



GOVERNING COUNCIL  
Twenty-sixth session  
June 1979  
Agenda item 19 (j)

BUDGETARY, ADMINISTRATIVE AND FINANCIAL MATTERS

UNDP FINANCIAL REGULATIONS AND RULES

Corrigendum

1. At its twenty-sixth session, the Governing Council decided "to postpone action on the proposed Financial Regulations and Rules until the twenty-seventh session in the light of the unavailability of documentation in the languages required" (decision 79/41). Documents DP/388 and DP/388/Add.1 and Add.2 are therefore being submitted to the Council.
2. In this connexion, the Governing Council was advised that certain proposed Regulations and Rules were being further reviewed. This review has been completed and the corrigenda to DP/388/Add.1 and Add.2 reflect the outcome.
3. In addition to these changes it should be noted that the title "Bureau of Finance and Administration", first appearing in financial rule 401.1, should be corrected to read "Bureau for Finance and Administration" wherever this title is used.

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Rule 408.5

Responsibility of holders of cash advances

Officials to whom cash advances are issued under Rule 408.4 shall make use of such advances only for the purpose for which the advances were authorized and shall be held personally responsible and financially liable for the proper management and safekeeping of the cash so advanced. They shall render accounts as required by the Director of Finance which, unless otherwise provided, shall be not less frequently than once each month. They shall be in a position at all times to account for the advances. Cash or negotiable instruments shall be kept in safe custody.

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Rule 409.3

Income from investments

(a) Income from investments of the UNDP Account shall be taken into account as miscellaneous income.

(b) Income from investments of UNDP trust funds and special accounts shall include amounts from investments, royalties and other income derived from or accruing to such funds and shall be credited to the trust fund or special account concerned, unless otherwise specified by the terms and conditions of the trust fund or special account concerned.

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Rule /113.5/ 410.17

Committee on Contracts /Committee/

(a) There shall be established a /UNDP Contracts/ Committee on Contracts at UNDP headquarters to render written advice to the Assistant Administrator, Bureau for Finance and Administration, /in respect of the following matters/ on:

- (i) All contracts /or agreements/, including those of UNDP-executed projects /involving/ which involve commitments to a single contractor in respect of a single requisition or a series of related requisitions totalling /US\$20,000/ US\$40,000 or more, other than basic or project agreements with organizations serving as UNDP Executing Agencies;

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Rule /113.6/ 410.18

Calling /Calls/ for bids or proposals

Except as provided in Rule /113.7/ 410.19, contracts for the purchase or rental of services or or supplies, equipment and other requirements shall be let after competitive bidding on the basis of equitable geographical distribution, consistent with maximum effectiveness, and with particular emphasis on procurement from developing countries. /Contracts for professional consultant and advisory services in connexion with execution of projects may be let after invitation for proposals and evaluation of such proposals. Tenders shall be invited by advertising through publication or distribution by formal invitation to bidding, provided that in cases where proposals are invited, a comparative analysis of such proposals shall be kept on record./

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Rule 113.7 410.19

Exceptions to Advertising Requirements  
calling for bids or proposals

Contracts may be awarded without calling for proposals, advertising or formal invitations to bid when:

(a) The proposed contract involves commitments of less than US\$5,000 US\$10,000 provided that the award is made on after an assessment of competitive quotations, based on conformity with specifications, delivery schedules and prices or comparative prices, where available in the case of proposals;

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(j) The Administrator determines that an exception to competitive bidding would lead to the promotion of the principle of equitable geographical distribution of contracts, consistent with maximum effectiveness, and with particular emphasis on procurement from developing countries.

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