IV. MATTERS RELATING TO THE PROGRAMMING CYCLES

B. Sixth programming cycle

1. The Director, BER, introduced document DP/1994/20, explaining that it was intended to facilitate discussion of issues related to successor arrangements to the current programming cycle, which were scheduled to be established in June 1995. At the conceptual stage, the paper did not present explicit options but rather sought direction on the principles that should guide future technical studies and consultations. It was suggested that discussion of the subject be divided into three clusters: programming objectives; financial mechanisms; and resource distribution.

2. Delegations expressed their appreciation for the comprehensive and useful document. Several delegations stated that comments at the current stage should be considered preliminary and that a process to continue consultations would have to be determined.
Programming objectives

3. Many speakers noted that programming objectives should be linked to the future role of UNDP, which had been discussed in the context of the "Initiatives for change" paper (DP/1994/39). A number of delegations reiterated that programming should be in line with national priorities, in recognition of the diversity of development needs.

4. Many delegations stated that the principles of universality, neutrality, multilateralism and the voluntary and grant nature of assistance should remain fundamental to the various elements of the UNDP programming framework.

Financing mechanisms

5. While many delegations recognized the problems and risks associated with the present system, several representatives pointed out that some of the deficiencies were not inherent to the machinery itself. In general, the delegations encouraged an exploration of alternative financing mechanisms, noting the relevance to that work of the General Assembly's upcoming deliberations relating to resolution 48/162.

6. Many delegations expressed strong concern about the decline in core contributions, which were essential for the main mission of UNDP, and requested the Administrator to intensify efforts to increase core resources.

7. Noting the considerable increase in non-core funding, several delegations requested more information on core and non-core resource trends. Two delegations stated that the Executive Board should consider whether its decision on future programming should cover both core and non-core resources.

Resource distribution

8. Many speakers commented on the duration of the programming cycle and ways of reducing its programmatic and financial risks. While some delegations suggested that the current five-year duration of the cycle should not be shortened, many representatives favoured exploring a reduced duration. Additionally, several delegations supported the concept of a rolling indicative planning figure (IPF) system and requested that the matter be explored in detail. A few representatives suggested that options not involving a priori distribution of funds should also be examined.

9. With respect to the distribution methodology, some delegations favoured an examination of alternative determinants. Several representatives suggested that the current methodology, based mainly on tested criteria, including
population and per capita gross national product (GNP), should be continued and refined through a revision and possible expansion of the supplementary criteria and adjustment of various calculation weights.

10. On funding distribution, there was general agreement that lower-income countries should receive priority. A number of representatives highlighted the special needs of certain countries such as small island developing nations and economies in transition. Many delegations also recognized that modest IPFs can serve as a critical catalyst for additional resource mobilization.

11. The possibility of increasing allocations to Special Programme Resources (SPR) received favourable reaction although many delegates emphasized that existing SPR programmes would require in-depth review and evaluation. There was also support for exploring increased allocations for regional and intercountry programmes, with a number of delegates noting the complementarity between national and international agendas.

12. Several delegates supported the examination of the net contributor country (NCC) criteria, including alternative thresholds and the possibility of linking reimbursability of IPFs to mobilization of additional funding.

13. The Secretary-General of the World Meteorological Organization (WMO) made a statement underlining the close relationship between WMO and UNDP. He noted the need to provide adequate funding for the science and technology sector, including meteorology and hydrology.

14. The Executive Board adopted the following decision:

- **94/17. Issues relating to the sixth programming cycle**

  **The Executive Board,**

  1. **Reaffirms** the principles of eligibility of all recipient countries on the basis of the fundamental characteristics of the operational activities of the United Nations Development System, which are, **inter alia,** universality, neutrality, multilateralism, the voluntary and grant nature of assistance and the capacity to respond to the needs of all recipient countries in accordance with their own policies and priorities for development;

     2. **Notes** that the debate on the future role of the United Nations Development Programme is closely linked with the process leading to a decision on the next programming period;
3. **Considers** document DP/1994/20 an important contribution to consultations on establishing the structure of the next programming period of the United Nations Development Programme, and notes that it identifies the following clusters of issues:

   (a) Programming objectives;
   (b) Resource distribution;
   (c) Financing mechanisms;

4. **Decides** to continue its consideration of these issues at its upcoming regular sessions, with a view to reaching a final decision on the next programming period at its 1995 annual session;

5. **Requests** the Administrator to outline a possible structure of further deliberations and to prepare further documentation for the third regular session of the Board, addressing in particular the following points:

   (a) The development of the Administrator's "Initiatives for change" as he intends to apply them to the next programming period;
   (b) Options for the revision of the indicative planning figure programming framework;
   (c) Options for the revision of resource distribution methodology, including:

      (i) Eligibility criteria and graduation;
      (ii) Supplementary criteria and weights.

10 June 1994