

UNITED NATIONS DEVELOPMENT PROGRAMME



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OTHER FUNDS AND PROGRAMMES

UNITED NATIONS CAPITAL DEVELOPMENT FUND

Annual report of the Administrator for 1979

Summary

The Administrator submits this report in accordance with statutory requirements governing the United Nations Capital Development Fund. Section I gives an overview of the Fund's activities in 1979, as well as of its financial situation. Section II provides a summary of CDF operations by sector and a brief analysis of its financial situation. In this latter connexion, the question of the source of funding of UNCDF's administrative expenses is reviewed. An evaluation of performance is given in Section III, followed by annexes indicating the status of contributions and providing a financial statement as at 31 December 1979.

The Council is requested to take note of the report, and to act on the Administrator's recommendations that UNCDF should reimburse UNDP for the Fund's administrative costs from its accrued earnings.

I. INTRODUCTION

1. The United Nations Capital Development Fund (UNCDF), continued its growth in 1979, supported by the UNDP headquarters and field establishment in its administration and in technical assistance requirements of Fund projects. During the year, the Fund approved 41 projects totaling \$41.2 million, a 57 per cent increase from the cumulative total approved in the four preceding years. As voluntary contributions of \$24.6 million for 1979 rose only by 37 per cent, the difference was covered mainly by resources released under the partial funding policy approved by the Governing Council at its twenty-sixth session for an experimental period not to continue beyond the regular session of the Council in 1981 (decision 79/21).

2. Under partial funding, project costs in future years are expected to be covered by resources received in those years, rather than by cash earmarked at approval time for the total cost of projects. As the partial funding system has been in operation for only six months, however, it would be premature to attempt to draw conclusions at this stage. A detailed report will be submitted to the Governing Council at its twenty-eighth session for review and decision concerning the continuation of partial funding. In the meantime, the formula approved by the Council is being followed and an operational reserve equivalent to 20 per cent of the Fund's project commitments has been established (see decision 79/21, paras. 3 and 4).

3. Including 1980 pledges, the major contributors to the Fund's \$121.5 million cumulative resources provided by 72 countries were the Netherlands (\$46.0 million), Sweden (\$29.9 million), Norway (\$14.2 million), Denmark (\$8.5 million), the United States of America (\$6 million), Yugoslavia (\$3.9 million), Switzerland (\$3.5 million), India (\$1.7 million), Pakistan (\$1.2 million) and Japan (\$1 million). Annex I contains further detailed information on contributions. Annex II contains the financial statement as at 31 December 1979.

II. POLICIES AND OPERATIONS

Policies

4. The key policy of UNCDF is to provide direct and immediate benefits to low-income groups, first and foremost in the least developed countries. As may be observed from the Project Status Report (DP/466), UNCDF has been able, with its limited resources, to make a concrete contribution to their development through the projects approved there. The Fund places maximum reliance on recipient Governments in project execution, through which it seeks to mobilize community efforts and to sustain self-help initiatives. Thus, the original character of UNCDF as a fund established and supported by developing countries is maintained and strengthened by the consistent pursuit of its basic policy goal of helping the poor to increase their productivity.

5. Maximum linkages continue to be maintained with UNDP, as well as with agencies in the United Nations system, in order to ensure the most effective use of limited resources.

Operations

6. As indicated in paragraph 1 above, 41 projects totaling \$41.2 million were approved in 1979. This represents more than a third of all projects approved by the Fund since its establishment. As may be expected from its policy of reaching the poor, most projects remained in the agricultural sector and related areas of water supply, health, feeder roads, schools, transport and electrification. They account for about 80 per cent of the Fund's 1979 and cumulative activities. Details may be seen from the following tabulation.

Table 1

Approved projects by sector

Approvals in 1979

<u>Fields of activity</u>	<u>No. of projects</u>	<u>Amount (\$millions)</u>	<u>Per cent</u>	<u>No. of projects</u>	<u>Amount (\$millions)</u>	<u>Per cent</u>
Potable water supply	12	12.7	31	25	26.0	23
Agricultural production (including irrigation, credit, grain storage and fisheries)	9	7.9	19	40	21.2	19
Low cost housing	2	3.4	8	13	14.0	13
Rural health and nutrition	3	3.6	9	11	11.4	10
Small industries	7	3.9	10	17	10.4	9
Rural feeder roads	2	3.0	7	9	10.0	9
Rural schools	2	2.4	6	8	9.3	8
Transport and communication facilities	1	1.0	2	5	4.4	4
Rural electrification	1	2.0	5	3	3.7	3
Social welfare	2	1.3	3	2	2.0	2
	41	41.2	100	133	112.4	100

7. As may be seen from the balance sheet in Annex II, the Fund's total resources (excluding cumulative project disbursements) were \$109.4 million, represented mainly by \$72.2 million short-term investments in convertible currencies and \$3 million in non-convertible currencies (of which \$1.9 million are readily usable), \$31.1 million contributions pledged but not yet paid by Governments (of which \$26.8 million for 1980) and \$3.1 million accrued interest and other receivables. Looking at the other side of the ledger, of these assets \$52 million was unencumbered, \$20.9 million in reserves mainly required by partial funding, \$5.1 million in project costs (of \$8.9 million total for the year) expended but not yet paid, and \$0.3 million due to UNDP for its advances to finance UNCDF projects. The balance was covered by the \$31.1 million contributions receivable.

8. The noteworthy item in the statement of receipts and expenditures is \$6.7 million interest income which is an expression of excessive liquidity. Under current assumptions, such liquidity may decline in 1981 and be eliminated in 1983-1984.

9. The effect of the change from full to partial funding on liquidity is demonstrated in the last column of Annex III. The \$28.7 million excess liquidity as of 31 December 1979 shown in that column may be reconciled with the \$52 million unencumbered funds in the Balance Sheet (Annex II), by reducing the latter figure by \$18 million estimated expenditures for 1980, \$2.3 million working capital and \$3 million non-convertible currencies shown in Annex II, columns 11, 7 and 8 respectively.

10. In order to allow effective implementation of the partial funding system, and following the Governing Council's decision 79/21 (paragraphs 6 and 7), the Administrator took the necessary steps to ensure speedy recruitment against approved vacant posts, as well as mobilization of administrative resources. At year end, candidates for all three vacant posts had been identified and approved for immediate recruitment. Further recruitment may prove to be necessary because of the substantially increased workload resulting from higher rates of project approval and implementation under the partial funding system.

11. In compliance with Governing Council decision 79/21, a fully-funded Operational Reserve of \$20 million was established in 1979 representing 15-20 per cent of CDF net commitments of \$73.7 million as at 31 December 1979, exclusive of guaranties.

12. As at 31 December 1979, UNCDF has issued guaranties totalling \$4,584,000 for loans granted by recipient Governments to (a) small industries that have no access to regular bank credits due to inadequate collaterals or equity; and (b) individuals to purchase commercially viable capital equipment for agriculture or fisheries. These guaranties as opposed to Grants are not included in the net commitments to recipient Governments (see note to Annex II). However, in recognizing the contingent liability of UNCDF in case of loan defaults, a fully-funded Guaranty Reserve has been established to cover 20 per cent of the total guaranties provided.

13. The Fund's direct administrative expenditures in 1979 were \$524,528. It will be recalled that at its twenty-sixth session the Council (a) resolved that UNCDF should reimburse UNDP from its accrued earnings; and (b) reiterated its request that ECOSOC should recommend to the General Assembly that CDF meet its administrative expenses from voluntary contributions to the Fund (see decision 79/21, paragraphs 8 and 9).

14. Although ECOSOC did not pronounce itself on this issue, the General Assembly took up the matter at its thirty-fourth session and, in decision 34/428, decided "(a) to postpone consideration of the question of the administrative expenses of the UNCDF until its thirteenth-fifth session and, for that purpose, invites ECOSOC to make appropriate recommendations to the Assembly; (b) in the meantime, the original functioning of the Fund will continue in accordance with the measures set forth in paragraph 1 of General Assembly resolution 232 (XXII) of 15 December 1967."
15. In view of this decision by the General Assembly, the Administrator was not in a position to act on paragraph 8 of the Governing Council's decision which resolved that CDF should reimburse UNDP for the Fund's administrative expenses from its accrued earnings.
16. In placing the Fund under the authority of the Governing Council and the Administrator, the General Assembly was silent with regard to how the administrative expenses of the Fund would be financed. Since that time (1967), these costs have been steadily increasing and will continue to do so as a result of increases in staff required to ensure effective implementation of the partial funding system approved by the Council at its last session. The Administrator, therefore, continues to believe that UNCDF should, in the same way as other special trust funds, finance its own direct administrative costs.
17. The Administrator, therefore, invites the Council to give particular attention to this issue and to adopt a decision which would include an appropriate recommendation to ECOSOC for transmittal to the General Assembly. A suggested text appears in paragraph 31.

III. EVALUATION OF PERFORMANCE

18. The Fund's performance can be evaluated in terms of institutional efficiency and project quality.

Institutional efficiency

19. As mentioned in paragraphs 1 and 6, in 1979 the Fund approved more than one-third of the total amount of all projects initiated during its five operating years. It has done so with administrative expenditures below the self-imposed two per cent ceiling.
20. The average project cycle, from identification to completion with benefits flowing to the poor, is about five to six years (see paragraphs 20 - 30 below).
21. The Fund, however, is not satisfied with this record, and seeks to shorten the cycle further by computerizing project monitoring and so acquiring better knowledge of the activities of its co-operating organizations which procure, construct, start-up, and ultimately assist in the management of UNCDF-financed projects.
22. The following tabulation shows project performance grouped by stages in the project cycle and approval years. Presentational changes have been introduced since the preceding annual report to better illustrate project dynamics.

PERFORMANCE OF PROJECTS APPROVED IN 1977 AND EARLIER

PROJECT STAGE	PROJECTS APPROVED IN 1976 AND EARLIER (AS OF DEC. 1978)				PROJECTS APPROVED IN 1977 AND EARLIER (AS OF DEC. 1979)				
	NO. OF PROJECTS APPROVED			PERCENTAGE	NO. OF PROJECTS APPROVED				PERCENTAGE
	1974/75	1976	TOTAL		1974/75	1976	1977	TOTAL	
A. <u>Pre-implementation</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>7.3</u>	<u>1</u>	<u>1</u>	<u>4</u>	<u>6</u>	<u>9.7</u>
B. <u>Initial implementation</u>	<u>-</u>	<u>6</u>	<u>6</u>	<u>14.6</u>	<u>-</u>	<u>1</u>	<u>5</u>	<u>6</u>	<u>9.7</u>
C. <u>Active</u>	<u>18</u>	<u>8</u>	<u>26</u>	<u>63.5</u>	<u>12</u>	<u>13</u>	<u>10</u>	<u>35</u>	<u>56.4</u>
1. Problem free	3	5	8	19.5	3	4	5	12	19.4
2. Generally satisfactory	9	1	10	24.4	3	5	5	13	21.0
3. Seriously delayed	1	1	2	4.9	4	1	0	5	8.0
4. Problem	5	1	6	14.7	1	2	-	3	4.8
5. Other	-	-	-	-	1	1	-	2	3.2
D. <u>Completed in current year</u>	<u>3</u>	<u>-</u>	<u>3</u>	<u>7.3</u>	<u>6</u>	<u>1</u>	<u>2</u>	<u>9</u>	<u>14.5</u>
1. Problem free	2	-	2	4.9	4	1	1	6	9.7
2. Requiring further management support	1	-	1	2.4	1	-	-	1	1.6
3. Other	-	-	-	-	1	-	1	2	3.2
E. <u>Completed in earlier years</u>	<u>3</u>	<u>-</u>	<u>3</u>	<u>7.3</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>6</u>	<u>9.7</u>
1. Successful	-	-	-	-	4	-	-	4	6.5
2. Successful, but requiring further development	3	-	-	7.3	1	-	-	1	1.6
3. Unsuccessful	-	-	-	-	1	-	-	1	1.6
TOTAL	25	16	<u>41</u>	<u>100</u>	25	16	21	<u>62</u>	<u>100</u>

23. Apart from the 50 per cent increase in the project monitoring workload, Table 2 does not disclose major surprising trends. The increase in the percentage of completed projects (stages D and E) is encouraging but may be expected to continue until projects will start to drop out of the table after completing their normal two years of post-implementation supervision by UNCDF; longer periods will usually be required for second-step loans or credits (five years, or original repayment term, whichever is less), and for guaranties under which project life is not determined in advance. Observations on individual project stages as of December 1979 follow.
24. Pre-implementation stage: Of the six projects, four have been delayed by prolonged discussions with the recipient Governments and their difficulties in resolving key domestic implementation problems. Two projects have not moved due to a lack of execution capability by national institutions to whom they have been entrusted.
25. Initial implementation stage: Of the six projects, four have been delayed for various reasons which have recently been resolved; these projects should move into the active stage shortly. One project has been suspended due to force majeure conditions in the recipient country. Another has experienced such prolonged administrative problems as to cast doubt on its priority and may be canceled.
26. Active stage - problem-free: Of the 12 projects in this group, nine have been approved in the latter part of 1976 and 1977, and three in 1975. All projects are currently progressing well and promise to, or do currently, result in evident direct benefits to the poor sought by the Fund.
27. Active stage - generally satisfactory: Similar to the "active - problem-free" stage, of the 13 projects in this group, ten have been approved in the latter part of 1976 or in 1977 and three in 1975. While the projects are now progressing well, delays in project execution had occurred mainly due to difficulties in obtaining timely deliveries of raw materials: notably cement, gasoline and electric wire (seven projects); inadequate local expertise (three projects); sub-contracting problems (one project); serious cost escalation (one project); and unexpected geological conditions (one project).
28. Active stage - seriously delayed projects: As may be expected, four of the five projects were approved in 1974-1975. Problems are due to a variety of factors: one project was delayed due to unexpected geological conditions and other technical difficulties; two by recipient Government action and inaction; one because of its association with a poorly designed large project sponsored by another institution; and the last through force majeure in the recipient country.
29. Completed in current year: Of the nine projects completed in 1979, six are in the "problem-free" category. Indications are that they have been successfully executed and that the envisaged benefits are being, or will shortly be, realized. One requires further management support though otherwise satisfactory. The two in "other" category suffer from force majeure problems similar to those mentioned in the preceding paragraph.
30. Completed in earlier years: The six projects in this category have been completed for a sufficiently long period to allow a definitive assessment of their effectiveness. Four are successfully completed as originally envisaged but should be further expanded to advance to fuller capacity within its reach. One (approved in 1970) is unsuccessful due to inadequate analysis and faulty project design.

31. Comparisons between 1978 and 1979 show a number of shifts between and within the project categories. In relative terms, the "active" category has decreased from 63.5 to 56.4 per cent as projects have shifted from it into the "completed in current year" and "completed in earlier years" stages; qualitatively the "active" category has improved since last year with "problem" projects reduced from 14.7 to 4.8 per cent. The "pre-implementation" and "initial implementation" categories have both remained at around 20 per cent, though encouraging internal shifts have occurred towards projects approved in 1977, indicating that the earlier slow-moving projects have advanced during the year. As mentioned in paragraph 16, the completed projects have increased as expected and will continue to do so for some time. Their quality appears good. More unsuccessful projects should, however, be expected in future; a lack of such a trend could indicate inadequate risk-taking by UNCDF in difficult poverty areas.

32. In view of the 32-page limitation imposed on reports to the Governing Council, the earlier practice of including detailed data sheets for each project analysed in the annual report has been discontinued. This material has, however, been compiled in an internal document which is available to interested Council members and observers upon request.

IV. RECOMMENDATION

33. The Administrator recommends that:

The Governing Council,

(a) Take note of the Annual Report of the Administrator on UNCDF; and

(b) Request the Economic and Social Council to recommend to the General Assembly that, effective 1 January 1980, UNCDF should reimburse UNDP for UNCDF's direct administrative costs from the Fund's accrued earnings derived from interest on investments and foreign exchange transfers, until such time as UNCDF may assume the financing of its own administrative expenses, it being understood that UNDP would resume responsibility for these expenses in the event of a significant decrease in the Fund's accrued earnings.

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ANNEX I

UNITED NATIONS CAPITAL DEVELOPMENT FUND
 STATUS OF CONTRIBUTIONS AS AT 31 DECEMBER 1979
 (US DOLLARS)

Country	Pledges 1968-1978	Pledges 1979	Pledges 1980	Adjustments	Payments received against pledges	Contributions receivable for pledges 1979 and prior	1980	Cumulative Contributions to 1980
Afghanistan	11 000	-	-	-	11 000	-	-	11 000
Algeria	188 200	26 620	29 280	-	214 820	-	29 280	244 100
Argentina	367 996	36 000 ^{1/}	-	-	403 296	700	-	403 996
Bangladesh	4 300	2 622	2 989	10	9 463	-	458	9 921
Barbados	375	-	-	-	375	-	-	375
Belgium	114 286	-	-	-	114 286	-	-	114 286
Bhutan	-	1 000	2 000	-	3 000	-	-	3 000
Bolivia	1 800	-	-	-	1 800	-	-	1 800
Botswana	17 952	3 757	-	-	21 527	-	-	21 527
Brazil	180 000	-	-	-	180 000	-	-	180 000
Burma	35 000	-	-	-	30 000	5 000	-	35 000
Cape Verde	-	1 000	-	-	1 000	-	-	1 000
Chad	8 664	-	-	-	3 346	5 318	-	8 664
Chile	130 158	-	-	-	130 158	-	-	130 158
China	620 157	121 212	132 450	3 788	745 157	-	132 450	877 607
Colombia	2 000	-	-	-	2 000	-	-	2 000
Costa Rica	12 334	-	-	-	12 334	-	-	12 334
Cuba	203 843	26 954	-	747	231 544	-	-	231 544

Annex 1 (cont'd.)

Country	Pledges 1968-78	Pledges 1979	Pledges 1980	Adjustments	Payments received against pledges	Contributions Receivable from pledges 1979 and prior	1980	Cumulative Contributions to 1980
Cyprus	6 225	350 ^{1/}	500 ^{3/}	-	6 575	-	500	7 075
Democratic Kampuchea	5 978	-	-	-	4 744	1 234	-	5 978
Democratic Yemen	1 100	1 323	-	-	2 423	-	-	2 423
Denmark	2 818 240	2 819 549	2 819 549 ^{3/}	10 640	5 648 429	-	2 819 549 ^{3/}	8 467 978
Dominican Republic	31 000	-	-	-	31 000	-	-	31 000
Egypt	471 139	24 846	24 846	-	495 985	-	24 846	520 831
Ethiopia	21 904	-	-	-	21 904	-	-	21 904
Finland	-	123 457	186 667	3 125	126 582	-	186 667	313 249
Ghana	151 007	-	-	-	151 007	-	-	151 007
Greece	42 000	3 000	5 000	-	45 000	-	5 000	50 000
Haiti	2 000	2 000	-	-	4 000	-	-	4 000
India	1 150 000	500 000	-	-	1 650 000	-	-	1 650 000
Indonesia	75 000	-	-	-	75 000	-	-	75 000
Iran	130 000	-	-	-	115 000	15 000	-	130 000
Iraq	97 118	13 511 ^{1/}	13 559	-	63 511	47 118	13 559	124 188
Ivory Coast	28 293	-	-	-	10 000	18 293	-	28 293
Japan	-	-	1 000 000 ^{2/}	-	-	-	1 000 000 ^{a/}	1 000 000
Jamaica	31 716	3 000	3 000	-	34 716	-	3 000	37 716
Kuwait	50 000	-	-	-	50 000	-	-	50 000
Lao People's Democratic Republic	5 000	1 000	1 000	-	3 000	3 000	1 000	7 000

Annex 1 (cont'd.)

Country	Pledges 1968-78	Pledges 1979	pledges 1980	Adjustments	Payments received against pledges	Contributions Receivable from pledges 1979 and prior	1980	Cumulative Contributions to 1980
Lesotho	4 730	-	1 000	-	4 730	-	1 000	5 730
Liberia	110 000	10 000 ^{1/}	10 000	-	120 000	-	10 000	130 000
Libyan Arab Jamahiriya	60 000	-	-	-	60 000	-	-	60 000
Malawi	7 500	7 500	7 500	-	15 000	-	7 500	22 500
Maldives	-	500	500	-	500	-	500	1 000
Malta	600	-	-	-	600	-	-	600
Mauritius	11 733	2 047 ^{1/}	-	-	13 633	147	-	13 780
Morocco	99 361	12 500	12 987	487	99 361	12 987	12 987	125 335
Netherlands	27 825 426	8 413 462	9 536 082	274 023	36 512 911	-	9 536 082	46 048 993
Niger	75 000	-	-	5 488	-	80 488	-	80 488
Nigeria	49 402	-	-	556	43 402	6 556	-	49 958
Norway	7 934 998	2 929 688	3 219 316	70 312	10 934 998	-	3 219 316	14 154 314
Pakistan	1 013 537	96 162	96 162	-	1 109 699	-	96 162	1 205 861
Philippines	60 000	-	-	-	40 000	20 000	-	60 000
Qatar	15 000	-	-	-	-	15 000	-	15 000
Senegal	60 820	60 820	60 820	-	60 820	60 820	60 820	182 460
Republic of Korea	10 000	-	-	-	10 000	-	-	10 000
Viet Nam	5 000	-	-	-	5 000	-	-	5 000
Sri Lanka	100 000	-	-	213	100 213	-	-	100 213
Sudan	30 000	5 000	5 000	-	25 000	10 000	5 000	40 000

Annex 1 (cont'd.)

Country	Pledges 1968-78	Pledges 1979	Pledges 1980	Adjustments	Payments received against pledges	Contributions Receivable from pledges 1979 and prior	1980	Cumulative Contributions to 1980
Sweden	16 885 822	5 656 109	7 142 857	198 692	22 740 623	-	7 142 857	29 883 480
Switzerland	500 000	1 156 069	1 875 000	-	3 531 069	-	-	3 531 069
Thailand	100 000	-	-	-	100 000	-	-	100 000
Trinidad and Tobago	12 283	-	-	-	12 283	-	-	12 283
Tunisia	15 525	1 573	4 063	-	17 098	-	4 063	21 161
Turkey	317 417	153 153	153 153	-	470 570	-	153 153	623 723
United Republic of Cameroon	7 758	68 523	1 288	5 014	6 289	75 006	1 288	82 583
United Republic of Tanzania	21 130	1 989	1 807	(182)	22 958	-	1 786	24 744
United States of America	2 000 000	2 000 000	2 000 000 ^{2/}	-	-	4 000 000 ^{3/}	2 000 000 ^{2/}	6 000 000
Uruguay	5 000	-	-	-	5 000	-	-	5 000
Venezuela	30 000	-	-	-	30 000	-	-	30 000
Yemen	4 000	2 000	2 000	-	6 000	-	2 000	8 000
Yugoslavia	3 300 000	300 000	300 000	-	3 600 000	-	300 000	3 900 000
Zaire	36 400	-	-	-	36 400	-	-	36 400
TOTAL	67 724 227	24 588 114	28 650 375	572 913	90 388 139	4 376 667	26 770 823	121 535 629

^{1/} Not reported as a pledge in 1978 Annual Report.

^{2/} Subject to confirmation.

^{3/} Received January 1980.

Annex 2

UNITED NATIONS CAPITAL DEVELOPMENT FUND
FINANCIAL STATEMENTS AS AT 31 DECEMBER 1979 ^{a/}

BALANCE SHEET

US dollars

		<u>US dollars</u>
<u>Assets</u>		
Cash		
Convertible currencies	62 024	
Usable non-convertible currencies	1 912 239	
Accumulated non-convertible currencies	<u>1 068 923^{b/}</u>	3 043 186
Investments (short-term)		51 297 658
Operating funds provided to United Nations Agencies		596 529
Accounts receivable		358 781
Accrued interest		2 098 373
		<hr/>
		57 394 527
Investments for the Operational and Guaranty Reserve		<u>20 900 000</u>
		78 294 527
Contributions receivable from Governments for 1980 and prior years		<u>31 147 490</u>
		<u>109 442 017</u>
 <u>Liabilities and Reserves</u>		
Due to UNDP		316 204
Project expenditures payable		<u>5 064 700</u>
		5 380 904
Contributions receivable from Governments (contra)		31 147 490
Reserves		
Operational reserve		20 000 000
Guaranty reserve		900 000 ^{c/}
 <u>Unencumbered Funds</u>		
As of 1 January 1979	51 216 064	
Add: Excess of receipts over expenditure	<u>21 697 559</u>	
	72 913 623	
Less: Transfer to operational and Guaranty Reserve	<u>20 900 000</u>	<u>52 013 623</u>
Balance as of 31 December 1979		<u>109 442 017</u>

STATEMENT OF RECEIPTS AND EXPENDITURES

	<u>US dollars</u>
Voluntary contributions from Governments	23 886 965
Interest income	6 639 223
Miscellaneous income	114 722
	<hr/>
	30 640 910
Less: Expenditures	
Project costs	<u>8 943 351</u>
Excess of receipts over expenditures	<u><u>21 697 559</u></u>

Note: Grants to recipient Governments net of disbursements total \$73,706,167. Under partial funding \$18,000,000 has been appropriated from Unencumbered Funds for estimated expenditures in 1980.

a/ Subject to audit.

b/ Consisting of \$930,419 equivalent in Chinese Yuan Renminbi and \$138,504 equivalent in Cuban Pesos.

c/ 20 per cent of \$4,584,000 Guaranties issued by UNCDF as of 31 December 1979.

ANNEX 3

UNITED NATIONS CAPITAL DEVELOPMENT FUND

Unallocated Commitments (Liquidity) under Full Funding and Partial Funding
(million US \$)

ANNUAL

CUMULATIVE

	ANNUAL					CUMULATIVE							
	Government Contributions (1)	Interest and Other Income (2)	Total Receipts (Col.1+2) (3)	Expenditures (4)	Total Gross Resources (Col.3-4) (5)	Gross Resources (6)	Working Capital + or (-) (7)	Non-Convertible Currencies (8)	Net Resources [6-(7+8)] (9)	Net Commitments Under Full Funding (10)	Appropriations Under Partial Funding (11)	Reserves (12)	Unallocated Commitments (13)
<u>Full Funding</u>													
1974	11.2	1.1	12.3	.3	12.0	12.0	.0	(1.3)	10.7	3.4			
1975	7.7	.4	8.1	.3	7.8	19.8	.0	(1.3)	18.5	18.1		0.2	7.8
1976	13.5	1.6	15.1	5.9	9.2	29.0	.9	(2.0)	27.9	24.6		0.2	0.2
1977	16.7	2.2	18.9	8.5	10.4	39.4	(1.6)	(2.0)	35.8	29.6		0.4	2.9
1978	17.8	4.2	22.0	10.2	11.8	51.2	(2.5)	(2.2)	46.5	41.9		0.6	5.6
1979 (up to 30 June)	14.9	2.5	17.4	5.0	12.4	63.6			63.6	64.3		0.6	4.0
<u>Partial Funding</u>													
1979 (from 1 July)	9.0	4.2	13.2	3.9	9.3	72.9	(2.3)	(3.0)	67.6		18.0	20.9	28.7