

UNITED NATIONS
DEVELOPMENT
PROGRAMME



UNDP

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GOVERNING COUNCIL
BUDGETARY AND
FINANCE COMMITTEE
June 1980
Agenda item 7 (c)

UNITED NATIONS CAPITAL DEVELOPMENT FUND

DRAFT DECISION OF BUDGETARY AND FINANCE COMMITTEE

Recalling decision 79/21 of the Governing Council at its twenty-sixth session, in which it resolved that UNCDF should reimburse UNDP for the Fund's direct administrative expenses and that in that same decision the Governing Council requested ECOSOC to recommend to the General Assembly that CDF meet its administrative expenses from voluntary contributions to the Fund,

Further recalling that the General Assembly decided to postpone consideration of the question of such reimbursement until its thirty-fifth session and invited ECOSOC to make appropriate recommendations to that session of the Assembly,

1. Decides that 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;
2. Requests ECOSOC to urgently recommend to the General Assembly that, effective 1 January 1980, UNCDF as a matter of principle should reimburse UNDP as indicated in paragraph 1 above;
3. Further decides that the arrangements set forth in paragraphs 1 and 2 above should continue until such time as UNCDF may assume the financing of its own administrative expenses, it being understood that UNDP would assume responsibility for these expenses in the event and to the extent that UNCDF's accrued earnings became insufficient to meet these expenses.