year in New York to elect its bureau and to consider, if necessary, organizational matters;

(e) To establish the agenda of each session, apart from items on organizational and other matters, under five main headings, namely, (i) policy review; (ii) programme implementation; (iii) programme planning; (iv) other funds and programmes; and (v) financial, budgetary and administrative matters, and further decides that it will consider biennially the question of technical co-operation among developing countries;

(f) To conduct a broad policy review of other funds and programmes under its supervision biennially, beginning 1983, except for those funds whose activities must be considered annually in accordance with the relevant General Assembly resolutions;

(g) To make introductory statements by the Administrator on separate funds or programmes consecutively, so as to provide Council members with the opportunity of expressing their views in one single intervention;

(h) To establish a list of speakers for the consideration of the main items prior to the session and, during the session, to open and close a list of speakers before the consideration of each item;

(i) That, except during the high-level segment of the Council's session, statements under each item, in principle, should last no more than 15 minutes;

(j) That its meetings should start promptly, at the time for which they have been scheduled;

(k) That arrangements, including interpretation, should be made for the servicing of at least one working group;

(l) That in order to avoid proliferation of the decisions of the Council these decisions should be grouped, whenever possible, under a single heading and that documents which contain proposals having financial implications, in accordance with decision 79/33 of 2 July 1979, 3/ should include a statement of the costs involved or should provide in a separate statement the relevant financial implications; the Council further decides that the financial implications of each draft decision should be considered by the Budgetary and Finance Committee before adoption by the Council;

(m) Taking into account the new format of its report, to follow the practice of the Economic and Social Council and no longer formally adopt its report;

(n) To elect its officers at the beginning of the year at its organizational meeting and to request the officers, in co-operation with the Administrator, to hold consultations, as required, with the member States both before and during the sessions of the Council, for the purpose of organizing and facilitating the completion of the work of the Council;

(o) To authorize the Administrator to convene when he considers it necessary, in consultation with the Council's elected officers, informal briefing sessions for the members of UNDP in order to ensure that members are kept fully informed on issues to be discussed in the Council;

4. Also decides, with respect to the sessions of the Council:

(a) That the Budgetary and Finance Committee should have its own agenda in a separate document and its own organization of work;

(b) To convene, regularly, the Budgetary and Finance Committee one week prior to the annual Council sessions, that week to be devoted to the consideration of those documents which, with priority treatment by the Committee, will contribute most to the efficient scheduling of the Council's time;

5. Further decides, with respect to the control and limitation of documentation:

(a) That the measures recommended by the General Assembly, by the Economic and Social Council and by the Governing Council itself on the control and limitation of documentation should be strictly implemented;

(b) That an indicative quota for the documentation which it expects as a maximum at the following sessions shall be adopted at each session and that it will exclude documentation on country programmes but will include subquotas for main policy papers and support papers;

(c) That the feasibility of publishing the documentation of the Council in two categories, namely, "main policy papers" and "support papers", should be studied by the Administrator;

(d) That the changes proposed by the Administrator concerning the symbols of documentation should be implemented.

II

The Governing Council,

1. Decides that the policy review item for its twenty-ninth session should be entitled "New and specific ways and means of mobilizing increased resources on an increasingly predictable, continuous and assured basis";

2. Requests the Administrator to prepare relevant documentation, including options and possible courses of action, for the Council's consideration of this subject.

III

The Governing Council,

Decides that the indicative quota for the documentation to be submitted to it at its twenty-ninth session, excluding documentation on country and intercountry programmes, shall be 1,500 pages, with subquotas of 300 pages for "main policy papers" and 1,200 pages for "support papers".

IV

The Governing Council,

Approves the following revisions to its rules of procedures (DP/1/Rev.2):

Rule 1

Insert the following text:

(existing rule 1 shall be paragraph 1 of revised rule 1):

2. The Governing Council shall hold an organizational meeting early in each calendar year at such times as the Governing Council determines, but in no case later than the last day in February. The organizational meeting shall be responsible for the election of officers of the Governing Council, for the adoption of the agenda of the Governing Council's regular session and for any other matters the Governing Council may determine.

Rule 9

In the first sentence, for "at the beginning of each session" read "at its organizational meeting".

Rule 11

In the first sentence, for "at the commencement of its regular session" read "at its organizational meeting"; and for "a Rapporteur" read "a Fourth Vice-President".

734th meeting
27 June 1981

81/38. Integrated Systems Improvement Project

The Governing Council,

1. Takes note of the Administrator's progress report on the Integrated Systems Improvement Project (DP/INF/30);

2. Approves the Administrator's proposals for the staffing of the Division of Management Information Services for the biennium 1982-1983 as contained in document DP/548, to be financed out of the total appropriation approved for the biennium 1982-1983 in respect of UNDP (excluding the Office for Projects Execution);

3. Approves the Administrator's proposals for supplementary staffing of the Division of Management Information Services for the biennium 1980-1981 as contained in document DP/550, subject to the reductions in staff costs totalling \$104,000 (gross) proposed by the Administrator during the twenty-eighth session, to be financed out of the total supplementary appropriation approved for the biennium 1980-1981 in respect of UNDP (excluding the Office for Projects Execution).

735th meeting
30 June 1981

81/39. Sectoral support

The Governing Council,

1. Takes note of the report of the Administrator on sectoral support (DP/555) and of the views and comments of members thereon;

2. Endorses the proposals of the Administrator contained in paragraphs 19, 23, 24 and 25 of his report;

3. Approves an allocation of \$12 million, subject to resource availability, to be used as follows:

(a) \$3.689 million for the biennium 1982-1983 to be used at the discretion of the Administrator primarily for the smaller agencies;

(b) \$8.311 million to cover the net costs to UNDP for the services of Senior Industrial Development Field Advisers (SIDFAs) during the biennium 1982-1983;

4. Requests the Administrator urgently to pursue the consultations initiated in response to Council decision 80/32 of 27 June 1980, 4/ with a view to concluding agreements with Governments of countries drawing upon the services of DISFAS so that some part of the total net cost for those services shall be financed from national IPFs, and/or national sources, with a view to achieving to the extent possible a share of one quarter of this cost, taking into account the particular situation of the least developed countries;

5. Invites the Secretary-General to make every effort to increase the United Nations Industrial Development Organization's share of the cost of the SIDFA programme.

735th meeting
30 June 1981

81/40. Agency support costs

The Governing Council,

Recalling its decision 80/44 of 27 June 1980, 4/

Having considered the report of the Administrator prepared pursuant to that decision (DP/556 and Add.1 and 2),

Reiterating its recommendation, in its decision 80/44, to agencies to review their operational support systems, working methods, arrangements and staffing with a view to bringing about significant reductions in over-all support costs,

1. Decides that the support cost reimbursement arrangements being applied at present for capital assistance and technical co-operation activities financed from the resources of the United Nations Capital Development Fund and the United Nations Sudano-Sahelian Office shall continue pending completion of further consultations between the Administrator and the agencies on a support cost reimbursement formula reflecting the particular support requirements of capital assistance, bearing in mind the desirability for such a formula to reflect previously agreed principles, including, inter alia, simplicity and universality of application, as well as the principle set out in paragraph 2 (d) of decision 80/44, namely, that where actual support costs can be identified no reimbursement in excess of actual costs shall take place;

2. Requests the Administrator to submit appropriate proposals related to paragraph 1 above to the Governing Council at its twenty-ninth session;

3. Decides that only autonomous organizations within the United Nations system shall be eligible for support cost flexibility arrangements;

4. Approves support cost flexibility arrangements for eligible executing agencies whose levels of annual delivery do not exceed \$15 million, according to the scale set out below; the Administrator shall ensure that at no time would an executing agency receive less in total reimbursement under flexibility arrangements for delivering a higher programme level than it received for delivering a lower programme level;

(a) Delivery level of \$5 million or less: reimbursement of support costs provided that the total reimbursement to the agency, consisting of 13 per cent of delivery plus the amount granted under flexibility arrangements, does not exceed 22 per cent of delivery;

(b) Delivery level between \$5 and \$10 million: reimbursement of support costs provided that the total reimbursement to the agency, as defined in subparagraph (a) above, does not exceed 19 per cent of delivery;

(c) Delivery level between \$10 and \$15 million: reimbursement of support costs provided that the total reimbursement to the agency as defined in subparagraph (a) above, shall decrease by 1 per cent of delivery, from 18 per cent to 13 per cent for every increase of \$1 million in delivery from \$10 million to \$15 million;

5. Decides that in respect of currency exchange fluctuations dealt with in paragraph 2 (e) of its decision 80/44, the following guidelines and procedures shall apply:

(a) Executing agencies which are organizations within the United Nations system and not eligible for support cost flexibility arrangements may submit to the Governing Council, through the Administrator, requests for compensation for losses sustained in respect of support cost reimbursements as a result of currency fluctuations; such requests will be considered only in those cases where the average annual currency exchange rate of an agency's headquarters location has appreciated by at least 11 per cent vis-à-vis the United States dollar between one year and the next and provided that the total support cost reimbursement to an agency does not exceed 14 per cent of its UNDP project delivery for the year in question;

(b) Executing agencies which are organizations within the United Nations system and not eligible for support cost flexibility arrangements shall return to UNDP all gains realized in respect of support cost reimbursements resulting from currency fluctuations when the average annual currency exchange rate of an agency's headquarters location depreciates by more than 11 per cent vis-à-vis the United States dollar between one year and the next, unless the agency concerned can demonstrate to the Governing Council, by data submitted through the Administrator, that its actual support costs for the year in question exceed 13 per cent of its UNDP project delivery and provided that as a result of the gains returned to UNDP the total support cost reimbursement to an agency does not fall below 12 per cent of its UNDP project delivery for the year in question;

(c) The minimum 11 per cent fluctuations in annual currency exchange rates quoted in subparagraphs (a) and (b) above shall not be cumulative from year to year; each current year shall constitute the base against which the next year's average annual exchange rate is compared (i.e., a rolling base);

(d) Subparagraphs (a) and (b) above shall take effect from 1 January 1982, 1981 serving as the base year for the calculation of 1982 exchange rate fluctuations, it being understood that, where an executing agency has not availed itself of the provisions of subparagraph (a) above, those of subparagraph (b) will not apply;

6. Approves reimbursement of support costs to the Office for Projects Execution in respect of executing projects of a technical co-operation nature based on the same rates as those in effect for other executing agencies, within the limits set forth in paragraph 2 (d) of decision 80/44; the support cost reimbursement for non-UNDP-funded projects shall be at a uniform rate limited to that associated with the actual level of support costs of the Office for Project Execution in respect of executing technical co-operation activities;

7. Decides to review the provisions of paragraphs 5 and 6 above at its thirty-first session;

8. Decides to review the question of reimbursement to the United Nations Volunteers programme of costs related to non-UNDP-financed activities at its twenty-ninth session following consideration of the report on the activities of the United Nations Volunteers to be presented by the Administrator (see decision 81/1) and further requests the Administrator to present related proposals on the specific question of reimbursement;

9. Urges the Administrator and the agencies to continue their efforts to develop a suitable format for ex post facto reporting to the Governing Council on agency support costs, providing such information as mentioned in paragraph 2 (g) of decision 80/44, and to report thereon to the Governing Council at its twenty-ninth session;

10. Takes note of the report of the Administrator on support cost flexibility arrangements for smaller agencies (DP/556/Add.2) and the views and comments thereon;

11. Authorizes the Administrator to treat the request of the World Meteorological Organization for flexibility reimbursement in respect of 1981 delivery on the basis of criteria for support cost flexibility reimbursement for 1982 onwards.

735th meeting
30 June 1981

81/41. Audit reports

The Governing Council,

1. Takes note with satisfaction of the audit reports of the participating and executing agencies relating to funds allocated to them by UNDP as at 31 December 1979 (see DP/557) as well as the Administrator's observations on substantive comments made by the auditors;

2. Requests the Administrator to continue in future years the submission of such observations taking into account the views and suggestions made during the discussion;

3. Further requests the Administrator to pursue consultations with executing agencies using commercial external auditors on the possibility of including in future audit reports observations on substantive matters and on paragraph 3 of Council decision 79/47 of 10 July 1979 3/ and to report to the Council at its twenty-ninth session on the results achieved.

735th meeting
30 June 1981

81/42. Interagency Procurement Services Unit

The Governing Council,

1. Takes note of the report of the Administrator on the Interagency Procurement Services Unit (DP/559);
2. Notes with satisfaction the work performed by the Interagency Procurement Services Unit and expresses its support for a further development of that work, particularly in respect of procurement from developing countries;
3. Notes with appreciation that the executing and participating agencies continue to co-operate with the Interagency Procurement Services Unit and urges the agencies to participate also in the financing of the Unit's activities;
4. Decides that the Interagency Procurement Services Unit shall continue to be funded under the heading "Support services for UNDP-executed projects", to be financed from overheads received on projects executed by UNDP.

735th meeting
30 June 1981

81/43. Request of the International Telecommunication Union
for additional support costs reimbursement

The Governing Council

1. Takes note of the request of the International Telecommunication Union for additional support costs reimbursement for 1980 as contained in documents DP/566 and Corr.1 and Add.1 and of the Administrator's recommendation that the Council should consider the reimbursement to the International Telecommunication Union of a deficit equivalent to \$87,955 (at the May 1981 exchange rate);
2. Further notes that the average exchange rate of the United States dollar vis-à-vis the Swiss franc has considerably improved in 1981, which should result in savings in International Telecommunication Union support costs expenditure for this year;
3. Decides to review at its twenty-ninth session the International Telecommunication Union's request for reimbursement of \$87,955 in respect of 1980, in conjunction with its accounts on support costs expenditure for 1981.

735th meeting
30 June 1981

81/44. Fisheries vessels pool

The Governing Council

1. Takes note of the Administrator's report on the fisheries vessels pool (DP/563) and the views and comments of members thereon, and the need for additional vessels;
2. Requests the Administrator to submit a report to the Governing Council at its twenty-ninth session on the continued need to develop further the fisheries vessels pool, taking into account potential requests for assistance from developing countries;
3. Further requests the Administrator to formulate proposals on the financing of vessel acquisition, utilization and maintenance, taking into consideration the views and comments of members in the debate on this question during the twenty-eighth session;
4. Decides that those proposals should be based on the assumption of full international competitive bidding.

735th meeting
30 June 1981

81/45. Date and provisional agenda for the twenty-ninth session of the Governing Council

The Governing Council,

1. Decides on the following arrangements for its meetings in 1982:
 - (a) Organizational meeting: 2 days during the week 22-26 February 1982, New York
 - (b) Special meeting: 24-28 May 1982, Geneva
 - (c) Budgetary and Finance 24-28 May 1982, Geneva
 - (d) Governing Council, 1-21 June 1982, Geneva
twenty-ninth session:

Committee (pre-session meeting): 1-21 June 1982, Geneva

2. Approves the following provisional agenda for its twenty-ninth session:

Provisional agenda for the twenty-ninth session 15/

1. Opening of the session
2. Election of officers 16/
3. Adoption of the agenda and organization of work
4. Policy review
5. Programme implementation
6. Programme planning
7. Other funds and programmes
8. Financial, budgetary and administrative matters
9. Other matters
10. Date and provisional agenda for the thirtieth session.

736th meeting
1 July 1981

15/ Prepared in accordance with Governing Council decision 81/37. Subitems will be added and annotations prepared in the light of other decisions adopted by the Council at its twenty-eighth session, relevant resolutions adopted by the Economic and Social Council at its second regular session of 1981 and by the General Assembly at its thirty-sixth session and any other matters requiring the consideration of the Governing Council in accordance with rule 8 of its rules of procedure (DP/1/Rev.2).

16/ In accordance with section I, paragraph 3 (d) and the relevant provisions of section IV of decision 81/37, the election of officers will take place at the Council's organizational session.

81/46. Matters for inclusion in agenda of the Budgetary and Finance Committee and the twenty-ninth session of the Governing Council

The Governing Council,

Decides that the Budgetary and Finance Committee will consider during its meeting commencing immediately prior to the twenty-ninth session of the Governing Council, within the framework of the provisional agenda for the twenty-ninth session (decision 81/45) those parts of the financial regulations (decision 81/28) and other questions on which consensus was not achieved at the twenty-eighth session of the Council with a view to facilitating resolution of these issues by the Council. 17/

737th meeting
1 July 1981

17/ Such questions shall be determined by the Administrator on the basis of an examination of the decisions adopted at the twenty-eighth session of the Governing Council and shall be communicated to Governments in good time prior to the twenty-ninth session of the Council.