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PROGRAMME PLANNING

PREPARATION FOR THE THIRD PROGRAMMING CYCLE, 1982-1986

Over-all planning for UNDP resources, including Indicative Planning
Figures (IPFs) for developing countries for 1982-1986

Note by the Administrator

Summary

The present note on preparations for UNDP's third programming cycle (1982-1986) responds to the Council's decision, 80/6, taken at its Special Meeting in February 1980.

The decision requested that various calculations should be made of country Indicative Planning Figures (IPFs) and of regional IPFs, on the basis of a series of guidelines contained in DP/L.334 and DP/L.335. These guidelines for 1982-1986 included the future size of the Programme; the over-all allocation of newly available resources; the nature of the basic and supplementary criteria to be used for the establishment of individual IPFs; and the degree of emphasis to be given to low-income countries as a group in the sharing of total country IPF resources.

The Council may wish to adopt a decision on this matter along the lines indicated in the conclusion, paragraph 55.

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I. INTRODUCTION

1. At its twenty-seventh session, the Council will consider further the framework of resources planning for UNDP's third cycle, 1982-1986. The broad context for this review is the current series of international negotiations concerned with accelerating economic growth in developing countries, especially in low-income countries, and with satisfying individual and community needs in developing countries. A more specific context is the exchange of views on third cycle planning of UNDP's resources that took place at the twenty-sixth session of the Council and at its Special Meeting in February 1980. The Administrator submitted documentation on this item to both sessions: DP/377 (Part I) and DP/425, respectively. 1/

2. In the light of the extensive discussions which took place at the June 1979 and February meetings, the Council may wish to give particular attention to the following matters. The basic issue is the future size of the Programme, as the principal multilateral channel for technical co-operation for development within the United Nations system. Further, in considering the over-all structure of its field activities, the Council may wish to confirm the relative roles of UNDP's inter-country development activities, and of its country activities in 1982-1986. Regarding country activities, the Council needs to establish individual third cycle IPFs by finalizing the criteria for calculating individual country IPFs; determining the over-all degree of emphasis in resource allocation to be given to low-income countries as a group; and deciding how to share among individual recipients the aggregate resources available for other countries as a group. In regard to the latter, the Council may wish to deal with the correlated issues of net contributor status. The Council will be concerned also with the allocation of aggregate resources available for regional IPF activities among the Programme's individual regions.

II. NEW RESOURCES FOR 1982-1986 AND THEIR OVER-ALL ALLOCATION

The future size of UNDP

3. The dominant view expressed at the Special Meeting of the Council regarding the planned future size of UNDP technical co-operation activities was for an expansion during 1982-1986 at the current target growth rate of at least 14 per cent annually. Since it was generally considered that this planned growth should proceed from the base of the established target level for 1977-1981, the translation of this intent into nominal dollar terms was for a third cycle volume of voluntary contributions to UNDP of some \$6.5 billion. Alternative target growth rates for UNDP development assistance to developing countries were also indicated at the Special Meeting, both above and below the 14 per cent figure. With respect to the latter, specific reference by some members was made to an over-all average annual planned rate of contributions growth of 12 per cent.

1/ The present document may be read in conjunction with DP/425. Accordingly, except for those issues where policy, etc. has evolved as a result of the Special Meeting, it was not regarded as necessary to repeat matters discussed in detail in DP/425.

4. In the further review of this issue, the main consideration undoubtedly is the aggregate future need of developing countries for technical co-operation from all sources. It is certain that the over-all economic growth targets for developing countries in the 1980s, as measured by their GNP growth, will be set well above their modest attainments in the 1970s. This suggests a derived general requirement in the 1980s for a substantial enhancement in the global flow of technical co-operation. In addition to a general need for increased technical co-operation in the 1980s, more will be required to support the special efforts of developing countries in coming to grips with the particularly difficult problems of food, energy, trade, etc. Still further demands by some countries for technical co-operation will flow from their efforts to integrate poverty alleviation objectives into the fabric of their general development plans.

5. As important as is the requirement for a realistic assessment of the need for an increased quantum of technical co-operation is the imperative to incorporate up-to-date inflation factors in arriving at nominal values for future flows of technical assistance. Not only are current general inflation rates well above those of earlier years, but the specific inflation rate applicable to technical co-operation appears to be greater than the general rate. These added quantum and price pressures suggest a corresponding realistic rate for global technical co-operation in the early 1980s that is significantly higher than at present.

6. In considering the future role of UNDP in contributing to this over-all Official Development Assistance (ODA) effort at technical co-operation, it may be noted that in the twenty years since the formation of the original United Nations Special Fund, the level of annual voluntary contributions to the Programme increased almost ten-fold, from \$73 million to \$719 million. Support for the type of development assistance performed by the Programme was in excess of the targets set by the Council for the last two planning cycles taken together. In the first five year cycle, 1972-1976, contributions to the Programme were almost 10 per cent above target (see table 1). However, for the on-going second cycle, 1977-1981, a conservative assessment would suggest a likely shortfall from the target of upto 3.5 per cent. Significantly, this likely shortfall will result from modest rates of growth of contributions in nominal terms for the last two years of the current cycle, i.e. a clearly disappointing Pledging Conference for 1980 coupled with lack-lustre prospects - as presently gauged - for the growth in contributions for 1981. Contributions for 1980 declined in real terms, compared with the previous year. It is to be hoped that the longer term perspective may be regarded as more relevant when considering target growth rates of contributions to UNDP to be established for 1982-1986, than a view which is governed by the undeniable pessimism that permeates today's world economy, with its synchronous recessions in domestic activities and widespread deficits in external payments.

7. Further considerations in determining UNDP's future size are the nature of the Programme's substantive contribution to the development of developing countries, exemplified by the following three characteristics.

8. First, UNDP's technical co-operation activities cover the entire spectrum of economic and social endeavour, with the fundamental purpose of assisting developing countries to increase their own capacities to develop. UNDP, therefore, has an

UNDP: Voluntary contributions for 1972-1976, 1977-1981 and 1982-1986; actual and target

TARGET CONTRIBUTIONS	1972 - 1976		1977 - 1981		1982 - 1986	
	Amount (US\$ mill.)	Per cent of total	Amount (US\$ mill.)	Per cent of total	Amount (US\$ mill.)	Per cent of total
	Total, all countries, for five years	1 695.0 ^{a/}	100.0	3 402.2	100.0	6 550.6 ^{b/}
Total, all countries, annual average	339.0	100.0	680.4	100.0	1 310.1	100.0
ACTUAL CONTRIBUTIONS	1972 - 1976		1977 - 1980		1982 - 1986	
	Annual average (US\$ mill.)	Per cent of total	Annual average (US\$ mill.)	Per cent of total	Annual average (US\$ mill.)	Per cent of total
	United States	84.8	22.8	115.3 ^{c/}	18.2	
Netherlands	29.7	8.0	67.8	10.7		
Sweden	38.7	10.4	66.3	10.5		
Denmark	32.6	8.7	53.1	8.4		
Federal Republic of Germany	24.1	6.5	53.0	8.4		
United Kingdom	23.5	6.3	43.5 ^{c/}	6.9		
Norway	14.1	3.8	37.9	6.0		
Canada	22.6	6.1	34.3	5.4		
Japan	14.2	3.8	30.8 ^{c/}	4.9		
France	8.6	2.3	16.5	2.6		
Belgium	6.3	1.7	16.1	2.5		
Switzerland	6.2	1.6	12.6	2.0		
Italy	4.9	1.3	7.9	1.2		
Sub-total	310.1	83.3	555.0	87.7		
Other non-recipients	18.3	4.9	28.2	4.4		
Recipients with per capita GNP below \$1500 ^{d/}	26.8 ^{e/}	7.2	30.1 ^{h/}	4.8		
Recipients with per capita GNP between \$1500-\$3000 ^{f/}	10.1 ^{e/}	2.7	11.7 ^{h/}	1.8		
Recipients with per capita GNP above \$3000 ^{g/}	6.9 ^{e/}	1.9	8.1 ^{h/}	1.3		
Sub-total	62.2	16.7	78.1	12.3		
Total, all countries	372.3	100.0	633.0 ^{h/}	100.0	1 310.1	100.0

a/ See DP/L.157 and decision of the Governing Council contained in E/4954, paragraph 71.

b/ Target, on the assumption of an average annual increase in voluntary contributions of 14 per cent per annum (see DP/425, table 1).

c/ Estimate.

d/ All recipient countries other than those listed in f/ and g/ below.

e/ Includes assessed programme costs for 1972-1976 totaling \$75.8 million. Had these been excluded, total voluntary contributions for 1972-1976 would have amounted to \$1,785.7 million. (See DP/461, table 10.)

f/ Countries with per capita GNP in 1978 of between \$1,500 and \$3,000 are: Argentina, Bahamas, Barbados, Brazil, Costa Rica, Cyprus, Iraq, Malta, Oman, Portugal, Romania, Suriname, Trinidad and Tobago, Uruguay, Venezuela and Yugoslavia. The figure shown includes contributions from countries whose official per capita GNP figures for 1978 are not available but are estimated to fall within this group.

g/ Countries with per capita GNP in 1978 of above \$3,000 are: Bahrain, Bermuda, Brunei, Bulgaria, Czechoslovakia, Gabon, Greece, Hong Kong, Hungary, Libyan Arab Jamahiriya, Netherlands Antilles, New Caledonia, Poland, Saudi Arabia, Singapore, and the United Arab Emirates. The figure shown includes contributions from countries whose official per capita GNP for 1978 are not available but are estimated to fall within this group.

h/ Includes voluntary programme costs for 1977-1980. The total of voluntary programme costs for all countries was \$46.3 million.

NOTES: (i) In this table, as in others, figures may not always add to the totals as shown because of rounding.

(ii) Individual country data are shown for those countries whose total 1977-1980 voluntary contributions exceed \$30 million.

important role to play in the 1980s whatever might be the particular thrusts of the next International Development Strategy, or the specific outcome of the global and action-oriented negotiations on key issues of international economic co-operation, or the detailed disposition of matters considered by the Report of the Independent Commission on International Development Issues. Agriculture is the largest single element of the Programme. A primary concern is to stimulate increased production of food as well as of fibre and forest products through such measures as improved irrigation, extension services, crop and animal husbandry research and training; off-farm rural development; and the transformation of agriculture from a subsistence to a market economy. UNDP's activities with natural resources exploration and development extend both to minerals for industry and, increasingly, to energy. In the area of industrialization, the Programme emphasizes the enhancement of skills as well as the exchange and application of improved technologies. In support of social development, UNDP's technical co-operation activities range over literacy and educational reform; housing and related aspects of physical environment; and nutrition, sanitation, water supply and health care.

9. A second feature of UNDP's technical co-operation activities is their dual character of extensive involvement, with 151 developing countries at all levels of economic and social attainment, and yet, at the same time, of ever-increasing concern with the special needs of the least developed and other low-income countries among the developing countries. By the early 1980s, UNDP will have dramatically reoriented its activities towards this latter group of countries, in terms of shares of its total effort. In 1972-1976, UNDP's resource allocation was directed about equally to countries with less than \$500 per capita GNP^{2/} as to countries above that level. In the current cycle (1977-1981), the corresponding ratio advanced towards 2:1. The outcome of the Special Meeting of the Council suggests that, for 1982-1986, UNDP's technical co-operation activities will be at least four times as large in the least developed and other low-income countries as a group, as in all other developing countries. Comparable figures for UNDP's emphasis specifically on the 34 least developed countries are: 23 per cent of total country IPF allocations in 1972-1976; 32 per cent in 1977-1981; and, as it presently appears, 39 per cent in 1982-1986. This degree of "progressivity" in UNDP's resource allocation is a clear response to the repeated requests of the General Assembly for increased attention to be given to the development requirements of least developed countries. It is to be noted that, already in the current planning cycle of 1977-1981, UNDP's degree of emphasis on low-income countries is greater than that of other broadly based general (though not specific) endeavours at development assistance as, for example, the aggregate bilateral programmes of DAC countries.

10. The third characteristic of UNDP relates to its increasing efficiency of delivery. After 20 years of experience with technical co-operation on a project-by-project basis, the Programme has followed, for almost a decade, a more integrated

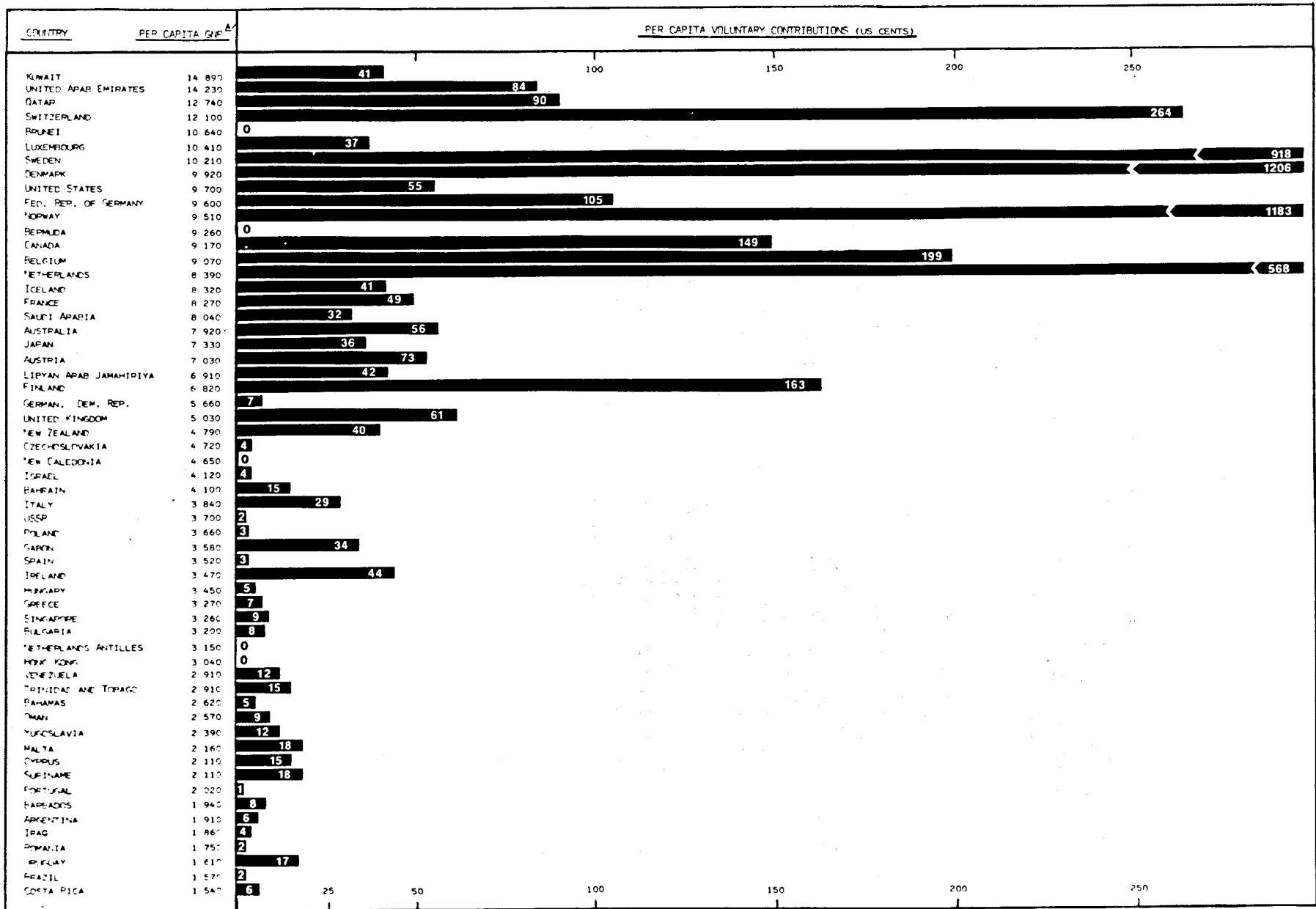
^{2/} In this note, references to per capita GNP relate to 1978 values, as published (with population figures) by the World Bank.

approach: the country programming of IPF activities.^{3/} As its appeal broadens, this country programming exercise may serve increasingly as a frame of reference for the technical co-operation activities of funds administered by UNDP; of other funds within the extensive United Nations system; and, perhaps, of selected bilaterally funded programmes. These developments should help avoid overlap in the delivery of technical co-operation. Should longer-term proposals presently being advanced for such new sources of finance as a World Development Fund find acceptance, selective parts of their development assistance activities might, also, be associated with the UNDP process of country programming. Further benefit from the centrally funded approach to technical co-operation follows from the wide choice of Executing Agencies available to developing countries through UNDP: these now number 34. UNDP's ability to select appropriate inputs to achieve programme and project objectives has also improved with the increased attention that has been given to the potentials of technical co-operation among developing countries. Increasing efforts are being made to apply lessons drawn from continuous monitoring of UNDP's past performance and from evaluations of its earlier technical co-operation activities. Finally, UNDP is presently demonstrating its ability to increase the volume of project delivery. In nominal dollar terms, the annual rate of growth of project delivery in 1979-1980 will be in the 20 to 25 per cent range, well in excess of the rate of inflation.

11. Any Council agreement on the future size of UNDP is subject to the overriding concept of the continuing voluntary nature of the Programme. In that context, the attainment of a meaningful target growth rate will undoubtedly demand a new country pattern of resource mobilization for UNDP, with more from countries that consider themselves in a position to do so. The change required with regard to the country pattern of contributions is as profound as is the likely restructuring that is to be undertaken of IPF resource allocations in 1982-1986 among developing countries.

12. While there have been a number of significant changes in the country pattern of resource mobilization for UNDP in the last decade, the Programme has continued to rely on no more than ten countries for some four-fifths of total contributions. All other non-recipients of IPFs contributed some one-tenth of total contributions, while all recipients as a group pledged slightly under one-tenth of the total. Within the last decade, however, the share contributed by IPF recipient countries declined from 11.8 per cent of total contributions in 1972-1976, to 7.9 per cent in 1977-1980. The accompanying chart on per capita contributions to UNDP for 1980 may be regarded as providing but one of several informal guides in considering the issue of more appropriate voluntary participation in the Programme during its third planning cycle.

^{3/} The Council at its twenty-seventh session will be considering possibilities for a more refined UNDP approach to country programming, including provision for more continuous accommodation to changing national development priorities.



^A THE PER CAPITA GNP FIGURES REFER TO 1978. (SEE THE WORLD BANK ATLAS, 1979.) COUNTRIES FOR WHICH PER CAPITA GNP FIGURES ARE NOT READILY AVAILABLE HAVE BEEN EXCLUDED FROM THIS CHART.

13. The methods by which the third cycle resources of the Programme might be mobilized were considered by an Intergovernmental Study Group in February 1980. The Group suggested the need for full recognition for resources planning by UNDP to be on a more stable, continuous and predictable basis. The Group also recommended that informal negotiations on the future financing of the Programme should be carried forward on a continuing basis.

Over-all allocation of resources

14. The Council, both at its twenty-sixth session and at the Special Meeting, considered the pattern of the over-all allocation of UNDP resources that could be assumed for planning purposes for 1982-1986. There was general support for the scenario presented in DP/425, table 1. However, the Council discussed an upward modification of the relative role of intercountry to country IPF programmes and projects. Taking account of the Council's decision at the Special Meeting, table 2 of this document incorporates the more general view that, for the third planning cycle, intercountry IPF activities should account for 19 per cent of the total of intercountry and country activities, e.g. \$918 million, assuming a 14 per cent growth rate of contributions. Reference was also made to the possibility of an 18 per cent figure for intercountry IPFs, i.e. \$48 million less than the comparable 19 per cent figure. Under these alternative considerations, the size of third cycle country IPFs would be \$3,915 million and \$3,963 million, respectively. Except for minor adjustments, other data in table 2 reflect the position presented in DP/425.

UNDP: Sources and uses of new financial resources, for 1982-1986^{a/}

(million dollars)

Line	Item	1977-1981 as planned; (see DP/199)	1982 - 1986		
			assumed annual growth rate in voluntary contributions		
			12 %	14 %	16 %
1	Resources, Total	3 462.2	6 145.7	6 714.4	7 324.4
2	Contributions	3 402.2	5 995.8	6 550.6	7 145.8
3	Other income	60.0	149.9	163.8	178.6
4	Costs, Total	3 462.2	6 145.7	6 714.4	7 324.4
5	Field programme, Total	2 511.4	4 670.0	5 147.9	5 660.5
6	<u>Total IPF</u>	2 454.9	4 514.1	4 982.4	5 484.8
7	Country plus intercountry IPF	2 360.7	4 378.7	4 832.9	5 320.3
8	Country projects, total IPF ^{a/}	1 971.5	3 546.7	3 914.6	4 309.4
9	Intercountry projects, total IPF ^{a/}	389.2	832.0	918.3	1 010.9
10	Regional IPF	308.9	661.4	730.0	803.6
11	Interregional IPF	30.1	66.6	73.5	80.9
12	Global	50.2	104.0	114.8	126.4
13	Unallocated IPF, including for future participants	94.2	135.4	149.5	164.5
14	Programme Reserve	39.5	93.4	103.0	113.2
15	SIS	17.0	25.0	25.0	25.0
16	Sectoral support	b/	37.5	37.5	37.5
17	Other costs, Total	950.8	1 475.7	1 566.5	1 663.9
18	Agency support costs	351.6	648.6	715.5	787.2
19	UNDP Administrative Budget	356.9	595.5	595.5	595.5
20	Increase in Operational Reserve, working capital and other reserves, etc.	242.3	231.6	255.5	281.2

a/ Data in this table (lines 8 and 9) assume that 19 per cent of the total of IPF resources allocated to country and intercountry IPFs would be used for intercountry activities. On the assumption that 18 per cent of country plus intercountry IPFs would be allocated to intercountry IPFs, the allocation pattern would be as follows:

	<u>12 %</u>	<u>14 %</u>	<u>16 %</u>
Country projects, total IPF	3 590.5	3 963.0	4 362.6
Intercountry projects, total IPF	788.2	869.9	957.7

b/ Included in administrative budget.

III. INDICATIVE PLANNING FIGURES FOR 1982-1986

Progress achieved at earlier sessions in establishing country IPFs

15. The Council's considerable progress in negotiations on the establishment of country IPFs for 1982-1986 was reflected in its decision (79/23) at the twenty-sixth session, and may be inferred, further, from the nature of the calculations requested from the Administrator as contained in the decision of the Special Meeting (80/6). However, these requests for further calculations do not reflect the final positions of the Governments concerned, and, more generally, no element of the negotiations undertaken thus far has been incorporated into a final decision.
16. A central feature of the progress achieved is the support, with some modifications, for the retention for the third cycle both of the basic criteria of per capita GNP and population size, and of the general method of their use for establishing individual country IPFs. This method, which was fully described in DP/377 and DP/425, expresses an individual country's IPF, in relation to resources available for total country IPFs, in terms of the product of the influences of its population and its per capita GNP, compared with the aggregate of such products for all countries. A country's IPF is higher, the larger its population, and the lower its per capita GNP. The influence of population size on the IPF, i.e. its functional relationship, favours smaller-sized countries; ^{4/} and the influence of per capita GNP is determined so as to achieve the degree of over-all progressivity in resource allocation in favour of lower-income countries, as the Council considers appropriate.
17. A further element of progress regarding the general approach to calculating IPFs is the support for retaining the present concept of supplementary criteria. These are designed to achieve a somewhat more refined measure of a country's requirement for development assistance. At its twenty-sixth session, the Council, in considering the idea of a sharply restricted number of supplementary criteria, undertook a review of a large number of candidate influences. Following a further exchange of views at the Special Meeting, the draft decision of the recipient countries on third cycle supplementary criteria contained, with some modifications, the first three of the six supplementary criteria which are employed in calculating 1977-1981 IPFs. These criteria are common to all of the requests for further IPF calculations contained in the decision of the Special Meeting.
18. The first of these retained 1977-1981 supplementary criteria called attention to the special needs of newly independent countries, land-locked countries, and countries suffering from acute ecological and geographical disabilities. The draft decision of the developing countries adds to this list the special needs of least developed countries ^{5/}, island-developing countries, front-line countries and MSA (most seriously affected) countries. In the calculations in this document, it was not found necessary to make special reference to MSA countries, since all such countries were already identified by other supplementary criteria. The present calculations

^{4/} See Annex table 3

^{5/} For the current planning cycle, particular attention has been given to the special needs of least developed countries. However, it has taken the form, not of a separate supplementary criterion, but of a percentage addition to the total IPF as calculated by applying all basic and supplementary criteria.

do not take into account the supplementary criterion of "front-line" countries. Subsequent to the time of the Special Meeting, the legally established independent state of Zimbabwe came into being. In this context, it has been assumed that the concept of front-line states as determined by OAU may need clarification for the period starting January 1982.

19. The second of the retained supplementary criteria referred to the magnitude and other aspects of a country's internal development effort and its endeavour to promote equity and social justice within the country. The third supplementary criterion concerned the external economic position of a country, i.e. its cumulative debt, terms of trade, etc. The practical application of these latter criteria to individual countries posed delicate technical and political issues. The technical aspect was approached through a consideration of readily available and summary quantitative and qualitative indicators. However, following the procedure agreed to by the Council for the current IPF cycle, it is proposed that the results of this calculation for the third cycle should be kept confidential.

20. As discussed at previous sessions and in earlier documentation, it is assumed that the over-all relative importance of supplementary criteria to basic criteria should be in the ratio of 1:9. Further, with one exception, each of the retained items in the first group of supplementary criteria, and both of the latter two were accorded equal weights. Following the practice adopted in DP/425, the criterion of the least developed among developing countries was given a threefold weight.

21. Further progress is required in the Council's review of a third principal feature of the IPF system: the floor concept. As presently applied, the floor ensures that a country's third cycle IPF shall not be lower than its second cycle IPF, notwithstanding the effect of other criteria. Three views were expressed at the Special Meeting concerning the future applicability of the floor, and each view was reflected in the Council's decision on further calculations. Countries favouring its retention considered that the floor concept was an established element in the calculation of IPFs that, inter alia, afforded minimal protection against the effects of inflation. Countries suggesting the abolition of the floor urged that its retention would distort the overriding principle of equitable distribution of scarce development assistance resources. A number of countries guided the Council towards an intermediate position, advocating retention of the floor at a level below 100 per cent of the second cycle IPF, with resources released from the reduction in the value of the floor below 100 per cent redirected towards countries in the middle of the per capita GNP range relevant to developing countries. The Council paid less attention to the concept of the ceiling, but it may be inferred that the Council favoured its maintenance at a level sufficient to prevent countries at the upper end of the per capita GNP scale for developing countries from recording an increase in their IPF between the second and third cycles.

22. Further negotiations are also needed regarding the list of countries to be eligible to receive an IPF in 1982-1986. Several countries maintain, as a matter of major principle, that recipient countries who consider themselves still in need of UNDP technical co-operation assistance on grant terms should be allowed to continue to obtain IPFs for the third cycle. Other countries urge that those at the upper end of the per capita GNP scale of the developing countries, while always able to receive technical co-operation from UNDP, should graduate from grant financing to re-imbursable financing of such assistance. An intermediate view favours retention

of the ability to receive an IPF, provided countries in a position to do so take action to reduce the net cost to the Programme, through partial foregoing of the IPF, increased contributions, or a combination of means.

23. There was considerable progress at the Special Meeting regarding the fundamental application of these guidelines for establishing country IPFs. The further calculations requested by the Council share a common feature in that all looked for at least 80 per cent of the total resources available for country IPFs to be directed to countries with less than \$500 per capita GNP. This figure was contained in the draft decision submitted by recipient countries and in most of the requests for other calculations. Two of the requests, however, referred to an allocation of 82 per cent for countries with less than \$500 per capita GNP.

Further country IPF calculations for consideration
by the twenty-seventh session

(a) The requests 6/

24. The specifications of the requests to the Administrator for a number of calculations (see DP/L.334 and 335) concerning third cycle country IPFs vary with regard to:

(i) the level of over-all new resources to be assumed available to the Programme for 1982-1986;

(ii) the division of the aggregate of allocated IPF resources to be made between intercountry and country activities;

(iii) the extent of recipient country coverage, i.e. whether some countries should be considered ineligible for grant technical co-operation in 1982-1986;

(iv) the value of the "floor" to be used, i.e. the minimum relation between third and second cycle IPFs;

(v) the level of a country's per capita GNP above which the "ceiling" is to be operative;

(vi) the percentage of total country IPF resources to be directed to countries with a 1978 per capita GNP below \$500; and

(vii) the extent to which the relative needs of countries in the middle range of per capita GNP relevant to developing countries should be accommodated.

6/ Due to the complexity of the various requests for further calculations, their consideration in this note is in two parts: the requests, and the results. To facilitate exposition, it was also found useful to refer, in both parts, to some of the characteristics of the various requests.

25. For presentational purposes only, these requests, some of which are open to alternative interpretations, can be grouped into three categories. The distinguishing characteristic of each of these three categories is their differing treatment of the floor concept and of the extent of country coverage. Unless otherwise indicated, the following three more general assumptions apply to the requests: a 14 per cent growth rate of contributions to the Programme; 81 per cent of total allocated IPFs to be directed to country IPFs; and 80 per cent of total country IPFs to be directed to countries with per capita GNP below \$500.

26. Category A contains calculation I which assumes that all present recipient countries remain eligible for country IPFs in the third cycle; and, that no country shall receive less than its second cycle IPF. Calculation I in this category is a possible interpretation of the draft decision of the recipient countries, as stated in DP/L.334. An alternative interpretation is given in calculation VI.

27. Category B includes four calculations (II to V) which imply sharply alternative policies to the aforementioned. These requests contain limits to the coverage of countries eligible for third cycle IPFs and, further, remove the floor criterion entirely from all other affected countries.

(i) Calculation II limits eligibility for third cycle IPFs to countries with per capita GNP below \$3,000 (DP/L.335, (vi)).

(ii) Calculation III is more restrictive in its suggested third cycle country coverage. It indicates that IPFs should be limited to countries with less than \$1,500 per capita GNP (DP/L.335, (vii)).

(iii) Calculation IV differs from the immediately previous calculation with its assumption of only a 12 per cent average annual growth in contributions (DP/L.335, (iv)).

(iv) Calculation V (DP/L.335,(i)) also differs from Calculation III, but in several other respects: it assumes that 82 per cent of total IPFs allocated for country and intercountry activities is to be directed to country IPFs; that, of this total for country IPFs, 82 per cent is for allocation to countries with per capita GNP below \$500; and that the ceiling should apply to countries above \$750 per capita GNP.

28. Category C includes six calculations (VI to XI) with guidelines which may be regarded as intermediate between the clearly different assumptions in categories A and B. In category C, the common basic assumptions are that all present recipient countries shall continue to be eligible for IPFs in the third cycle but that the floor will no longer be universally applicable with a value of 100 per cent of the second cycle IPF. Resources that are released from a reduction in the floor value, whether of a flat or a variable per cent, are deemed available for redistribution to countries in the middle range of per capita GNP which is relevant to developing countries.

29. Four of the calculations in this category are basically similar in that they all maintain the more general characteristics (concerning the growth rate of the Programme; the share to country IPFs; and the share to countries below \$500

per capita GNP) but suggest, implicitly or explicitly, some reduction in the floor, i.e. allowing third cycle IPFs, as appropriate, to fall below current (1977-1981) levels.

(i) Calculation VI represents an alternative interpretation, to the approach taken in Calculation I, of the request contained in the draft decision of the recipient countries. The draft urged the retention of the full floor, i.e. no reduction in IPFs between planning cycles, on condition that IPFs are allocated to countries (above \$500 per capita GNP) "in such a way that it would be more advantageous to countries in descending order of their per capita GNP". While this statement is general in nature, its import is that the Programme would lose its unified approach to development assistance if it dealt with countries in the range immediately above \$500 per capita GNP in a radically different manner from the treatment accorded countries in the range immediately below \$500 per capita GNP. In the current cycle, the influence on the determination of an IPF of the per capita GNP variable is relatively gradual; and it may be assumed that the draft decision looked, broadly, for the same general characteristic for the third cycle, rather than a very substantial discontinuity at the \$500 per capita GNP level. Since the arithmetic of a decision that 80 per cent shall be available to countries below \$500 per capita GNP, and that the full floor shall be available to all countries, would leave only a modest increase in IPF resources available for countries in the middle range (whether those in the \$500 to \$750 range; \$500 to \$1,000 range, etc.), the requirement for IPFs to be allocated in such a way that it would be more advantageous to countries in descending order of their per capita GNP would not be met. This requirement can only be met by recourse to a reduction in the floor below 100 per cent of 1977-1981 IPFs, and this procedure is therefore followed in the present calculation. The draft decision of the recipient countries did not identify the nature or the size of the reduction in the floor.

(ii) Calculations VII and VIII, based on DP/L.335, (iii), reflect a more explicitly stated alternative to calculations in category B. They are similar to the calculation VI, with the exception that they give a little more precision to the nature, though not the size, of the cut in the floor, designed to meet the needs of countries in the middle range of per capita GNP. The request calls for the third cycle value of the floor to vary in inverse proportion to the per capita GNP of the floor country.

(iii) Calculation IX is broadly similar to the three calculations above, except that it refers to a specific cut in the floor: i.e., to 80 per cent of 1977-1981 IPFs applied to all countries (DP/L.335, (viii)).

30. The two remaining calculations in category C contain variations of the more general characteristics of the requests in the Council's decision.

(i) Calculation X is an interpretation of DP/L.335, (v). It may be considered similar to Calculation VI in this category, except that it assumes resources growth at 12 per cent per annum. 7/

7/ An alternative interpretation of DP/L.335, (v) would be its comparability with Calculation I, except for a resources growth assumption of 12 per cent, instead of 14 per cent.

(ii) Calculation XI specifies a variable floor: i.e., 100 per cent for countries with per capita GNP below \$1,500, and 70 per cent for countries above that level (DP/L.335, (ii)). The calculation further requires that 82 per cent of total allocated IPFs should be available for country IPFs and, of this, that 82 per cent should be directed to countries below \$500 per capita GNP. It also specifies the application of the ceiling concept to countries above \$750 per capita GNP.

(b) The results

31. A significant feature of the requests for calculations is that each request is stated in terms that can yield a variety of answers which have different impacts on the detailed pattern of country IPFs. The particular answers presented here endeavour to follow the intent of the Council for a reasonable approach to equity. The proximate reason for different detailed answers to any specific request, of the type contained in DP/L.334 and 335, arises primarily from the several possible precise functional relations between the level of per capita GNP and the level of IPFs which may be used to ensure, for example, that 80 per cent of total country IPFs goes to countries below \$500 per capita GNP, and that IPFs are more advantageous to countries in descending order of their per capita GNP.

32. In this context, the following procedures were adopted in making the calculations.

(i) The instruction in the draft decision of the recipient countries regarding inter se equity among the countries with per capita GNP below \$500, which as a group receive 80 per cent of total country IPFs, was implemented as follows. Broadly, the same distribution was employed - between countries below \$250 as a group, and countries in the \$250-\$500 per capita GNP range as a group - as in DP/425. The distribution in that document was, approximately, 58 per cent and 22 per cent, respectively. The same broad relationship between these two income groups was maintained in calculations requiring that 82 per cent of total country IPFs should be allocated to countries below \$500 per capita GNP.

(ii) A similar choice had to be made regarding inter se equity among countries with per capita GNP above \$500. The indication in the draft decision of recipient countries was that IPFs should be higher for countries in "descending order of their per capita GNP". Thus, as but one example of alternative interpretations of this guideline, the inverse relation between IPFs and per capita GNP could reflect either a constant arithmetic increase in IPF as per capita GNP declines, or a constant rate of increase. In the accompanying illustration, where a total of \$100 million is assumed available for country IPF distribution among five countries in the \$500-\$1,500 per capita GNP range,

Per capita GNP (\$)	IPF (million dollars)	
	Distribution	Distribution
	A	B
500	30.6	30.6
750	25.3	24.0
1 000	20.0	18.9
1 250	14.7	14.8
1 500	9.4	11.7
total	100.0	100.0

with similar characteristics except for their levels of per capita GNP, the countries at \$750 and \$1,000 would receive more, and countries at \$1,250 and \$1,500 would receive less, under the method using constant arithmetic change (A) than under the method employing a constant rate of change (B). The present document employs the former method.

(iii) Given the more general requirement that 80 per cent of IPF resources is to be directed to countries below \$500 per capita GNP and that the remaining 20 per cent is to go to countries above \$500, a choice existed whether to use an integrated IPF model, as is the case for the current cycle, or whether to use two separate models: one for countries below \$500 per capita GNP, and one for countries above \$500 per capita GNP. The difference between the two approaches concerns the distribution of the 80 per cent of total IPFs among the low income countries, and the distribution of the 20 per cent of total IPFs among all other countries, arising from differing treatment of supplementary criteria. Thus, whereas in the integrated model the 1:9 ratio of supplementary to basic criteria applies to the system as a whole, in the other approach the ratio would apply to each broad income category i.e. below \$500 per capita GNP, and above \$500. Although the differing impact may not be considered significant over-all, it was decided to use the current integrated model.

33. The assessment of the comparative impact of various calculations is inadequate if it is limited to a review only of the summary tables. A calculation which requires a reduction in the floor to, say, 80 per cent of the second cycle value, compared with a calculation using a 100 per cent floor, achieves two results. One effect, which is reflected in the summary tables, is a net transfer, say, from countries with greater than \$1,500 per capita GNP as a group to those in the \$500-\$1,500 range, as a group. The second effect, which is not shown in the summary tables, is a transfer, primarily within the latter income group, from countries which had benefited from the 100 per cent floor, to other countries. This second transfer, however, may be regarded as equally significant in producing a desired shift to a more equitable pattern of IPFs.

34. Selected issues concerning the data used in the calculations may be noted.

(i) The IPF floor values used for the third cycle, where required, are contained in the list of 1977-1981 IPFs which was current immediately prior to the twenty-seventh session and, therefore, includes the decisions on IPFs of the Special Meeting. In the case of two countries, the Council had established second cycle IPFs for only a part of the second cycle: i.e., for 2 1/2 years, and for 2 years, respectively. For these countries, the floor values used in the third cycle calculations were respectively, two times, and two-and-one-half times, the figures established for the second cycle. Further, for countries/areas sharing in an "undistributed IPF" during the second cycle, the floor values which were used in calculating individual and separate IPFs for these recipients for the third cycle, with slight modification, were those referred to at the twenty-sixth session of the Council.

(ii) As generally agreed by the Council, and as previously noted, the basic data on 1978 population and per capita GNP employed in the IPF calculations were those published by the World Bank. While a number of countries have called attention to alternative estimates of per capita GNP based on different methods, the established

source remains the best available on grounds of comprehensiveness, comparability and timeliness of its data. It was indicated in DP/425 that this source does not publish up-to-date per capita GNP estimates for several countries, including a number of countries with small populations. Since estimated IPFs necessarily had to be calculated for these countries, using highly provisional figures on per capita GNP, these IPF estimates are not shown separately but have been grouped together. More accurate IPFs for these countries will be submitted to the Council for its approval at a later session. At present, the Council may wish to allow third cycle planning to proceed for these countries on the basis of the rough calculations. The Administrator has considered what tentative provision might be made for the National Liberation Movements (NLM) IPF for the third cycle, prior to the formal consideration and approval of this matter by the Council. In preparing the country IPF calculations in this document, a provisional amount of \$15 million was set aside for possible use as an NLM IPF.

35. It is important to note that the individual country IPFs in this document differ from those that might be interpolated from the illustrative calculations submitted to the Special Meeting, in DP/425. This is because of changes in the present submission regarding the resources available for total country IPFs, the guidelines used in the detailed calculations, and the incidence of the modified set of supplementary criteria.

36. The precise assumptions made in performing each of the IPF calculations requested by the Council are shown in table 3. This table, also, states the results summarized by income groups. Regional summaries of country IPF calculations are shown in table 4. Further, for selected calculations (I, and VI to IX), individual country results are also submitted to the Council for its consideration (see Annex, tables 1 and 2). The review of these results below is in the same order as used for the specification of requests, described above.

37. The Category A calculation refers to that interpretation of the draft decision submitted by recipient countries at the Special Meeting which assumes that a successful effort can be made to ensure that, for 1982-1986, no country shall receive an allocation for its national IPF less than its national IPF for the second cycle. Using the guidelines for this calculation as indicated in table 3, and also, the relationship between IPFs and per capita GNP stated in the annex, table 3, calculation I allows for 80 per cent of total country IPFs 8/ for low-income countries: those with per capita GNP below \$500. As indicated, some 58.2 per cent of the total is allocated to countries below \$250 per capita GNP, and 21.8 per cent is directed to countries in the \$250 to \$500 per capita GNP grouping.

38. In calculation I, the 85 countries with per capita GNP above \$500 have available \$780 million for distribution among themselves in 1982-1986: i.e., 20 per cent of the total of \$3,900 million 8/ available for all country IPFs. Since these same countries have an aggregate country IPF in the second cycle of \$736 million, the increment

8/ Excluding the sum set aside for NLMs.

Table 4

UNDP: Country IPFs for 1982-1986: results of the calculations requested
by the Special Meeting of the Council: summary, by regions

Line	Source of request	1977-1981	Calculations for 1982-1986 requested by:										
			Category A	Category B					Category C				
			all countries and 100 per cent floor	selected countries and elimination of floor					all countries and floor of less than 100 per cent				
Item	DP/L.334 alternative	DP/L.335 (vi)	DP/L.335 (vii)	DP/L.335 (iv)	DP/L.335 (i)	DP/L.334 alternative	DP/L.335 (iii) alternatives		DP/L.335 (viii)	DP/L.335 (v)	DP/L.335 (ii)		
Calculation number	I	II	III	IV	V	VI	VII	VIII	IX	X	XI		
(million dollars of IPFs)													
1	Total	2 032.7	3 899.6	3 899.6	3 899.6	3 531.7	3 948.0	3 899.6	3 899.6	3 899.6	3 899.6	3 531.7	3 948.0
2	- Africa	694.2	1 494.7	1 490.2	1 529.6	1 385.3	1 574.3	1 501.3	1 500.3	1 502.1	1 501.4	1 359.6	1 553.5
3	- Asia and the Pacific	717.1	1 675.4	1 690.3	1 685.2	1 526.2	1 752.1	1 674.1	1 673.9	1 678.1	1 675.0	1 516.1	1 709.1
4	- Latin America	306.0	346.3	371.4	360.3	326.3	298.6	357.8	358.8	363.0	362.2	324.1	321.7
5	- Arab States	236.2	303.5	275.2	281.4	254.9	287.3	296.1	297.4	292.9	290.4	268.2	299.8
6	- Europe	79.2	79.8	72.5	43.1	39.0	35.7	70.3	69.3	63.5	70.6	63.7	64.0
(percentage of total)													
7	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
8	- Africa	34.2	38.3	38.2	39.2	39.2	39.9	38.5	38.5	38.5	38.5	38.5	39.3
9	- Asia and the Pacific	35.3	43.0	43.3	43.2	43.2	44.4	42.9	42.9	43.0	43.0	42.9	43.3
10	- Latin America	15.1	8.9	9.5	9.2	9.2	7.6	9.2	9.2	9.3	9.3	9.2	8.1
11	- Arab States	11.6	7.8	7.1	7.2	7.2	7.3	7.6	7.6	7.5	7.4	7.6	7.6
12	- Europe	3.9	2.0	1.9	1.1	1.1	0.9	1.8	1.8	1.6	1.8	1.8	1.6
(Index for 1982-1986 (1977-1981 = 100))													
13	Total	..	192	192	192	174	194	192	192	192	192	174	194
14	- Africa	..	215	215	220	200	227	216	216	216	216	196	224
15	- Asia and the Pacific	..	234	236	235	213	244	233	233	234	234	211	238
16	- Latin America	..	113	121	118	107	98	117	117	119	118	106	105
17	- Arab States	..	129	117	119	108	122	125	126	124	123	114	127
18	- Europe	..	101	91	54	49	45	89	87	80	89	80	81

between cycles is limited to \$44 million. By allocating all of the increment in this calculation to countries in the \$500-\$750 per capita GNP range, this latter group of countries increases its aggregate IPFs between the second and third cycles by only 20 per cent, from \$216 million to \$261 million.

39. Individual country increases between the planning cycles for countries in the \$500 to \$750 grouping naturally deviate from the over-all average increase of 20 per cent. Given the fundamental approach to the establishment of IPFs in the second and third cycles, the increase in an individual IPF depends primarily on the change in the economic and demographic position of the country, relative to all other countries, that occurred between the base period (1973-1974) used for calculating second cycle IPFs, and the base period (1978) used for establishing 1982-1986 IPFs. Several countries show increases between cycles of more than 25 per cent. On the other hand, a number of countries in the \$500-\$750 income group avoided a reduction in the IPF related to their relatively improved position between cycles because of the operation of the 100 per cent floor, i.e. their IPF remained constant between cycles.

40. Under the interpretation of the draft decision of the recipient countries considered here, all 64 countries with per capita GNP above \$750 would maintain their second cycle IPFs unchanged into the third cycle. Because of the nature of the decision of the Special Meeting, the results of this calculation might serve as a yardstick for assessing subsequent results.

41. The Category B calculations of third cycle IPFs (II to V) remove the floor criterion entirely and limit the eligibility of countries to receive IPFs in the third cycle. 9/

(i) Calculation II is the less restrictive of the requests in this category in terms of country coverage, since it assumes only that the 17 countries above \$3,000 per capita GNP are to be transferred out of the IPF system in the third cycle. Compared with the previous request, this calculation liberates some \$65 million from countries above \$3,000 per capita GNP. This sum, together with other resources made available by the removal of the floor from all other categories, permitted the underlying relationship between IPFs and per capita GNP to allocate a significant further amount to countries in the \$500-\$750 income group and, also, to direct increased resources to the countries in the \$750-\$1,500 income group. However, countries in the \$1,500-\$3,000 income range obtain 14 per cent less in this calculation compared with the results in category A. The rationale employed to obtain these results in calculation II, as indeed in all calculations, was the desirability of establishing IPFs in such a way that they would be more advantageous to countries in descending order of their per capita GNP. As may be seen from table 3, the per capita GNP group average percentage changes in IPFs between cycles in calculation II are as follows: \$1,500-\$3,000, minus 14 per cent; \$750-\$1,500, plus 11 per cent; \$500-\$750, plus 46 per cent; \$250-\$500 (excluding the effect of the differing approach to the IPFs for China in the two cycles), plus 81 per cent; and below \$250, plus 154 per cent.

9/ In this category, the results summarized in tables 3 and 4 used functional relationships between IPFs and per capita GNP which, while securing adequately the desired allocation pattern, could be subject to some improvement. Consequently, individual country IPFs for these calculations are not shown.

Summarizing, the effect of calculation II, compared with calculation I, is to increase the IPFs in the \$500-\$1,500 per capita GNP group as a whole; to reduce the IPFs in the \$1,500-\$3,000 category as a whole; and to eliminate IPFs for all countries with per capita GNP above \$3,000.

(ii) Calculation III is similar to calculation II except that IPFs which would otherwise have been allocated to the 18 countries in the \$1,500 to \$3,000 per capita GNP group are now also reallocated, along with those from the above \$3,000 group, to countries in the \$500-\$1,500 range. To prevent an excessive increase in the amount going to the \$500-\$750 group, the major beneficiaries of this further diversion, from countries in the upper income range, are those countries in the \$750-\$1,500 group. Since the guidelines for this calculation, and for the Category A calculation, are in all respects similar, except for the substantially different treatment of country coverage and the floor concept, it is useful to note the differing regional impact of these two approaches to third cycle IPFs. Compared with Category A, the calculation III results are more favourable for the regions of Africa, Asia and Pacific, and Latin America; and less favourable for the regions of the Arab States and Europe, particularly the latter.

(iii) Calculation IV is identical to calculation III except that it employs the assumption of a 12 per cent, instead of a 14 per cent, annual growth rate in contributions to the Programme. Since neither calculation employs the floor concept, the impact of the more restricted assumption with regard to aggregate resources can take the form of a common percentage reduction in each country's IPF, compared with the situation in calculation III. Since total resources available for country IPFs are assumed reduced from \$3,915 million to \$3,547 million, as shown in table 2, the common percentage reduction is 9.4 per cent.

(iv) While calculation V shares the major features of other requests in category B, it has the following distinguishing characteristics: it requires that 82 per cent of total resources allocated to country and intercountry IPFs should be for country IPFs; that 82 per cent of total country IPFs should be for countries with per capita GNP below \$500; that a ceiling should operate for countries in the \$750-\$1,500 income range; and that countries above \$1,500 should graduate from IPF recipient status. Because of the ineligibility of the 35 current recipients with per capita GNP above \$1,500, and the unchanged level of IPFs for the further 29 countries in the \$750-\$1,500 range due to the operation of the ceiling, and given the further determination that 82 per cent of total country IPFs is to be directed to countries below \$500 per capita GNP, the resulting arithmetic of this calculation suggests a substantial increase in IPFs for countries in the \$500-\$750 range as a group: i.e., 90 per cent. This increase, in fact, is greater than for those countries in the immediately lower-income group of \$250-\$500 per capita GNP. This anomaly could be removed but the resulting pattern would still be different from other calculations, in that it would suggest a diminishing rate of IPF increases between cycles as per capita GNP declines.

42. The major assumptions in the Category C calculations (VI to XI) may be regarded as intermediate between those considered in the two previous categories. In this instance, whereas all current IPF recipients would continue to obtain IPFs in the third cycle, the floor criterion - fixed at 100 per cent of the IPF in the previous cycle in category A - would be amended to allow for some reduction below the 100 per

cent value. The first of these two conditions is less restrictive for countries in the upper income range compared with that in category B, whereas the second condition is more restrictive compared with that in category A. There is a high degree of similarity in the first four of the calculations below.

(i) Calculation VI is an alternative interpretation of the draft decision on third cycle IPFs submitted by recipient countries. In contrast with the view of this draft decision adopted in category A, the present calculation assumes that it is not possible to maintain the floor criterion for the third cycle at 100 per cent of second cycle IPFs without jeopardizing the basic intent of the principle contained in the draft decision that IPFs should be more advantageous to countries in descending order of their per capita GNP. The present calculation endeavours to improve the relative position of the group of countries in the range above \$500 so that, for instance, the \$500-\$750 group obtains a greater inter-cycle increase than 20 per cent, as is the case in the first interpretation of the draft decision. The present calculation adopts the guideline that the floor criterion should have a value of 80 per cent of second cycle IPFs for all countries with a per capita GNP above \$1,000 but that the value would stay at 100 per cent for all other countries. Compared with calculation I, the modification of the floor assumption serves to reallocate \$44 million from countries above \$1,000 to the group of countries in the \$500 to \$750 range. This results in a third cycle IPF for this group which is 41 per cent greater than in the second cycle. The latter increase compares with a (corrected) increase of 82 per cent 10/ for the adjacent group of lower-income countries (\$250 to \$500) and 154 per cent for the group of lowest-income countries. 11/

10/ The nature of the correction is stated in paragraph 41(i).

11/ The pattern of individual country changes in this exercise, compared with calculation I, produces higher IPFs for countries at the lower end of the \$500 to \$750 group than for countries at the upper end of the group. However, it is important to note that the percentage changes in this comparison are in the opposite direction, for the following reason. Given the maintenance in both calculations of inter se equity for countries upto \$500 per capita GNP, the IPF of a country at \$500 is common to both calculations. Consequently, the only way to increase resources to the \$500-\$750 group as a whole is by amending the functional relation between IPFs and per capita GNP from its pivot at \$500 so that there is a smaller reduction in the IPF as per capita GNP increases. Otherwise stated, it may be considered that calculation I produced greater hardship for countries in the upper part of the \$500-\$750 group and that this effect is somewhat remedied in the current calculation. In a few cases, there are substantial differences in IPFs between these two calculations.

(ii) Calculations VII and VIII are identical in concept to the previous calculation and differ only in application. They respond to the specific request in the Council's decision that, as a variant of the draft decision submitted by the recipient countries, the value of the floor used should vary inversely with the per capita GNP of the "floor country". In these two calculations, instead of a uniform reduction in the floor value for countries above \$1,000, the value of the floor is decreased as per capita GNP increases. There is little net difference in this approach in its effect on the \$500-\$750 income group compared with the previous calculation. Instead, these two calculations serve to redistribute IPF resources among countries with per capita GNP above \$750.

(iii) Calculation IX is also similar to the previous three calculations. The difference is that it follows the specification of the request for a uniform reduction of 20 per cent in the floor value, irrespective of a country's per capita GNP. The results of this exercise are very similar to those of calculation VI, since the only difference in approach is whether the floor value should be 100 per cent, or 80 per cent, for countries below \$1,000 per capita GNP. In practice, there are relatively few countries where this difference has significance.

43. In the remaining two requests in this category, there is a modification of some of the more general assumptions concerning the establishment of country IPFs.

(i) Calculation X addresses the possibility of a shortfall in resource mobilization for the third cycle. It assumes an average annual growth rate of contributions of 12 per cent, rather than 14 per cent and that, as a consequence, as indicated in paragraph 1(g) of DP/L.334, there would be a flat across the board reduction: i.e., a common percentage reduction applied to the IPFs of all countries from figures which result from the draft decision of the recipient countries. Assuming the second of the alternative interpretations of the latter, i.e. calculation VI as the basis for a reduction, then its extent - as indicated in calculation X - may be summarized as follows: whereas countries with per capita GNP below \$500 would have an increase in IPFs between the second and third cycles of 118 per cent, countries above \$500 as a group would experience a 4 per cent reduction in their IPFs.

(ii) Calculation XI introduces the following special conditions: 82 per cent of country and intercountry resources for allocation to country IPFs; 82 per cent of total country IPFs for distribution to low-income countries; a ceiling operative above \$750; and a reduction in the floor value to 70 per cent for countries above \$1,500 per capita GNP. These guidelines allow for only \$711 million for third cycle IPFs for countries above \$500 per capita GNP. After taking into account the opposite effects of the floor and ceiling values, the amount available for countries in the \$500-\$750 per capita GNP group is equivalent to some 20 per cent more than in the present cycle. The extent of this increase may be compared with the increase, in the same calculation, of 90 per cent (corrected) in the IPFs of the immediately lower income group (\$250 to \$500).

Net contributor status

44. In the process of resolving outstanding issues concerning the amount of third cycle IPF resources that should be allocated to UNDP recipient countries at the upper end of the per capita GNP scale applicable to developing countries, there will undoubtedly be reference to the amount of contributions that UNDP receives from these same countries. This issue of net contributor status has been before the Council on several occasions and the Council has appealed to countries, either "in a position to do so" or "at the upper end of per capita GNP scale", to move in the direction of contributing to the central resources of the Programme at least as much as they obtain in the form of country IPFs.

45. The record achieved thus far in the current IPF cycle may be illustrated by reference, for example, to the performance of recipient countries with per capita GNP of above \$1,500 (table 5). The average annual level of contributions of this group of countries for 1977 to 1980 was just under \$20 million, (3 per cent of total contributions) compared with their annual level of IPF receipts of just under \$44 million. For 1980, the contributions of this group of countries totaled some \$18.5 million which was below the four-year average. Importantly, a significant portion of this sum was in the form of non-convertible currencies. Of the 35 recipient countries in this category, only six are presently contributing at least as much as their annualized level of IPF: \$9.6 million of contributions for 1980, compared with \$7.2 million of annualized IPF. In addition, it may be recalled that a further five countries that had been IPF recipients have voluntarily foregone further grant assistance from UNDP. For the remaining 29 current recipient countries above the \$1,500 per capita GNP level, their estimated 1980 contributions of \$8.8 million, including those in non-convertible currencies, may be compared with their annualized IPF of \$36.7 million. The absolute dollar amount involved in closing this gap is less than the contributions of each of the top nine individual major donors to the Programme. Nevertheless, the amount is significant at a time of delicacy in resource mobilization. Further, success in closing this gap might be regarded as a demonstration by recipient countries of their determination to engage in collective self-help.

46. Should there be a consensus on the desirability of extending net contributor status among selected developing countries, the time factor would become relevant. Assuming that third cycle IPFs of the 29 countries referred to above are either 100 per cent or 80 per cent of their second cycle levels, i.e. either \$36.7 million (see above) or \$29.4 million, then a universal effort by those countries to achieve net contributor status by the start of the third cycle (1982) would require over-all average annual growth rates of contributions of more than 100 per cent, and of more than 80 per cent, respectively. This may not be considered to be a realistic target.

47. Two possible guidelines for a more realistically phased approach to the achievement of net contributor status may be derived from the proceedings of the Special Meeting. One suggestion was to avoid a situation in which the financial position of a developing country vis-à-vis UNDP was suddenly modified in a substantially negative direction. In this view, the third cycle might constitute a transition period. This might suggest that the target for achievement of net contributor status might be set at, say, 1986, the end of the third cycle. Using the example in the previous paragraph, the over-all average annual rates of growth of contributions required to achieve this goal would then become 27 per cent and 22 per cent, respectively.

UNDP: Voluntary contributions by all countries/areas with per capita GNP above \$1,500 in 1978, and for recipients, their relation to IPFs

	Per capita GNP (1978 US dollars)	One-fifth of 1977-1981 IPFs (thousand US dollars)	Voluntary contributions				Average annual increase in 1977-1980 a/ (per cent)
			1977	1978	1979	1980	
			(million US dollars)				
Kuwait	14 890	-	0.50	0.50	0.50	0.50	0b/
United Arab Emirates	14 230	200	0.53	0.68	0.68	0.68e/	7c/
Qatar	12 740	-	0.20	0.20	0.20	0.20	0E/
Switzerland	12 100	-	9.10	10.40	14.20	16.56	21
Brunei	10 640	d/	-	-	-	-	-
Luxembourg	10 410	-	0.09	0.11	0.13	0.13	15
Sweden	10 210	-	57.56	61.14	70.26	76.19	11
Denmark	9 920	-	45.29	43.07	62.59	61.33	14
United States	9 700	-	100.00	115.00	126.00	120.00e/	5e/
Germany, Federal Republic of	9 600	-	39.21	49.77	58.82	64.37	21
Norway	9 510	-	28.30	34.15	41.14	47.89	23
Bermuda	9 260	d/	-	-	-	-	-
Canada	9 170	-	32.38	34.63	35.12	35.04	5
Belgium	9 070	-	12.85	15.39	16.55	19.65	22
Netherlands	8 390	-	56.75	61.76	73.47	79.28	11
Iceland	8 320	-	0.08	0.08	0.09	0.09	3b/
France	8 270	-	10.00	14.00	16.00	25.93	29
Saudi Arabia	8 040	2 000	2.66	2.50	2.50	2.50	-2b/
Australia	7 920	-	4.60	7.79	7.66	8.03	24
Japan	7 330	-	22.00	25.00	35.00	41.00e/	20e/
Austria	7 030	-	3.68	4.23	5.00	5.50	15
Libyan Arab Jamahiriya	6 910	1 000	1.08	1.08	1.00	1.15	9
Finland	6 820	-	5.38	5.93	6.77	7.73	9
German Democratic Republic	5 660	-	0.83	0.95	1.08	1.15	10
United Kingdom	5 030	-	34.42	47.56	58.10	34.09e/	9e/
New Zealand	4 790	-	1.50	1.23	1.55	1.26	-10
Czechoslovakia	4 720	500	0.65	0.68	0.69	0.67	1b/
New Caledonia	4 650	-	-	-	-	-	-
Israel	4 120	-	0.24	0.24	0.14	0.14	-15b/
Bahrain	4 100	500	0.05	0.05	0.05	0.05	1
Italy	3 840	-	4.22	5.27	5.36	16.67	60
Union of the Soviet Socialist Republics	3 700	-	3.68	4.09	4.09	4.13	4
Poland	3 660	1 500	1.19	0.78	0.92	1.04	15e/
Gabon	3 580	1 500	0.20	0.22	0.18	0.18e/	-1e/
Spain	3 520	-	0.84	0.84	0.84	0.96	5b/
Ireland	3 470	-	0.60	0.76	1.41	1.41e/	32e/
Hungary	3 450	700	0.46	0.49	0.56	0.50	3b/
Greece	3 270	1 500	0.58	0.62	0.65	0.65	3
Singapore	3 260	1 500	0.22	0.22	0.22	0.22	0
Bulgaria	3 200	1 500	0.44	0.49	0.58	0.67	17
Netherlands Antilles	3 150	d/	-	-	-	-	-
Hong Kong	3 040	100	0.00	0.00	0.00	0.00	0
Venezuela	2 910	2 000	2.16	2.00	2.16	2.00	6
Trinidad and Tobago	2 910	1 000	0.13	0.14	0.17	0.17	-1
Bahamas	2 620	d/	0.04	0.01	0.01e/	0.01e/	-21e/
Oman	2 570	800	0.07	0.07	0.08	0.08	-13
Yugoslavia	2 390	1 500	1.90	2.16	2.43	2.62	12
Malta	2 160	500	0.04	0.04	0.05	0.06	6
Cyprus	2 110	1 000	0.08	0.10	0.10	0.10	5
Suriname	2 110	700	0.06	0.07	0.07	0.07	17
Portugal	2 020	800	0.09	0.11	0.13	0.13	13b/
Barbados	1 940	500	0.02	0.02	0.02	0.02	-17
Argentina	1 910	4 000	1.16	1.30	1.50	1.50	3
Iraq	1 860	3 000	0.75	0.75	0.50	0.51	-8
Romania	1 750	1 500	0.32	0.39	0.43	0.50	16b/
Uruguay	1 610	2 000	0.43	0.46	0.50	0.50e/	4e/
Brazil	1 570	6 000	1.53	1.55	1.77	1.77e/	4e/
Costa Rica	1 540	1 000	0.11	0.11	0.12	0.12	6
British Virgin Islands	f/	d/	-	-	-	-	-
Iran	f/	4 000	4.32	4.32	-	-	0E/
Nauru	f/	d/	-	-	-	-	-
TOTAL		43 912d/	495.57	565.50	660.14	687.70e/	11e/

NOTE: Please see foot-note to this table at the bottom of page 28.

48. A second idea was contained in one of the requests for calculations referred to in the decision of the Special Meeting. It pointed to different targets, graduated according to the income level of countries: (i) countries in the \$1,500 to \$2,000 per capita GNP range should pay from 50 per cent and up for their IPFs; (ii) countries in the \$2,000 to \$3,000 range should pay from 75 per cent and up for their IPFs; and (iii) countries with per capita GNP above \$3,000 should pay 100 per cent for their IPFs. If these differentiated minimum figures are used, and 1986 is employed for the achievement of these targets, the over-all average annual growth rates of contributions required over the next six years are as follows: for group (i), 10 to 14 per cent; for group (ii), 31 to 36 per cent; and for group (iii), 15 to 19 per cent.

49. These group averages serve only for illustration since they mask sharply different individual country situations, and, in a voluntary Programme, determination to achieve net contributor status can be made only on an individual basis.

50. It should be emphasized that the ideas indicated above represent only some of several pragmatic possibilities. This approach reflects more of a minimum effort at voluntary contributions to UNDP, rather than the maximum effort which some developing countries in a favourable balance of payments position may wish to consider in favour of other developing countries. Also, it may be recalled that previous approaches, and earlier Council decisions, concerning net contributor status have had only limited success. Therefore, the Council may wish to consider modalities likely to increase the extent of future success in this area.

Footnotes to Table 5

a/ Arithmetic average of four annual percentage changes, 1977 to 1980.

b/ The average is based on the percentage changes of the last three periods only since the percentage change between 1976 and 1977 was affected either by the elimination of programme costs due to relinquishment of IPFs, or by a special contribution in 1976, or by the absence of a contribution in 1976, or by a major revision in the exchange rate.

c/ Estimates

d/ Programme activities in these countries were financed from the "Undistributed IPF" and amounted to \$5.56 million for the 1977-1981 cycle, or \$1.112 million on an annualized basis. The latter figure is included in the total.

e/ Based on a 2-year period, 1979 and 1980, since prior years' data were affected by a major revision in the exchange rate.

f/ While no per capita GNP data are available from the "World Bank Atlas", the per capita GNP of these countries is estimated to be above \$1,500.

g/ Based on a 2-year period, 1977 and 1978, since no pledge was made for 1979 and 1980.

51. Increased voluntary contributions coupled with either voluntary relinquishment of all or part of the IPF, or a possible reduction from the 100 per cent floor if agreed to by the Council, would facilitate the net reallocation of UNDP's grant resources to lower income developing countries. However, the diminished IPFs of countries in the upper range of per capita GNP could create a difficult problem where these countries consider that they also have a rising requirement for UNDP's technical co-operation. As previously suggested, UNDP does provide a differentiated type of technical co-operation, whose extra benefits (country programmes, multi-sectoral, and wide choice of executing agents and of inputs) may be considered to outweigh considerably the modest extra programme support costs involved. A possible solution exists in still further expansion of cost sharing of UNDP-assisted projects by those developing countries. Use of cost sharing is subject to fluctuation, but it is well established to be much greater, relatively, for countries in the upper range of per capita GNP relevant to developing countries. Thus, for example, whereas countries with greater than \$1,500 per capita GNP currently absorb little more than one-tenth of the IPF, they accounted (in 1977-1978) for more than one-half of cost sharing financing. In these countries as a group, for every \$2 million of IPF financing, there was a further \$1 million of cost sharing financing. Should the Council decide, for example, on a 20 per cent reduction in IPF financing for these countries in the third cycle, that "shortfall" could be more than compensated for by a level of cost sharing which is equal to the future level of their IPFs: i.e., by an evolution of the ratio of IPF to cost sharing from 2:1 to 1:1. A still greater expansion would require reconsideration of the Council's current decision on cost sharing. It would be in the spirit of such an expansion that the countries concerned would cover fully the administrative and programme support costs involved, and, also, that increased recourse to cost sharing would not be associated with a decrease in the voluntary contributions of such countries to the central resources of the Programme.

Regional IPF calculations

52. The draft decision of the recipient countries at the Special Meeting indicated an enhanced role for UNDP intercountry activities in the third cycle. It suggested that 19 per cent of resources allocated to country and intercountry IPF activities combined should be used for intercountry activities. Assuming a 14 per cent growth in resources, the aggregate for intercountry activities would be \$918.3 million. Since 79.5 per cent of this amount would be for regional activities (see DP/377 and DP/425), the regional IPF aggregate would be \$730 million. The draft decision of the recipient countries requested the submission to the twenty-seventh session of calculations on the distribution of regional IPFs on the basis of (a) the retention of the current methodology as indicated in DP/59 (and reviewed in DP/GC/Feb.80/CRP.I); and (b) the use of three additional regional supplementary criteria (the number of MSA countries in the region; the number of island developing countries in the region; and the number of countries suffering from acute ecological and geographical disabilities in the region). The reference to frontline countries was not pursued for reasons indicated earlier.

53. The results of these calculations related to the alternative interpretations of the draft decision of the recipient countries are shown in columns I and VI of table 6. The table, also, gives regional IPF results related to the other calculations of country IPFs requested by the Council.

UNDP: Regional IPFs for 1982-1986: results of the calculations requested by the Special Meeting of the Council

(million dollars)

Line	Source of request	1977-1981	Regional IPF calculations for 1982-1986 related to the various requests for country IPF calculations as stated in:-										
			Category A all countries and 100 per cent floor	Category B selected countries and elimination of floor					Category C all countries and floor of less than 100 per cent				
			DP/L.334 alternative	DP/L.335 (vi)	DP/L.335 (vii)	DP/L.335 (iv)	DP/L.335 (i)	DP/L.334 alternative	DP/L.335 (iii) alternatives		DP/L.335 (viii)	DP/L.335 (v)	DP/L.335 (ii)
Region	Calculation number	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	
1	Total	312.40	730.0	730.0	730.0	661.4	691.6	730.0	730.0	730.0	730.0	661.4	691.6
2	- Africa	109.40	282.3	281.6	287.9	260.8	275.6	283.4	283.2	283.5	283.4	256.7	273.5
3	- Asia and the Pacific	95.70	296.4	298.7	297.9	269.9	288.1	296.1	296.1	296.8	296.3	268.3	282.7
4	- Latin America	63.00	74.6	78.7	76.9	69.7	64.6	76.5	76.6	77.3	77.2	69.3	66.4
5	- Arab States	33.97	59.0	54.5	55.5	50.3	52.7	57.8	58.0	57.3	56.9	52.4	54.8
6	- Europe	10.33	17.7	16.5	11.8	10.7	10.6	16.2	16.0	15.1	16.2	14.7	14.3

54. These results indicate that the share of Africa in the total of regional IPFs would increase from 35 per cent in the current cycle to 38-39 per cent in the third cycle, from \$109 million to \$282 million (in calculation I). This increase of \$173 million necessarily does not take into account any reallocation from other regions that may result from further consideration by the Council of its decision (79/27) on the United Nations Decade for Transport and Communications in Africa.

IV. CONCLUSION

55. Following the considerable progress made by the Council at its twenty-sixth session and at its Special Meeting in examining plans for UNDP's third planning cycle, the Council may wish to conclude this item at its twenty-seventh session with a decision which might refer, inter alia, to:

(i) A planning figure for the level of voluntary contributions to UNDP for 1982-1986, the possible means for translating the plan into action, and the potential for securing voluntary contributions in convertible currencies on a more predictable basis and through more equitable participation;

(ii) The planned over-all allocation of resources for 1982-1986, having regard to the suggestions contained in table 2;

(iii) The establishment of country IPFs for 1982-1986, the possibility for recalculation of such figures but only on the basis of corrected basic data which would materially affect the IPF, and the desirability of a mid-term review of these figures;

(iv) The need to achieve greater response to the Council's appeals for selected recipient countries to move towards net contributor status, and the possibilities for maintained access to UNDP technical co-operation through increased use of cost sharing finance; and

(v) The establishment of regional IPFs for 1982-1986.

Annex

Table 1

UNDP: Calculation of individual country IPFs for 1982-1986 requested by the Special Meeting of the Council for countries with per capita GNP of less than \$500 in 1978; applicable equally to requests DP/L.334 (both alternatives); DP/L.335 (iii) (both alternatives); and DP/L.335 (viii)

	Per capita a/ GNP	Population a/ Population	1977-1981 b/ IPFs	1982-1986 IPFs
	(dollars)	(millions)	(million dollars)	
Afghanistan	240	14.6	38	71.5
Angola	300	6.7	10.95	41.5
Bangladesh	90	83.6	65.5	201
Benin	230	3.3	16.25	33.5
Bhutan	100	1.3	12.25	36.5
Burma	150	32.2	41.5	102
Burundi	140	4.3	18.75	48.5
Cape Verde	160	0.32	4	11.25
Central African Republic	250	1.9	11.75	25.5
Chad	140	4.3	19	52
China	460	914.	15	142
Comoros	180	0.39	7.2	12
Democratic Yemen	420	1.7	14.5	17.25
Djibouti	450	0.32	0.905	5.25
Dominica	440	0.08	e/	2.3
Egypt	400	38.7	31.5	56
Ethiopia	120	31.	42	112
Gambia	230	0.57	7	14.25
Ghana	390	11.	19	40
Guinea	210	5.1	21.75	44.5
Guinea-Bissau	200	0.76	6.12	19.5
Haiti	260	4.8	18.75	38
Honduras	480	3.4	9.25	16
India	180	644.	97	252
Indonesia	360	136.	69.5	106
Kenya	320	15.2	27.5	52
Lao People's Democratic Republic	90	3.3	17.75	52.5
Lesotho	280	1.3	13.25	22.25
Liberia	460	1.7	10	13.5
Madagascar	250	8.3	23.75	49
Malawi	180	5.8	19.75	53
Maldives	150	0.14	2.5	7
Mali	120	6.3	24	65
Mauritania	270	1.5	9.75	22.5
Mozambique	140	9.9	19	74

Annex

Table 1 (continued)

UNDP: Calculation of individual country IPFs for 1982-1986 requested by the Special Meeting of the Council for countries with per capita GNP of less than \$500 in 1978: applicable equally to requests DP/L.334 (both alternatives); DP/L.335 (iii) (both alternatives); and DP/L.335 (viii)

	Per capita ^{a/} GNP	Population ^{a/}	1977-1981 ^{b/} IPFs	1982-1986 IPFs
	(dollars)	(millions)	(million dollars)	
Nepal	120	13.6	32.5	98
Niger	220	5.	19.75	45
Pakistan	230	77.3	52.5	118
Rwanda	180	4.5	19.75	45
Saint Vincent	380	0.10	e/	3.25
Sao Tome and Principe	490	0.08	1.5	2
Senegal	340	5.4	11.75	30
Sierra Leone	210	3.3	13.25	32.5
Solomon Islands	430	0.21	3.145	4
Somalia	130	3.7	18.25	48
Sri Lanka	190	14.4	31.5	76
Sudan	320	17.4	33	58.5
Thailand	490	44.3	29.5	43
Togo	320	2.4	11	21.75
Tonga	430	0.09	2	2.5
United Republic of Cameroon	460	8.1	17.25	27.5
United Republic of Tanzania	230	16.9	33.5	72
Upper Volta	160	5.6	23.75	55
Viet Nam	170	52.2	44	118
Zaire	210	26.4	34.5	79
Zambia	480	5.3	15	21.25
Zimbabwe	480	6.9	5.6	24.25
Other ^{d/}			79.46	184.13
TOTAL ^{e/}			1 297.13	3 119.68

a/ Data are from "1979 World Bank Atlas" published by the World Bank.

b/ See DP/h61.

c/ These countries shared in the "Undistributed IPFs" in 1977-1981, and estimates of their participation in this IPF are contained in "Other".

d/ For 1977-1981, this item includes the IPFs of countries for which per capita GNP estimates were not available from the source in a/ (including estimated shares of "Undistributed IPFs"); and the further estimated shares of "Undistributed IPFs" for countries for which per capita GNP data were available. For 1982-1986, this item includes the IPFs of countries for which per capita GNP estimates were not available in a/; and a small allowance for rounding.

e/ Please see foot-note e/ of annex table 2.

Table 2

UNDP: Calculations of individual country IPFs for 1982-1986 requested by the Special Meeting of the Council for countries with per capita GNP of greater than \$500 in 1978; separate calculations applicable to requests DP/L.334 (both alternatives); DP/L.335 (iii) (both alternatives); and DP/L.335 (viii)

	Per capita ^{a/} GNP	Population ^{a/}	1977-1981 ^{b/} IPFs	1982-1986 IPFs requested by:				
				DP/L.334		DP/L.335		DP/L.335
				alternatives		(iii)		(viii)
				I	VI	VII	VIII	IX
	(dollars)	(millions)		(million dollars)				
Albania	740	2.6	4.25	4.75	10.25	10	10.75	10.5
Algeria	1 260	17.7	20	20	16	18	17	16
Antigua	950	0.07	e/	1.1	1.1	1.1	1.2	1.1
Argentina	1 910	26.4	20	20	16	16	14	16
Bahamas	2 620	0.22	e/	2.4	1.9	1.9	1.7	1.9
Bahrain	4 100	0.37	2.5	2.5	2	1.8	1.4	2
Barbados	1 940	0.25	2.5	2.5	2	2	1.8	2
Belize	840	0.13	1	1	1.4	1.4	1.5	1.5
Bermuda	9 260	0.05	e/	0.7	0.55	0.5	0.4	0.55
Bolivia	510	5.3	15.5	19.25	19.5	19.5	19.5	19.5
Botswana	620	0.75	8.5	8.5	8.5	8.5	8.5	7.75
Brazil	1 570	119.	30	30	24	24	21	24
Brunei	10 640	0.17	e/	0.2	0.15	0.15	0.1	0.15
Bulgaria	3 200	8.9	7.5	7.5	6	5.25	4.25	6
Chile	1 410	10.7	20	20	16	18	17	16
Colombia	870	25.1	20	20	22	21.25	24.	23
Conzo	540	1.5	7.5	10.25	11	11	11	11
Costa Rica	1 540	2.1	5	5	4	4	3.5	4
Cuba	810	9.7	13.5	13.5	20.5	20	21.75	21
Cyprus	2 110	0.65	5	5	4	4	3.5	4
Czechoslovakia	4 720	15.1	2.5	2.5	2	1.8	1.4	2
Democratic Peoples Republic of Korea	730	17.1	8.85	17.75	24.75	24.25	26	25
Dominican Republic	910	5.1	7.5	7.5	12	11.5	13	12.5
Ecuador	910	7.6	15	15	15	15	16	15.25
El Salvador	600	4.4	9.25	12.25	15.25	15	15.5	15.25
Fiji	1 440	0.60	5	5	4	4.5	4.25	4
Gabon	3 580	0.54	7.5	7.5	6	5.25	4.25	6
Greece	3 270	9.3	7.5	7.5	6	5.25	4.25	6
Grenada	530	0.11	e/	2	2.1	2.1	2.1	2.1
Guatemala	910	6.6	8	8	13	12.5	14.25	13.5

Annex

Table 2 (continued)

UNDP: Calculations of individual country IPFs for 1982-1986 requested by the Special Meeting of the Council for countries with per capita GNP of greater than \$500 in 1978; separate calculations applicable to requests DP/L.334 (both alternatives); DP/L.335 (iii) (both alternatives); and DP/L.335 (viii)

	Per capita ^{a/} GNP	Population ^{a/}	1977-1981 ^{b/} IPFs	1982-1986 IPFs requested by:				
				DP/L.334		DP/L.335 (iii)		DP/L.335 (viii)
				alternatives		alternatives		
				I	VI	VII	VIII	IX
	(dollars)	(millions)		(million dollars)				
Guyana	550	0.84	5	7.75	8.5	8.5	8.75	8.5
Hong Kong	3 040	4.6	0.5	0.5	0.4	0.35	0.3	0.4
Hungary	3 450	10.7	3.5	3.5	2.75	2.5	1.9	2.75
Iraq	1 860	12.2	15	15	12	12	10.5	12
Ivory Coast	840	7.8	15	15	16.5	16	17.75	17
Jamaica	1 110	2.1	7.5	7.5	6	6.75	7	6.25
Jordan	1 050	3.	15	15	12	13.5	12.75	12
Kiribati	690	0.06	1.14	1.1	1.3	1.2	1.3	1.3
Libyan Arab Jamahiriya	6 910	2.7	5	5	4	3.5	2.75	4
Malaysia	1 090	13.3	15	15	13.5	13.5	16	14.5
Malta	2 160	0.34	2.5	2.5	2	2	1.8	2
Mauritius	830	0.92	5.25	5.25	7	6.75	7.5	7.25
Mexico	1 290	65.5	20	20	16	18	18.75	16
Monzolia	940	1.6	10	10	10	10	10	8
Morocco	670	18.9	20	20	27	27	28	27.5
Namibia	1 080	0.95	7.75	7.75	6.25	7	6.5	6.25
Netherlands Antilles	3 150	0.25	2	1.9	1.5	1.3	1	1.5
New Hebrides	540	0.10	2	2	2	2	2	2
Nicaragua	840	2.5	5.323	5.323	9.5	9.25	10.25	9.75
Nigeria	560	81.	45.5	49	55	55	55.5	55.5
Oman	2 570	0.84	4	4	3.25	3.25	2.75	3.25
Parana	1 290	1.8	7.5	7.5	6	6.75	6.5	6
Papua New Guinea	560	2.9	8.75	12.25	13.5	13.5	13.75	13.75
Paraguay	850	2.9	7.5	7.5	9.75	9.25	10.25	10
Peru	740	16.8	15	15	25	24.5	26.5	25.5
Philippines	510	45.6	30.5	45	46	46	46	46
Poland	3 660	35.1	7.5	7.5	6	5.25	4.25	6
Portugal	2 020	9.7	4	4	3.25	3.25	2.75	3.25
Republic of Korea	1 160	36.6	18	18	15.75	16.25	19.5	17.25
Romania	1 750	21.9	7.5	7.5	6	6	5.25	6

Annex

Table 2 (continued)

UNDP: Calculations of individual country IPFs for 1982-1986 requested by the Special Meeting of the Council for countries with per capita GNP of greater than \$500 in 1978: separate calculations applicable to requests DP/L.334 (both alternatives); DP/L.335 (iii) (both alternatives); and DP/L.335 (viii)

	Per Capita ^{a/} GNP	Population ^{a/}	1977-1981 ^{b/} IPFs	1982-1986 IPFs requested by:				
				DP/L.334		DP/L.335 (iii)		DP/L.335 (viii)
				alternatives		alternatives		
				I	VI	VII	VIII	IX
	(dollars)	(millions)	(million dollars)					
Saint Kitts-Nevis-Anguilla	660	0.05	g/	0.9	1.3	1.3	1.4	1.4
Saint Lucia	630	0.12	e/	1.8	2.1	2	2.1	2.1
Saudi Arabia	8 040	7.9	10	10	8	7	5.5	8
Seychelles	1 060	0.06	1.6	1.6	1.3	1.4	1.4	1.3
Singapore	3 260	2.4	7.5	7.5	6	5.25	4.25	6
Suriname	2 110	0.39	3.5	3.5	2.75	2.75	2.5	2.75
Swaziland	590	0.53	5.75	5.75	5.75	5.75	5.75	5.25
Syrian Arab Republic	930	8.1	15	15	15	15	15.75	15
Trinidad and Tobago	2 910	1.1	5	5	4	4	3.5	4
Trust Territory of the Pacific Islands	1 230	0.13	1	1	0.8	0.9	0.95	0.8
Tunisia	950	6.	15	15	15	15	15	13
Turkey	1 210	42.9	20	20	16	18	18.5	16
United Arab Emirates	14 230	0.8	1	1	0.8	0.7	0.55	0.8
Uruguay	1 610	2.9	10	10	8	8	7	8
Venezuela	2 910	14.	10	10	8	8	7	8
Yemen	580	5.1	23.75	23.75	23.75	23.75	23.75	19.75
Yugoslavia	2 390	21.9	7.5	7.5	6	6	5.25	6
Other d/			33.905	24.147	20.72	19.520	17.120	20.77
TOTAL ^{e/}			735.568	779.92	779.92	779.92	779.92	779.92

For foot-notes a/ to d/, please see corresponding foot-notes in annex table 1.

e/ In addition to the data shown in annex tables 1 and 2, there were further IPFs which are not classifiable by income group. For 1977-1981, these further IPFs totalled \$30.11 million, including \$20.5 million for NLMs and \$9.61 million which is part of the "undistributed IPFs". For 1982-1986, the further IPF consists only of \$15 million provisionally set aside for NLMs. As a result, total country IPFs are \$2,062.808 for 1977-1981 and \$3,914.6 million for 1982-1986 for the calculations considered in annex tables 1 and 2. (See, also, table 3 line 1.)

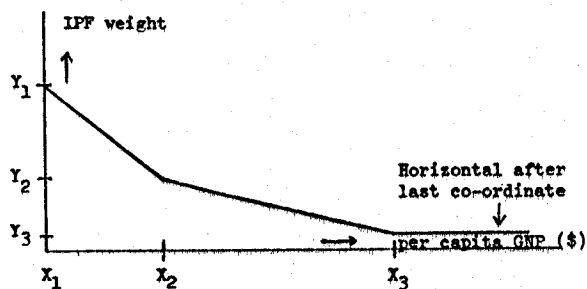
Table 3

Description of the functional relationships used in this document for the calculation of basic IPFs

(A, the relation of IPF weights and per capita GNP:

B, the relation of IPF weights and population).

A. Description of the IPF weight and per capita GNP functions used in this document.



Function I, co-ordinates (see table 3, column I)

$X_1 = 0$	$Y_1 = 9.31$
$X_2 = 250$	$Y_2 = 5.063$
$X_3 = 500$	$Y_3 = 2.595$
$X_4 = 839$	$Y_4 = 0.25$

Function II, co-ordinates (see table 3, column II)

$X_1 = 0$	$Y_1 = 5.533$
$X_2 = 250$	$Y_2 = 2.712$
$X_3 = 500$	$Y_3 = 1.557$
$X_4 = 750$	$Y_4 = 1.162$
$X_5 = 1,500$	$Y_5 = 0.538$

Functions III and IV, co-ordinates (see table 3, columns III and IV)

$X_1 = 0$	$Y_1 = 3.156$
$X_2 = 250$	$Y_2 = 1.384$
$X_3 = 500$	$Y_3 = 0.944$
$X_4 = 750$	$Y_4 = 0.765$
$X_5 = 1,500$	$Y_5 = 0.463$

Function V, co-ordinates (see table 3, column V)

$X_1 = 0$	$Y_1 = 3.18$
$X_2 = 250$	$Y_2 = 1.237$
$X_3 = 500$	$Y_3 = 0.944$
$X_4 = 750$	$Y_4 = 0.87$
$X_5 = 1,500$	$Y_5 = 0.75$

Function VI and X, co-ordinates (see table 3, columns VI and X)

$X_1 = 0$	$Y_1 = 9.31$
$X_2 = 250$	$Y_2 = 5.063$
$X_3 = 500$	$Y_3 = 2.595$
$X_4 = 1,464$	$Y_4 = 0.25$

Function VII, co-ordinates (see table 3, column VII)

$X_1 = 0$	$Y_1 = 9.31$
$X_2 = 250$	$Y_2 = 5.063$
$X_3 = 500$	$Y_3 = 2.595$
$X_4 = 1,393.9$	$Y_4 = 0.25$

Function VIII, co-ordinates (see table 3, column VIII)

$X_1 = 0$	$Y_1 = 9.31$
$X_2 = 250$	$Y_2 = 5.063$
$X_3 = 500$	$Y_3 = 2.595$
$X_4 = 1,638$	$Y_4 = 0.25$

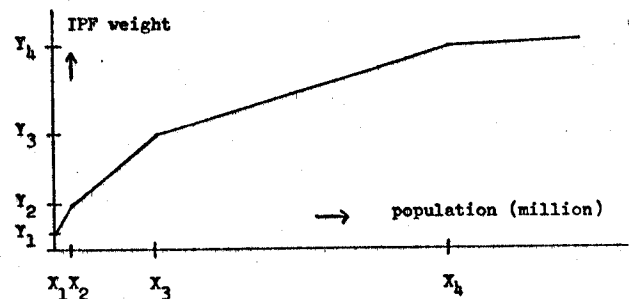
Function IX, co-ordinates (see table 3, column IX)

$X_1 = 0$	$Y_1 = 9.31$
$X_2 = 250$	$Y_2 = 5.063$
$X_3 = 500$	$Y_3 = 2.595$
$X_4 = 1,533$	$Y_4 = 0.25$

Function XI, co-ordinates (see table 3, column XI)

$X_1 = 0$	$Y_1 = 7.199$
$X_2 = 250$	$Y_2 = 4.371$
$X_3 = 500$	$Y_3 = 2.000$
$X_4 = 750$	$Y_4 = 0.811$
$X_5 = 1,500$	$Y_5 = 0.75$

B. Description of the IPF weight and population function used in this document.



Function, co-ordinates

$X_1 = 0$	$Y_1 = 0.050$
$X_2 = 1$	$Y_2 = 0.525$
$X_3 = 10$	$Y_3 = 1.425$
$X_4 = 100$	$Y_4 = 3.300$

Beyond X_4 , the IPF weight increases by .0035 units per million persons.