

**FOURTH SESSION**  
**6 - 22 June 1967**

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67/15. Assistance to Indonesia

152. The Council approved the 1967-1968 Category I programme for Indonesia as set out in the report of the Administrator (DP/TA/L.12), requested the latter to implement that programme and authorized him to approve additional requests for assistance from the Government of Indonesia as and when they were received, to an amount not exceeding \$235,900.

65th meeting  
8 June 1967

67/16. New procedures for the planning, approval and implementation of projects of the Technical Assistance component of UNDP

47. At its 80th meeting, the Governing Council decided to recommend to the Economic and Social Council and the General Assembly for adoption a draft resolution the annex to which sets out the major features of the new procedures for the planning, approval and implementation of the projects of the Technical Assistance component of UNDP (see annex IV to this report). The Governing Council further agreed that those procedures should be applied on an experimental basis for 1969 and future years and that it would review them in the light of experience and ensure that continuous programming with project budgeting led to programmes and projects contributing most effectively to the economic development of the recipient countries concerned.

80th meeting  
19 June 1967

67/17. Operational activities of UNDP in 1966

(a) Under sub-item 4 (a) of its agenda:

- (i) The Council took note of the Administrator's general report on the activities of UNDP (DP/L.41 and Corr.1 and 2) and of addenda 1 to 6 to that report;
- (ii) The Council also approved, with regard to addendum 5 to the general report (Assistance to pilot projects), the following text:

"The Governing Council, recalling Economic and Social Council resolution 1081 E (XXXIX), and in particular paragraph 8 thereof, noted with interest the report submitted by the Administrator on the subject (DP/L.41/Add.5) and recognized the special need to stimulate industrial activity by assisting pilot and demonstration projects, including experimental industrial units, in developing countries.

"The Council considered that the purpose of such projects should be to promote economic development by stimulating investment through the demonstration, on a limited scale, of the economic and technical feasibility of such investment, and should be in pursuance of a country's development priorities. In order to ensure the success of such projects, the Council also felt that consideration should be given to other factors, such as the training of personnel and marketing studies, which are essential for their success.

"The Council noted the Administrator's statement that such projects should be established after assessment by UNDP of the probabilities of ultimate investment and that a condition would be that any assistance provided for such projects would not be in substitution of support which might otherwise be suitably obtained.

"The Council further suggested that the Administrator should associate UNIDO and, as appropriate, other international organizations, as well as regional and national financing agencies, in the examination of such requests and in their preparation on the basis of the foregoing guidelines.

"The Council invited the Administrator to proceed with assisting Governments in the preparation of requests for assistance in the field of pilot plants and to submit them for approval at the next session and succeeding sessions."

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19 June 1967

67/18. Execution of UNDP projects by Participating and Executing Agencies

(b) Under sub-item 4 (b) of its agenda:

- (i) The Council took note of the oral progress report on the question of recruitment by the Assistant Administrator and Director, Bureau of Administrative Management and Budget;
- (ii) The Council took note of the comments received from the participating and executing agencies regarding the question of the preparation of plans of operation (DP/SF/L.11);
- (iii) The Council took note of documents DP/SF/L.10 (Use of sub-contracting organizations), DP/SF/L.10/Add.1 (Data relating to sub-contracts awarded by participating and executing agencies for projects in the Special Fund component as at 31 December 1966) and DP/SF/L.10/Add.2 and Corr.1 (A guide for firms and organizations desiring to participate in the activities of the United Nations Development Programme) and requested the Administrator to continue to report to the Council periodically on awards made to the consulting organizations;
- (iv) The Council took note of the Secretary-General's report to the Economic and Social Council on co-ordination at the country level (E/4336);

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67/19. Perspectives for activities of the Programme in the coming years

(c) Under sub-item 4 (c) of its agenda:

- (i) The Council decided, with regard to the programming procedures to be applied to the Technical Assistance component of UNDP, to recommend for adoption by the Economic and Social Council a draft resolution, the text of which is reproduced in annex IV to this report;

- (ii) The Council decided, pending the results of the evaluation now being undertaken, to propose to the Economic and Social Council that the latter invite the General Assembly, at its next regular session, again to extend the terms of its resolution 1946 (XVIII) - as now amended by resolution 2179 (XXI) - to permit the continued authorization of the use of funds of the Technical Assistance component of UNDP for the provision of operational personnel, at the request of Governments, by all the participating and executing agencies, for the duration of the programme period starting on 1 January 1969;
- (iii) The Council agreed to consider jointly with item 7 (d) (iii) the Administrator's progress report on the study of future needs for pre-investment activity in relation to the administrative capacity of the United Nations system to programme and implement such activities (DP/L.48 and Add.1); 10/
- (iv) The Council took note of the following documents made available to the Council under the Administrator's note (DP/L.42):
  - E/4151 - report of the Secretary-General;
  - E/4151/Add.1 - report of the Thailand evaluation team;
  - E/4151/Add.2 - report of the Chile evaluation team;
  - E/4151/Add.3 - report of the Tunisia evaluation team;
  - E/4191 (paras. 70-76) - comments of the Administrative Committee on Co-ordination on the reports of the evaluation teams;
  - E/4312 - report of the Secretary-General to the Economic and Social Council at its forty-third session on the evaluation of programmes of technical co-operation.

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19 June 1967

## 67/20. Country targets

49. In connexion with the establishment of country targets, the Governing Council agreed that, pending its review of the criteria for UNDP assistance, the Administrator, in proposing country targets, should take into account inter alia such factors as the degree of development of the country, per capita income, the size of population, the extent of assistance from other sources and the capacity for absorbing technical assistance and, in order to ensure stable programming, avoid sharp reductions in country target figures in any single programming period.

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## 67/21. 1969 UNDP programmes

50. The Governing Council further agreed that for the 1969 programme:

(a) The planning reserve shall be set at 6 per cent of the resources available for field programmes;

(b) The proportion of funds devoted to regional and inter-regional projects shall be 17 per cent of the field programme resources (16 per cent plus 1 per cent for the smaller agencies);

(c) The amount maintained in the UNDP revolving fund for the purpose of financing technical assistance country and regional contingency projects during that year shall be \$4.5 million;

(d) The level of earmarkings for overheads of the participating and executing agencies for 1969 and 1970 shall be determined on the basis of Economic and Social Council resolution 1060 (XXXIX);

(e) The Administrator shall submit to the Council for review and approval practical arrangements required for the assessment of local costs in accordance with the general principles set forth in Economic and Social Council resolutions 222 (IX), 470 (XV), and 787 (XXX).

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19 June 1967

67/22. Financial position of UNDP as at 31 December 1966

155. At the conclusion of the debate, the Governing Council took note of the report on the financial position of UNDP as at 31 December 1966.

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20 June 1967

67/23. Future arrangements for preliminary operations financed from the Revolving Fund

161. At the conclusion of its consideration of this item, the Governing Council decided to continue, for a further experimental period of one year, the current arrangements for preliminary operations.

81st meeting  
20 June 1967

67/24. UNDP (Special Fund) programme

164. At the conclusion of the discussion, the Governing Council approved the proposed revisions in the Financial Regulations of UNDP (Special Fund) with the proviso that the revisions relating to preliminary operations under the revolving fund would be subject to review after one year on the completion of the experimental arrangements governing preliminary operations. The revisions of the Financial Regulations as approved are attached to the present report as annex III.

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67/25. Approval of preliminary operations

162. The Governing Council also approved the Administrator's proposals (DP/L.44/Add.1) with respect to preliminary operations for the following projects:

BOTSWANA	- Pre-investment survey of the Shashi River water, power and minerals scheme	- \$125,000
CAMEROON	- Primary teacher training	- \$175,000
CEYLON	- Economic programming and planning	- \$275,000
PHILIPPINES	- Strengthening agricultural training at the Central Luzon State University	- \$109,800
TURKEY	- Pilot industrial estate at Gaziantep	- \$ 63,000
REGIONAL	(Guinea, Mali, Mauritania and Senegal) - Agricultural research in the Senegal River Basin	- \$200,000

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67/26. Contingency reserve

168. At the conclusion of its discussion, the Governing Council decided to approve the recommendations of the Administrator that:

(a) The level of earmarkings for the contingency reserve be reduced retroactively from 10 per cent to 8 per cent of project earmarkings;

(b) The level of earmarkings for the contingency reserve be established at 8 per cent for programmes to be recommended to the Governing Council at its fifth and sixth sessions;

(c) The level of future contingency earmarkings be reviewed again at the Council's sixth session in June 1968 in the light of actual experience up to 31 December 1967.

169. The Council also decided to establish the earmarkings for the contingency reserve in respect of the Special Fund programme approved at the current session (see paragraph 145 (d) above) at \$3,916,001, this being 8 per cent of the approved project earmarkings.

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67/27. Progress report on the study of future needs for pre-investment activity and ways of maintaining the activities of UNDP at least at their present level, and of increasing its financial resources

170. The Council decided to consider together agenda items 4 (c) (iii) and 7 (d) (iii). One member, in pointing out that the progress report submitted by the Administrator under the first item (DP/L.48 and Add.1) was not entirely relevant to the second, requested information on the action taken in response to suggestions made at the third session of the Council in connexion with increasing the programme's resources. Specifically, he wished to know whether the Administrator had approached the Secretary-General of the United Nations on the possibility of a direct appeal by him to some or all Governments of Member States. In replying, the Administrator stated that in view of the various other heavy demands on the Secretary-General, it was considered that efforts to increase the level of resources available to the Programme were best made by the participants in UNDP - its Administration and the members of the Council - but that the Secretary-General's views on the matter, for instance his proposal for the annual target of \$350 million to be reached by the year 1970, had been and should be quoted by the Administration in its efforts to increase resources.

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67/28. Cash advance to UNESCO

173. The Council considered a proposal by the Administrator to advance to UNESCO \$1 million to assist in the financing of the construction of an additional building at UNESCO headquarters. A brief discussion was held, in the course of which various representatives expressed reservations; one of them thought that a way of assisting UNESCO could be worked out between the Director-General of that organization and the Administrator. On the understanding that the approval of the Administrator's proposal would not create any precedent and that the rate of interest would be the average rate obtained on UNDP investments in general, namely 5 3/8 per cent, the Council agreed with the recommendation of the Administrator.

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67/29. United Nations programmes of technical co-operation

193. At the conclusion of its consideration of the United Nations programmes of technical co-operation, the Council took the following action:

(a) The Council took note of the statement by the Commissioner for Technical Co-operation (DP/RP/L.5);

(b) The Council took note with appreciation of the report of the Secretary-General on the United Nations programmes of technical co-operation carried out in 1966 (DP/RP/3 and Add.1 and Corr.1).

(c) The Council approved the regular programme for 1968 as set out in the report of the Secretary-General (DP/RP/3/Add.2 and Corr.1); opposition was expressed by various members regarding the projects for Israel, the Republic of Korea, the Philippines, Thailand and the Republic of Viet-Nam;

(d) The Council took note of the programme recommendations emanating from committees and commissions of the Economic and Social Council and arising from actions taken by other United Nations bodies (DP/RP/3/Add.4), of the statement made by the Associate Commissioner for Technical Co-operation at the 78th meeting on action taken by the Economic and Social Council at its forty-second session on these recommendations, and of actions taken by organs of UNCTAD (DP/RP/3/Add.5);

(e) With respect to the level of the regular programme for 1968 and 1969 the Council:

- (i) Recommended a level of appropriation of \$6.4 million proposed for that part of the United Nations 1968 operational activities which are covered by the regular budget;
- (ii) Postponed its decision on the planning level for 1969 and future years until it has considered a new report by the Secretary-General on this subject at its fifth session in January 1968;
- (iii) Approved the draft resolution prepared by the Secretary-General for submission to the Economic and Social Council (see annex V to this report).

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67/30. Regular programmes of technical assistance in 1966 of the Specialized Agencies and the International Atomic Energy Agency

196. The Council took note of the information on the regular programmes of technical assistance in 1966 of the specialized agencies and IAEA (DP/L.45 and Corr.1).

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67/31. Date and place of the fifth session of the Governing Council

197. The Governing Council decided to convene its fifth regular session at United Nations Headquarters on 9 January 1968.

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67/32. Provisional agenda for the fifth session of the Governing Council

199. The draft provisional agenda which was before the Council for consideration read as follows:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Review of the activities of UNDP:
  - (a) Exchange of views between the Council and the Administrator on matters relating to UNDP activities;
  - (b) General debate (statements by the Administrator and members of the Council on issues before the Council).
5. Programme matters:
  - (a) UNDP (Special Fund) programme recommendations of the Administrator:
    - (i) Consideration of individual projects of the UNDP (Special Fund) programme in private meetings;
    - (ii) Consideration and approval of UNDP (Special Fund) programme recommendations;
    - (iii) Proposals for preliminary operations;
  - (b) Criteria for:
    - (i) Determining eligibility for UNDP assistance;
    - (ii) Selection of projects;
    - (iii) Financing of projects;
  - (c) Criteria for and operation of pilot and demonstration projects;
  - (d) Steps taken to promote investment follow-up.

6. Programme of the Technical Assistance component for 1969:
  - (a) Approval of the initial estimates of resources for 1969 and the distribution of resources;
  - (b) Approval of country and regional project targets for 1969 and the three following years.
7. Financial matters:
  - (a) Contributions;
  - (b) Status of the revolving fund;
  - (c) Revision of the Financial Regulations (to reflect decisions of the Council on Technical Assistance component programming procedures);
  - (d) Report on awards of sub-contracts and major equipment purchases;
  - (e) Audit reports.
8. Budget estimates for the administrative and programme support services of the UNDP for the year 1968.
9. Future needs for pre-investment activity in relation to the administrative capacity of the United Nations system to programme and implement such activities.
10. The question of recruitment.
11. United Nations regular programme of technical co-operation and United Nations participation in UNDP.
12. Operational assistance under the Technical Assistance component (see DP/TA/L.11, para. 5).
13. Use of the special industrial services trust fund.
14. Information paper on action taken in 1967 by organs of the United Nations and related agencies on matters relating to UNDP.
15. Provisional agenda for the sixth regular session of the Governing Council (rule 8 of the rules of procedure).
16. Date of the sixth regular session.
17. Other matters.
18. Draft report of the Governing Council to the Economic and Social Council at its forty-fifth session.

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67/33. UNDP (Special Fund) Programme

145. The Council, subject to the observations and reservations expressed on some projects, decided:

(a) To approve the proposed programme (see annex II below);

(b) To earmark for each of the projects in annex II the sums shown in that annex under the heading "Governing Council earmarkings";

(c) To authorize the Administrator to make the appropriate arrangements with Governments and participating and executing agencies for the execution of these projects;

(d) To earmark an additional \$3,916,001 (equivalent to 8 per cent of the total Governing Council earmarkings for the present programme) as a reserve for the Administrator's contingency authority;

(e) To cancel uncommitted earmarkings in the amount of \$1,094,400 and the corresponding reserve for the Administrator's contingency authority in the amount of \$109,440 for the projects recommended for cancellation in paragraph 140 above;

(f) As a consequence of the proposed amalgamation of the two Liberian projects outlined in paragraph 141 above, to approve the suppression of the earmarking of \$1,006,900 for the project entitled "College of Forestry, University of Liberia, Monrovia", with a corresponding increase in the original earmarking of \$546,000 for the project entitled "Agricultural Training and Research".

(g) To cancel unallocated earmarkings in the amount of \$194,156 and the corresponding reserve for the Administrator's contingency authority in the amount of \$49,416 for the projects referred to in paragraph 142 above, which were completed prior to 31 December 1966 (see annex II).

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