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Twenty-seventh session
June 1980
Agenda item 13

DRAFT REPORT OF THE GOVERNING COUNCIL OF
THE UNITED NATIONS DEVELOPMENT PROGRAMME TO THE
SECOND REGULAR SESSION, 1980, OF THE ECONOMIC AND SOCIAL COUNCIL

Rapporteur: Dr. Mohammed FARASHUDDIN (Bangladesh)

Chapter XI: Decisions of the Governing Council
adopted at its twenty-seventh session

Addendum

80/31. UNDP assistance in response to natural disasters (Agenda
item 5(b) (iii))

The Governing Council,

1. Takes note of the report of the Administrator (DP/432) and of the views expressed during the debate on this question at the twenty-seventh session;
2. Agrees, with respect to longer-term disaster-related assistance, that such assistance over and above the country IPF be limited to technical assistance activities only and that it be restricted to activities directly related to the effects of the disaster and of direct benefit to the population of the stricken area;
3. Further agrees that, with regard to the extent of longer-term assistance from the Programme Reserve, the Administrator should be guided by the limit of \$1 million per natural disaster with a maximum of \$2 million per year and per country, subject to the over-all availability of funds in the Programme Reserve;
4. Decides that the provisions of paragraphs 2 and 3 above should apply only to natural disasters;
5. Supports the action of the Administrator to encourage Governments in disaster-prone countries to draw up contingency plans in advance which would include, inter alia, provisions for the co-ordination of assistance to be received following a natural disaster;
6. Approves an increase from \$20,000 to \$30,000 as the maximum amount to be allocated from the Programme Reserve to provide immediate relief assistance in any one situation following a natural disaster;

7. Decides, with respect to allocations for a natural disaster from the Programme Reserve, that to the extent expenditures (obligations plus disbursements) have not been incurred within twenty-four months after approval of the project document, the unobligated balance shall then revert to the unallocated balance of the Programme Reserve; and

8. Requests the Administrator to inform the Council periodically on the nature and extent of natural disaster-related assistance provided by UNDP.

706th meeting
27 June 1980

80/32. Sectoral Support (Agenda item 10(h))

The Governing Council,

1. Takes note of the report of the Administrator on sectoral support (DP/480) and of the views and comments of members thereon;

2. Decides to increase the allocation to cover the net additional costs for SIDFA services in 1980-1981 to \$7,962,000 in order to permit an appropriate number of SIDFAs within this amount and the total allocation for sectoral support for the biennium, 1980-1981, to \$11,712,000;

3. Requests the Administrator to enter into consultations with Governments so that, for the third programme cycle 1982-1986, some part of the cost of the SIDFA programme be-financed from national IPFs, and/or other national-sources;

4. Decides to review the entire question of sectoral support, including the need for sectoral support, and UNDP financing of such support;

5. Invites UNIDO to provide the necessary financial resources to ensure that all SIDFAs, particularly those who cover more than one country, are able to undertake the travel which is necessary for the effective performance of their duties;

6. Requests the Administrator, in consultation with the Executive Director of UNIDO, to revise the list of possible SIDFA services contained in the annex to DP/480, and to submit such a list to the twenty-eighth session of the Governing Council for its comments; and

7. Further requests the Administrator, in consultation with the Executive Director of UNIDO, when recruiting SIDFAs, to give primary consideration to the technical competence and experience of the individuals concerned, while at the same time, recruiting from as wide a range of countries as possible, particularly from developing countries.

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80/33. Feasibility of indexing the decisions of
the Governing Council (Agenda item 11(b))

The Governing Council,

Concurs in the Administrator's proposal contained in DP/481 to proceed with indexing the Council's decisions, in accordance with the actions described in paragraphs 8 to 12 of DP/481, and authorizes the additional expenditure in 1980-1981 of an amount not to exceed \$25,000 (net), for which additional appropriations to be allocated from UNDP resources may be requested by the Administrator from the twenty-eight session of the Governing Council, unless he is able to cover all or a part of this amount from savings within the Programme Support Costs and Administrative Services Costs budgets.

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80/34. Country and intercountry programmes and
projects (Agenda item 6(b))

The Governing Council,

In view of the magnitude of the disaster in Fiji, as the result of a cyclone affecting that country,

Taking into account the criteria for UNDP's response to natural disasters in the terms set forth in DP/432,

Decides that the Administrator may provide assistance to Fiji from the Programme Reserve, not to exceed \$1,000,000, subject to the details of the requests being set forth in a project document.

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ASSISTANCE TO DROUGHT-STRICKEN COUNTRIES IN AFRICA AND FOLLOW-UP
TO THE UNITED NATIONS CONFERENCE ON DESERTIFICATION

United Nations Sudano-Sahelian Office

80/35. Implementation of the medium-term and long-term recovery
and rehabilitation programme in the Sudano-Sahelian
region (Agenda item 7(f) (i) (a))

The Governing Council,

Recalling the relevant resolutions of the General Assembly and the Economic and Social Council, particularly General Assembly resolutions 3253 (XXIX) of 4 December 1974, 3512 (XXX) of 15 December 1975, 31/180 of 21 December 1976, 32/159 of 19 December 1977, 33/133 of 19 December 1978 and 34/16 of 19 November 1979, and Economic and Social Council resolutions 1978/37 of 21 July 1978 and 1979/51 of 2 August 1979,

Noting with satisfaction the decisive role played by the United Nations Sudano-Sahelian Office (UNSO) in helping to combat the effects of the drought and to implement the priority medium-term and long-term recovery and rehabilitation programme adopted by the States members of the Permanent Inter-State Committee on Drought Control in the Sahel and in mobilizing the necessary resources to finance priority projects,

Considering that the nature and magnitude of the needs of the countries of the Sudano-Sahelian region requires that the international community should continue and strengthen its action of solidarity in support of the recovery efforts and economic take-off of those countries,

Considering that in its resolution 3054 (XXVIII) of 17 October 1973, the General Assembly requested the developed countries and the Specialized Agencies of the United Nations to grant those countries affected by the drought, which do not enjoy them, benefits similar to those given to the least developed countries with respect to the specific consequences of the drought and until those consequences are eliminated,

Having considered the report of the Secretary-General on the implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-Sahelian region,^{1/}

1. Takes note with satisfaction of the report of the Secretary-General;^{1/}
2. Commends the Administrator for the results achieved by the United Nations Sudano-Sahelian Office;

^{1/} A/35/176.

3. Expresses its gratitude to the Governments, United Nations system agencies and other intergovernmental organizations, private organizations and individuals that have contributed to the implementation of the medium-term and long-term recovery and rehabilitation programme in the Sudano-Sahelian region and urges them to continue;

4. Authorizes the Administrator to continue to grant from unallocated funds the countries of the Sahel affected by the drought, which do not enjoy them, the benefits given to the least developed countries until the consequences of the drought are eliminated;

5. Urges all Governments to make special efforts to enable UNSO to respond more fully to the priority requirements of the countries member States of CILSS; and

6. Requests the Administrator to continue to enhance the capacity of UNSO to respond effectively to the priority requirements of the States members of CILSS through the use of resources available in the Programme, particularly UNFPA, the United Nations Capital Development Fund and the United Nations Fund for Natural Resources Exploration.

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80/36. Assistance to Drought-stricken countries in Africa
(Agenda item 7(f) (ii))

The Governing Council,

Having considered document DP/450 in the light of the recent information furnished orally by the Assistant Administrator of UNDP and Director of the Regional Bureau for Africa, as well as other information given during the debate by representatives of drought-stricken African countries,

Noting with anxiety that drought continues to wreak havoc in several parts of Africa and now affects more than half the countries of the continent,

1. Takes note with appreciation of the report of the Administrator and of the additional information given during the debate,
2. Requests the Administrator to continue to report on the drought situation in Africa and neighbouring areas;
3. Requests the Administrator to set up a special programme for providing increased assistance to drought-stricken African countries with a view to reconstructing their economies and shielding them from the consequences of drought;
4. Requests the Administrator to include information on this special programme in his next report;
5. Appeals to the international community to give drought-stricken African countries generous emergency assistance that will enable them to cope with the situation created by the persistence and spread of drought.

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80/37. Concept for the interim year administrative
budget report (item 10(f))

The Governing Council,

1. Takes note with appreciation of the report by the Administrator contained in document DP/491, the information contained therein on subjects which might be considered for reporting in the interim year of a budget biennium, and the views and comments of the members expressed thereon; and

2. Decides that the subjects to be reported upon the interim year of a budget biennium, in addition to the Annual Review of the Financial Situation, shall be left to the discretion of the Administrator and shall cover points where consultation or Council decisions are required or which otherwise, in the opinion of the Administrator, should be submitted to the Council.

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80/38. UNDP financial regulations (item 10(i))

The Governing Council,

1. Takes note of the note of the Administrator on UNDP financial regulations (DP/499) and the views and comments of the members thereon;

2. Agrees to revise its decision taken at the twenty-fifth session, 25/24, paragraph 3, by requesting the Administrator to prepare a new draft of the UNDP financial regulations which will be most appropriate for UNDP's needs, having regard, to the maximum extent possible, to ensuring conformity with relevant United Nations regulations;

3. Requests the Administrator to obtain the comments of ACABQ on the revised financial regulations;

4. Requests the Administrator to provide the Council, for adoption at its twenty-eighth session, with revised financial regulations in accordance with paragraphs 2 and 3 above;

5. Requests the Administrator to provide to the Council, at its twenty-ninth session, for information purposes, the financial rules which he has established under the revised financial regulations adopted by the Council; and

6. Reaffirms that the authorization and request, contained in paragraphs 3 and 5, respectively, of decision 79/41 shall remain in force until such time as revised financial regulations have been adopted by the Council.

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80/39, Audit reports (item 10 (j))

The Governing Council,

Having considered the audited accounts for 1978 of the Participating and Executing Agencies, relating to funds allocated to them by UNDP, and the Note by the Administrator contained in document DP/441,

1. Notes with satisfaction the audited accounts of the Participating and Executing Agencies for 1978 and the comments of their respective external auditors and the views and comments of the members expressed thereon;
2. Appreciates the efforts of the Administrator in obtaining the views of the External Auditors on the items raised in paragraphs 3 and 4 of Governing Council decision 79/74 and accepts the response of the External Auditors concerning those items;
3. Requests the Administrator, in future reports to the Governing Council on the audited accounts, to provide salient comments on the substantive observations of the Auditors, indicating what follow-up has been taken on their observations by the Administrator and by the Participating and Executing Agencies;
4. Requests the Administrator to consult to determine whether the commercial External Auditors used by certain organizations intend to include in future audit reports observations on substantive matters and on the items referred to in paragraph 3 of Governing Council decision 79/74.

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30/40. Interim Fund for Science and Technology for
development (item 7(g))

The Governing Council,

1. Takes note of the progress of the Interim Fund for Science and Technology for Development as reported by the Administrator in his statement to the Council, of the resolutions adopted by the Intergovernmental Committee on Science and Technology for Development at its second session, and of the views expressed in the Council during the consideration of this item;
2. Expresses appreciation for the steps taken by the Administrator to ensure a rapid start of the operations of the Interim Fund;
3. Further expresses appreciation to those Governments that have made contributions permitting significant progress to be achieved toward accomplishing the objectives of the Interim Fund;
4. Urges all Governments to contribute additional resources which are required to ensure the continuing success of these endeavours; and
5. Requests the Administrator to inform the Governing Council at its next session of further developments and progress.

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80/41. United Nations Volunteers (item 7(b))

The Governing Council

1. Takes note of the report of the Administrator on the activities of the United Nations Volunteers Programme, and notes with satisfaction the growth rate of the programme with some 800 volunteers now serving in 82 developing countries;
2. Recalls operative paragraph 1 of General Assembly resolution 31/131 which considered the United Nations Volunteers Programme to be a major operational unit in the United Nations for the execution of youth programmes especially of pilot projects to increase the participation of youth in development activities and training programmes for youth workers;
3. Acknowledges the increasing role which the United Nations Volunteers Programme is playing by bringing a unique input into the technical co-operation process;
4. Takes into account the expectation that the United Nations Volunteers Programme will play a significant role in the preparation of projects and programmes related to the International Youth Year (IYY) 1985 and requests the United Nations Volunteers in doing so to take fully into account the technical competence of the relevant specialized agencies and the need for full co-operation and consultation with such agencies which operate core activities directly related to youth; and to report on these preparations to the twenty-eighth session of the Governing Council.
5. Requests the Administrator to present to the Council at its twenty-eighth session proposals for adequate staffing of the United Nations Volunteers taking into account the expansion of the programme;
6. Requests the Administrator, after consultation with delegations, to recommend to the General Assembly, through ECOSOC, that the title of the post of Co-ordinator of the United Nations Volunteers Programme be more appropriately renamed to reflect the responsibilities and functions of this post; and
7. Reiterates its invitation to all member Governments to contribute or increase their contributions to the Special Voluntary Fund to enable United Nations Volunteers to continue to expand its activities and to more effectively carry out its mandate.

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80/42. United Nations Technical Co-operation Activities
(Item 7 (h))

The Governing Council,

1. Takes note of the reports of the Secretary-General on United Nations Technical Co-operation Activities (DP/RP/21 and Add.1, DP/RP/22) and welcomes their increased coverage;
2. Endorses the proposals for the future orientation of the work of the Department of Technical Co-operation for Development and the proposed guidelines for the use of the United Nations regular programme of technical co-operation for the benefit of the least developed countries and for the promotion of technical co-operation among developing countries;
3. Invites the Administrator to take fully into account the special competence, experience and expertise of the Department of Technical Co-operation for Development in the designation of Executing Agencies for the implementation of UNDP-supported projects in the Department's fields of specialization;
4. Endorses the use of such experience or expertise in support of the UNRWFRE through 1981 pending the outcome of the review by the Governing Council and the Economic and Social Council, and invites the Administrator to take maximum advantage, as may be appropriate, of the Department's experience and expertise with respect to other funds and/or activities that relate to the competence already available in the Department;
5. Endorses the Department's proposals on the linkages between pre-investment and investment and, in the context of the Council's decision 80/23, recommends that the Department and UNDP consider consultative arrangements similar to those between UNDP and FAO and that the Department explore the possibility of closer links with the World Bank and other financial institutions in the fields of pre-investment activities within its areas of competence.

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80/43. Annual Report of the Administrator for 1979
(Item 4(a))

The Governing Council,

Having considered the Annual Report of the Administrator for 1979 (DP/460), its supporting statistical documentation (DP/461, DP/462, DP/463) and the views expressed thereon by Council Members and Observers,

1. Takes note with appreciation of the continuing increase in Programme delivery and commends the Administrator for the steps which he has taken to further improve Programme quality as well as the rate of implementation and for the measures initiated to promote proper harmonization and complementarity in the technical co-operation activities of the organizations of the United Nations system;
2. Stresses the importance of technical co-operation in the development process and in particular its catalytic ability to increase efficiency in the use of human and financial resources, including external capital assistance;
3. Reiterates in this connexion the importance of the UNDP country programming process which facilitates the selection by recipient governments of priority areas for assistance from the United Nations system and its proper co-ordination at the implementation stage.
4. Invites the Economic and Social Council to give due attention to the ways and means of ensuring the speedy implementation by all organizations concerned of the provisions of paragraph 33 of the annex to General Assembly resolution 32/197 on the use of the UNDP country programming process as a frame of reference for the operational activities carried out and financed by the organizations of the United Nations system from their own resources;
5. Appeals to all Governments to renew their efforts to provide the United Nations Development Programme with the necessary resources to enable it to achieve the target set for the 1977-1981 development cycle, which is predicated on an annual growth rate of 14 per cent, thereby providing a sound financial basis for the planning of third cycle activities and strengthening the role of UNDP as the central funding and co-ordinating organization for multilateral technical co-operation within the United Nations system.

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80/44. Agency Support Costs (Item 10(k))

The Governing Council,

I

Takes note of the report of the Intergovernmental Working Group on Support Costs as contained in DP/WGOC/32 and Corr.1.

II

Having reviewed the report of the Intergovernmental Working Group on Support Costs (DP/WGOC/32 and Corr.1),

Recalling the criteria for the definition of support costs as outlined by the Joint Inspection Unit (JIU) in paragraphs 7 to 11 of its note DP/WGOC/1 and as broadly accepted by the Working Group (E/1978/53/Rev.1, Annex III, Part I, para. 29),

Noting that the work of the Working Group was severely restricted by the absence of comparable data resulting from, inter alia, lack of standardization of accounting practices within the United Nations system,

Recalling its decision, at its twentieth session, which requests the Administrator to encourage Governments to undertake Government execution of UNDP-assisted projects in those cases where he is satisfied that the necessary capacity exists,

Deeply concerned that over-all support costs incurred by Executing Agencies in respect of operational activities continues at a high rate and level and should be reduced without causing an increase in the regular budgets,

1. Invites the Economic and Social Council and the General Assembly to recommend to the Agencies that they review their operational support systems, working methods, arrangements and staffing with a view to bringing about significant reductions in over-all support costs;

2. Decides that the following arrangements shall apply to the reimbursement by UNDP of agency support costs for operational activities in respect of the financial years 1982 to 1991 as well as for other similar programmes under the jurisdiction of the Governing Council:

(a) Reimbursement shall be made at the rate of 13 per cent of annual project expenditures and appeals to the Executing Agencies to implement operational projects within the reimbursements received and not to increase the levels of their regular budgets because of the new reimbursement rate;

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(b) Current arrangements will continue whereby some Executing Agencies of UNDP-financed programmes are granted flexibility; however, the Administrator shall review these arrangements and recommend to the Council, at its twenty-eighth session, guidelines to be applied, including the ceilings for eligibility;

(c) Without prejudice to subparagraph (b) above, no Executing Agency shall receive for each of the years 1982 to 1986, under the new formula less reimbursement in US dollars than the amount received for 1981 unless 14 per cent of the amount of actual programme expenditures itself would produce a lower amount; in such event, the latter amount shall serve as the upper limit of reimbursement;

(d) In those cases where the actual support costs can be identified, no Agency shall be reimbursed in excess of the support costs associated with the execution of projects funded by UNDP;

(e) Cases of particular hardship due to currency exchange fluctuations shall be dealt with by the Governing Council on an ad hoc basis; however, the Administrator is requested to recommend to the Council, at its twenty-eighth session, guidelines and procedures to reimburse Executing Agencies for this purpose;

(f) The special arrangements currently in force whereby the World Bank is reimbursed support costs at the rate of 11 per cent of project expenditures shall continue unchanged;

(g) To assist the Governing Council to carry out its responsibilities, each Executing Agency is requested to provide to the Council, through the Administrator, on an ex post facto basis a detailed report showing the elements of support costs incurred in the preceding year in executing operational activities for development. The report should include details on objects of expenditure and the number and grades of staff or staff years involved in the different support activities (recruitment, procurement, placement of fellows, other backstopping); the Administrator, in consultation with the Agencies, shall develop a suitable format for the annual report to the Governing Council;

3. Requests the Administrator to review arrangements for reimbursing support costs in respect of those executing arrangements and programmes under his authority to which a percentage formula does not currently apply and to make suitable recommendations to the Council at its twenty-eighth session.

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