GOVERNING COUNCIL
Twenty-eighth Session
June 1981
Agenda item 7 (c)

UNITED NATIONS CAPITAL DEVELOPMENT FUND

Draft decision proposed by Bangladesh, the Gambia
and the Netherlands

The Governing Council,

Having considered the annual report of the Administrator on the United Nations Capital Development Fund (DP/536) and document DP/INF/34 on implementation of the partial funding system,

Recalling General Assembly resolution decision 35/422 of 5 December 1980,

Recalling also the Council's decisions 79/21 of 27 June 1979 and 80/19 of 26 June 1980,

Considering the magnitude of the needs for concessional capital assistance of the least developed countries, in order to accelerate their economic and social development,

Considering also the forthcoming United Nations Conference on the Least Developed Countries which is being convened in September 1981 at the request of the General Assembly,

1. Takes note with satisfaction of the Administrator's annual report on the United Nations Capital Development Fund and the report on implementation of the partial funding system;

2. Welcomes the measures taken by the Administrator to implement the partial funding system, and commends the Administrator on the substantial progress achieved with regard to programme delivery and expansion of the Fund's activities;
3. **Decides** that the Fund should continue the partial funding system for one more year, and **requests** the Administrator to submit a detailed report on implementation of the system to the Council at its twenty-ninth session in June 1982;

4. **Reiterates** its previous requests to the Economic and Social Council to recommend to the General Assembly that the Fund be authorized to meet the administrative and programme support costs pertaining to its activities from its own resources;

5. **Reaffirms** that, paragraph 4 above notwithstanding, United Nations Development Programme will continue to provide to the Fund all field support services as well as all headquarters administrative support services;

6. **Welcomes** the participation of United Nations Capital Development Fund in the subregional meetings which will precede the United Nations Conference on the Least Developed Countries, and expresses the hope that the Fund will be enabled to play a direct role in implementation of the action programme to be drawn up by the United Nations Conference on the Least Developed Countries; and

7. **Calls upon all countries** to provide voluntary contributions to the Fund so as to enable it to maintain the momentum achieved in the past year and thereby play an increasingly effective role in channelling concessional capital assistance to the developing countries, particularly the least developed countries.