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GOVERNING COUNCIL
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Agenda item 4(b)**S U P P O R T****IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL
AT PREVIOUS SESSIONS**Progress Report on Pre-investment ActivitiesReport of the AdministratorSummary

This report summarizes the progress achieved since the twenty-eighth session of the Governing Council with respect to the various measures undertaken by the Administrator to stimulate UNDP-assisted pre-investment activities. The results of the co-operative arrangement with the Food and Agriculture Organization of the United Nations (FAO) under which the multidisciplinary expertise of its Investment Centre is used to make UNDP-assisted pre-investment projects attractive to sources of finance, have been encouraging. UNDP has concluded similar arrangements with other major agencies on the basis of which the selection of projects for re-orientation is proceeding.

Also provided in the report is updated information on the relationship between UNDP and development finance sources as well as on the training of Resident Representatives, Deputy Resident Representatives and agency staff in investment development with particular focus on the seminars being held for this purpose at the Economic Development Institute (EDI) of the World Bank.

UNDP has been able to recover, out of project budgets, costs for several field missions mounted by the FAO Investment Centre under the UNDP/FAO co-operative arrangement. After taking into account the amount thus recovered and the special authorization of \$100,000 each for the years 1979-1981 approved by the Council for the implementation of the co-operative arrangements with agencies, UNDP has a surplus of about \$30,000. This may increase as additional amounts are recovered from project budgets to cover the cost of Investment Centre missions. It is intended to use this amount for further implementation of the co-operative arrangements with agencies.

INTRODUCTION

1. At its twenty-eighth session, the Governing Council took note of the report of the Administrator (DP/521) on UNDP's involvement in pre-investment activities and requested that a report on the results achieved be submitted to its twenty-ninth session. This report has been prepared in response to that request.

I. PRE-INVESTMENT CONTENT IN COUNTRY PROGRAMMES

2. As noted by the Governing Council in recent years, pre-investment content in country programmes has decreased. With a view to remedy this situation, the Administrator, as described in his report to the twenty-eighth session of the Governing Council (DP/521, paragraph 2), had taken several measures. Such measures essentially included working out co-operative arrangements with agencies; the training, in co-operation with EDI, of Resident Representatives and Deputy Resident Representatives in investment development; establishing special interest arrangements; and strengthening relationships with sources of finance. The progress made with respect to these measures is described in the paragraphs below. In addition, Resident Representatives have been asked to encourage Governments to use part of their IPFs for pre-investment work and to identify activities in their country programmes for this purpose. Field offices are also being urged in consultation with Governments to explore, wherever feasible, possibilities of joint programming with financial institutions in order to intensify pre-investment activity.

II. CO-OPERATIVE ARRANGEMENTS WITH AGENCIES

3. In 1979, UNDP entered into a co-operative arrangement with FAO under which the multi-disciplinary expertise of the FAO Investment Centre is used to review on-going or completed UNDP-assisted, FAO-executed projects with a view to enhancing their investment potential. In addition to carrying out such reviews, the Investment Centre, with Government concurrence, promotes investment projects with sources of finance. In a similar vein, UNDP has concluded co-operative arrangements with the World Health Organization (WHO) in 1980 and the United Nations Department of Technical Co-operation for Development (UNDTCD), the United Nations Industrial Development Organization (UNIDO), the International Labour Organisation (ILO) and the United Nations Educational, Scientific and Cultural Organization (UNESCO) in 1981.

A. FAO

4. Under the terms of the UNDP/FAO co-operative arrangement, some 43 missions (12 in 1981) were mounted by the FAO Investment Centre during the period 1979-1981, with Government concurrence, in relation to 37 UNDP-assisted projects. The co-operative arrangement provides that salaries of FAO Investment Centre staff are to be shared equally by FAO and UNDP. In addition, the per diem and travel costs of Investment Centre missions are borne by UNDP and charged to project budgets. The estimated UNDP share of the total costs of these missions is expected to amount to \$341,000, of which some \$104,000 may be attributed to costs incurred in 1981.

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5. Based on the missions mounted under the co-operative arrangement, six investment projects have been prepared for which follow-up financing of \$57 million has been committed; \$38.7 million for agricultural and rural development in Egypt, of which \$28 million was provided as a loan from the International Fund for Agricultural Development (IFAD); \$10.9 million for rainfed rice production in Tanzania, of which \$9.7 million was provided as a loan from the African Development Fund; two grants of \$2 million each from the United Nations Capital Development Fund (UNCDF) for two pilot rice irrigation schemes in Tanzania; \$1.8 million for a watershed project in Tunisia financed by the Government; and \$1.6 million for a fisheries project in Kiribati financed from bilateral sources. Additionally, some 19 projects were identified by the FAO Investment Centre for which the estimated follow-up investment required amounts to about \$450 million. Special interest has been declared by development finance institutions in 11 of these 19 projects of which several could lead to follow-up investment commitments of some \$100 million to \$150 million during the 1982-1983 period. The remaining 12 projects for which missions were mounted were found either to have no investment potential or to be at too early a stage of work to provide appropriate pre-investment data.

6. During October 1981, UNDP and the FAO Investment Centre met to select UNDP-assisted, FAO-executed projects with investment potential for the 1982 programme. Twenty-three such projects, about half of which are located in African countries, were chosen as possible projects for re-orientation or for further assistance by FAO Investment Centre missions. In addition, nine projects, which had already been assisted during 1980-1981 by Investment Centre missions, were identified as requiring additional work to bring them to the pre-investment stage. In an effort to facilitate the planning for these 1982 missions, which often requires considerable lead time to obtain the necessary multi-disciplinary expertise, UNDP is seeking Government concurrence for the mounting of Investment Centre missions as soon as possible. Thus, the intention has been to establish a schedule of approved missions by early 1982. However, flexibility will be maintained throughout the year so that presently unforeseen missions may be added to the schedule subject to the concurrence of the Governments concerned.

B. WHO

7. After agreement had been reached with WHO in July 1980 on the terms of the UNDP/WHO co-operative arrangement, four completed projects were jointly selected for inclusion in the initial 1981 work programme. Additionally, four projects were selected for monitoring and several more for desk review to determine their investment potential and consequent viability as possible projects for future assistance under the co-operative arrangement.

8. For one of the completed projects - a storm drainage, liquid and solid waste disposal project in Gabon - a mission from the WHO Regional Office in Africa was mounted in late 1981. The objective of the mission was to finalize the terms of reference for a feasibility study and to assist the Government in preparing an updated investment project for presentation to multilateral

development finance sources, three of which have expressed possible interest in financing follow-up investment. Consultations are also continuing with several other Governments concerning missions to re-orient and update completed projects included in the 1981 programme of work.

9. As regards one of the projects (sewerage and marine waste disposal system, Cook Islands) which was selected for desk review, the Government requested the WHO Regional Office in Manila to examine this activity in consultation with the project engineer. Based on this consultation, complementary information is being collected for inclusion in the feasibility study and project design documents. Additionally, a consultancy mission is planned under the terms of the UNDP/WHO co-operative arrangement to evaluate options for sludge disposal. It is intended to present the final feasibility study to an interested source of finance.

C. ILO

10. A co-operative arrangement was concluded with ILO in mid-1981. Subsequently four on-going, UNDP-assisted projects (two in Africa, one in the Arab states and one in the Caribbean) were selected as "candidates" for possible inclusion in the initial UNDP/ILO work programme. Other projects are also under consideration. Subject to Government concurrence, ILO re-orientation missions for selected projects are likely to be mounted during 1982.

D. Other agencies

11. Concerning the co-operative arrangements concluded with UNDTCD, UNIDO and UNESCO, programmes are expected to be established for 1982 once consultation between UNDP and these agencies on the selection of "candidate projects" is completed, and the approval of Governments for missions in behalf of selected projects is obtained.

12. In response to Governing Council decision 81/22, a number of agencies have intensified their pre-investment activities with emphasis on the identification and formulation of pre-investment projects and the early association of such projects with sources of finance. While in some agencies, units concerned with pre-investment have been long established, in others, such units have only been created recently. All such units are or will be involved with the identification, design, monitoring and promotion of projects selected under the respective co-operative arrangements with UNDP.

III. FINANCIAL IMPLICATIONS OF CO-OPERATIVE ARRANGEMENTS

13. At its twenty-sixth session, the Governing Council in decision 79/10 authorized an amount of \$100,000 from the 1979 administrative services budget for consultancy services in connexion with the implementation of the UNDP/FAO co-operative arrangement on an experimental basis with the understanding that efforts would be made to recover this amount from project budgets. Encouraged by the results of the UNDP/FAO co-operative arrangement, the Governing Council

authorized the continuation of such an arrangement in 1980 and appropriated an additional amount not to exceed \$100,000 for working out similar arrangements with other agencies and also to meet the cost of missions for completed projects under the UNDP/FAO co-operative arrangement which could not be met out of the 1979 authorization.

14. On the basis of discussions with the agencies, it became clear that the additional amount of \$100,000 would not be sufficient for working out such co-operative arrangements with other agencies. The need for further funds was also reinforced by the experience of the FAO Investment Centre which found it difficult to plan in advance the fielding in 1981 of missions under the UNDP/FAO co-operative arrangement. There was a lack of funds in several project budgets since Investment Centre monitoring had not been foreseen at the time of project formulation. At its twenty-eighth session, the Governing Council therefore, in decision 81/22, authorized an additional amount of \$100,000 out of the 1981 Programme Reserve for co-operative arrangements on the understanding that in future years the pre-investment component would be incorporated in the design stage of projects and the necessary budgetary provisions be made.

15. The Administrator is pleased to report that it has been possible to recover the cost of FAO Investment Centre missions from several projects. In view of this, and after taking into account the amount authorized by the Governing Council for the implementation of the UNDP/FAO co-operative arrangement as described in paragraph 14 above, UNDP is left with a surplus of about \$30,000. This amount, and any further amounts that may be recovered out of project budgets, will be utilized for the implementation of co-operative arrangements with agencies as was the intention at the time the budgetary and Programme Reserve allocations mentioned above were approved. The available surplus will be used only in the case of those on-going and completed projects where the cost of field missions cannot be absorbed by project budgets.

IV. STRENGTHENING RELATIONSHIPS WITH SOURCES OF DEVELOPMENT FINANCE

16. Various measures to strengthen relationships between UNDP and development finance sources were continued during 1981. Such measures included the use of special interest arrangements, consultation on projects and programming between UNDP and development finance sources (often at the field level through informal exchanges of information between staff of UNDP offices and members of missions mounted by development finance institutions), reimbursable aid arrangements and the appointment of development finance institutions in appropriate cases as executing agencies for UNDP-assisted projects.

17. As one means of promoting linkages between pre-investment and investment, UNDP has entered into special interest arrangements with the World Bank, various regional development banks and IFAD. These arrangements, in conformity with UNDP policies and procedures, call for the distribution by UNDP field offices of draft country programmes and draft project documents - in the latter case, particularly for pre-investment projects - to development finance institutions. On a basis of these submissions development finance

institutions may express special interest in projects and/or furnish comments on the project design or its relationship to on-going or intended activities of the development finance institution. Special interest may also be expressed in UNDP-assisted projects on the initiative of a development finance institution. For those projects in which an interest is expressed, UNDP, in consultation with Governments, arranges to keep the institutions concerned informed of the projects' status. In this manner, development finance institutions are able to monitor the execution of projects and provide advice to ensure, in the case of UNDP-assisted pre-investment projects, that the pre-lending activities required to facilitate appraisal for a loan or credit are effectively carried out.

A. World Bank

18. Under the special interest arrangement with the World Bank, draft country programmes and some thirty draft project documents were sent to the Bank in 1981. Comments on projects have ranged from no special interest, to requests for additional information and, in the case of ten projects, to formal expressions of special interest. Bank comments have also included technical observations on project design and content as well as information on the relationship of the project to Bank or other activities. Such comments may be offered in regard to any draft project document submitted to the Bank and are not necessarily limited to projects in which the Bank has expressed special interest.

19. During 1981, the Bank was designated as executing agency for some 50 UNDP-assisted projects of which several are expected to result in follow-up investment. One of these, Preparation of Investment Projects, (CPR/80/072) assisted in the preparation of a university development project in China for which the Bank, in June 1981, approved \$200 million of loan/credit (\$100 million from IBRD, \$100 million from IDA) out of a total cost of \$295 million.

20. UNDP and the Bank continue to hold yearly meetings under the consultative arrangement agreed to in 1980 to discuss policy matters of mutual interest particularly those related to technical assistance and pre-investment activities. Additionally Bank and UNDP staff consult frequently in both the field and at their headquarters on specific projects and programmes.

B. Inter-American Development Bank (IDB)

21. During the second half of 1980, UNDP and IDB concluded a "special interest" agreement which focused on establishing procedures for systematic collaboration between the two organizations. The main aspects of this collaboration involve improved, longer-term, joint programming and co-operation in the identification and design of pre-investment projects which may lead to Bank financing. To achieve these objectives, particular emphasis has been given to increasing consultation between the field offices of UNDP and the IDB Representatives.

22. As a result of this co-operation, some 60 UNDP-assisted projects were screened by the Bank and UNDP and "special interest" declared by the Bank in eight of them. It is expected that the cost of some of the pre-investment studies included in the eight special interest projects would be financed under the reimbursable aid arrangement with IDB. (see paragraphs 35 and 36 below.)

23. A review of the previous year's collaboration was undertaken by UNDP and IDB during October 1981 on the basis of which it was concluded that further efforts should be made to enhance the joint programming process. In particular, it was decided that henceforth UNDP and IDB would consult on programming for specific countries at the Bank's headquarters, without prejudice to collaboration at the field level, prior to the mounting of IDB country programming missions in order to ensure that UNDP inputs were taken into account in a comprehensive and timely manner.

C. Asian Development Bank (AsDB)

24. The application of the special interest ("provisional interest") procedures with AsDB was renewed in mid-1979 as a means of increasing the flow of draft project documents and country programmes from UNDP to the Bank. Through this procedure the Bank is able to examine these documents, comment on them and express interest in projects which are producing data relevant to the Bank's lending programme. Recently, the Bank received six country programmes for comments which in turn should help in the identification of pre-investment projects of interest to the Bank. Furthermore, the Bank was the executing agency in 1980-1981 for 20 UNDP-assisted projects of which 10, at an estimated cost to UNDP of about \$4.5 million are to implement studies for investment projects in which the Bank has expressed interest. The total amount of the loans likely to materialize based on the results of the 10 UNDP-assisted projects is about \$250 million.

D. African Development Bank (AfDB)

25. Co-operation continued in 1981 between AfDB and UNDP in the area of pre-investment and follow-up investment. During this period, AfDB continued to follow the progress of 11 projects in which it declared special interest in 1980. Additionally, the Bank, in 1981, expressed special interest in an artisanal fisheries project in Mauritania.

26. The Bank has closely followed the programming process of the third cycle regional programme for Africa and has indicated its interest in studying about ten of the regional projects in addition to the 11 projects referred to above covering such sectors as agriculture, pest control, crop protection, transportation, communications, energy and industry. UNDP will continue to maintain liaison with the Bank with a view to facilitating follow-up investment for some of these projects in the course of 1982.

E. International Fund for Agricultural Development (IFAD)

27. The special interest arrangement between UNDP and IFAD was initiated in November 1979. Since that time, UNDP field offices have submitted documentation on some 42 projects for examination by IFAD. IFAD has expressed interest in five of these projects, one of which resulted in an IFAD loan to Egypt (West Beheira Settlement Project). Another continues to be a subject of an on-going dialogue between the Fund, UNDP and the Government concerning a prospective UNDP-assisted, pre-investment project to prepare several rural development projects with emphasis on food production for possible follow-up financing by IFAD. The three other projects in which IFAD has expressed interest are being actively reviewed by IFAD in order to identify investment projects for possible follow-up financing. IFAD has also provided comments and/or requested additional information on several other projects brought to its attention.

28. As regards other forms of co-operation between UNDP and IFAD, direct consultation between staff of UNDP field offices and IFAD is encouraged in order to facilitate the formulation of joint strategies in programming with particular reference to associating IFAD with UNDP-assisted projects as a potential source of follow-up investment. Accordingly, a number of Resident Representatives consulted with IFAD in Rome during 1981. In addition, IFAD and UNDP are co-financing a project - Assistance in the Development of Agricultural and Rural Development in Central America and Panama (RLA/79/008) - the main objective of which is to strengthen the capacity of government planning and development agencies in the identification and preparation of investment projects in the rural sector.

F. European Community

29. In 1977, following meetings between representatives of UNDP and the European Community's Directorate General for Development, both organizations contacted their representatives located in the African, Caribbean and Pacific (ACP) States to strengthen mutual co-operation at the field level. This co-operation called for, inter alia, increased collaboration in both programming and the identification, formulation and implementation of projects. Particularly stressed was early consultation on projects to avoid duplication of efforts and to foster such complementary activities as utilizing the European Development Fund, at the request of the ACP Governments concerned, to provide follow-up financing to UNDP-assisted pre-investment projects.

30. At the time these co-operative measures in the ACP States were introduced (1977), the European Community had not established delegations in the Maghreb and Mashreq countries. During the course of consultations between the European Community and UNDP in 1980-1981, it was therefore decided to extend the type of field level co-operation already established in the ACP States to the Maghreb (Algeria, Morocco, Tunisia) and Mashreq (Egypt, Jordan, Lebanon, Syria) States where field offices of both organizations now exist. Instructions to the field offices of both organizations in the Maghreb/Mashreq

States for developing such co-operation are now under discussion and are expected to be issued during the first half of 1982.

31. With a view to further enhancing co-operation between the two organizations, UNDP and the European Community decided in 1980 to consult annually on matters of mutual interest. The next meeting is tentatively scheduled for mid-1982 in New York.

G. United Nations Capital Development Fund (UNCDF)

32. Close co-operation between UNDP and UNCDF continued during 1981. Specifically, during the year some 13 missions, financed from IPF resources at an estimated cost of \$188,000, were mounted by UNCDF to prepare 21 projects for possible UNCDF grant financing. Of these 21 projects, eight projects - four in Africa, one in Asia and three in Latin America - were approved during 1981 for UNCDF grants amounting to \$13,147,000. Three more grants amounting to \$3,991,800 were approved in 1981 for three projects (two in Africa, one in the Middle East) prepared by UNCDF missions financed from IPF resources in 1980. Thus, a total of 11 projects, prepared by UNCDF missions financed from IPF resources were approved in 1981 for grants amounting to about \$17.1 million.

33. In addition to financing pre-investment missions, UNDP also provides technical support in the preparation, approval and implementation of UNCDF projects. For example, UNCDF may call upon UNDP expertise to provide such assistance as preparing terms of reference for missions mounted by UNCDF, analysing mission reports and advising on the selection of specialized consultants. Additionally, UNDP staff participate in the project approval committee in which the technical and economic viability of prospective UNCDF projects is examined and issues clarified prior to the approval of UNCDF grants. UNDP field offices for their part are involved with administering and monitoring the implementation of UNCDF projects as well as UNDP-assisted support projects related to them.

H. Co-operation with other sources of finance

34. UNDP is continuing its efforts to develop closer relationships with such development finance institutions as the Arab Bank for Economic Development in Africa, the Islamic Development Bank and the Nordic Investment Bank as well as bilateral institutions as possible other sources of follow-up investment to UNDP-assisted pre-investment projects. In addition, UNDP is discussing the possibility of closer co-operation with the International Finance Corporation (IFC), the affiliate of the World Bank engaged in promoting private productive investments in developing countries.

V. REIMBURSABLE AID ARRANGEMENTS

35. The concept of reimbursable aid arrangements between UNDP and multilateral and regional development finance institutions was discussed during the twenty-eighth session of the Governing Council. Such arrangements call for co-operation between UNDP, a development finance institution and any of the relevant specialized agencies in the formulation of a UNDP-assisted

pre-investment project in which the financial institution may express special interest. Once special interest is expressed, an understanding could be reached on a case-by-case basis between the Government, UNDP and the development finance institution that should a pre-investment study financed under the IPF lead to a loan, an amount to cover the cost of this study would be reimbursed to the country's IPF from the loan proceeds and would thus be available to finance other UNDP-assisted projects. In the event that a study did not result in a loan, its cost would be considered as a grant to be absorbed under the IPF.

36. Agreement was reached during December 1980 between UNDP and IDB on the terms and conditions of such an arrangement. A similar agreement was also concluded with the Caribbean Development Bank during the last quarter of 1981 while the World Bank and AsDB have agreed to review each project on merit instead of entering into a formal reimbursable aid arrangement.

VI. TRAINING

37. As an additional means of increasing UNDP's capacity to handle pre-investment activities, the Governing Council in decision 80/23, adopted at its twenty-seventh session, endorsed the proposal of the Administrator (DP/479, para 30) that arrangements should be made between UNDP and the World Bank to ensure that Resident Representatives and Deputy Resident Representatives receive special training in investment development.

38. The Council authorized an amount of \$150,000 to finance such training activities during the 1980-1981 period. At its twenty-eighth session, an additional sum of \$200,000 was endorsed for the continuation of training courses during 1982-1983 with the understanding that, within available resources, the Administrator would extend training to agency staff and, upon request, to Government counterparts. It was also agreed that agencies would cover the travel and per diem costs of their participants in the course.

39. In preparation for the initial course held during April-May 1981, staff of UNDP and of EDI, in consultation with representatives of executing agencies, developed a course syllabus appropriate for strengthening the capacity of UNDP field offices to identify and prepare sound pre-investment projects. The course also focused on the pre-investment content of country programmes, linking UNDP-assisted pre-investment projects with sources of finance, the data requirements of development finance institutions and other sources of finance available to Governments for follow-up investment.

40. Fifteen Resident Representatives and Deputy Resident Representatives participated in the initial April-May 1981 course which lasted for two weeks. Participants and trainers evaluated this first session and the syllabus was modified in order to improve the organization of the course and develop a more relevant seminar. Additional topics of special interest to participants such as World Bank lending procedures, development project preparation, analysis and financing have also been introduced. Arrangements were made as well to ensure that, during the training courses, UNDP participants met with their World Bank counterparts to discuss existing and prospective technical co-operation activities.

41. A second session of the training course was held in November 1981 and was attended by 26 participants: 22 Resident Representatives and Deputy Resident Representatives, one official from UNDP headquarters and three from executing agencies. A third session held during February-March 1982 was attended by 24 participants: 18 UNDP field staff, one official from UNDP headquarters and five from executing agencies. One additional session is planned for the second half of 1982 in which a number of executing agencies have expressed an interest to participate. Some agencies have also offered to provide resource personnel to assist at the training courses. The schedule for the 1983 training programme will be worked out later this year.

42. Training in pre-investment has also been incorporated in the regular UNDP training programme for operational field staff commencing in early 1982. Similar training for host Government counterparts is being planned for 1983.

43. The Council at its twenty-eighth session requested UNDP to evaluate training in pre-investment and report back to its thirtieth session. Accordingly, a questionnaire will be formulated in co-operation with the UNDP Training Section and the World Bank and sent to course participants during the second half of 1982 in an effort to determine the type of activities and nature of actions initiated by them as a direct result of the knowledge acquired during the training course. In particular, participants will be requested to specify and describe actions undertaken on behalf of Governments to increase the pre-investment content of country programmes and to handle pre-investment projects more effectively, including locating and associating sources of finance with such projects. They will also be asked to report on how such training courses have helped them to perform their advisory role to host Governments particularly in relation to projects requiring capital investment.

44. IDB, immediately following the November 1981 session of the training course at the World Bank, organized a one-day orientation seminar for five Resident Representatives assigned to Latin American and Caribbean countries. A staff member from UNDP headquarters also participated. The purpose of the seminar was to explain the IDB's internal working procedures and operational activities and to discuss ways and means of achieving a closer working relationship between IDB and UNDP with the objective of improving technical co-operation with emphasis on pre-investment activities. Time was also allocated to meetings between the Resident Representatives and their counterparts in the Bank's Operations Department to discuss on-going and planned activities in their respective countries of assignment. Following the February-March 1982 session of the training course at EDI, IDB repeated its orientation seminar for one Resident Representative and two Deputy Resident Representatives. Additional IDB seminars are under consideration for other UNDP staff following the completion of future sessions of the training course at EDI.

VII. INVESTMENT COMMITMENTS IN RELATION TO UNDP COSTS

45. The Administrator has repeatedly emphasized the importance of UNDP's role as a catalyst in promoting the flow of capital to developing countries. According to statistics compiled by UNDP, based on investment commitments

reported annually in UNDP/MIS Series E, "Reported Investment Commitments Related to UNDP Projects", the average ratio of the cost of UNDP-assisted pre-investment projects to the amount of reported investment commitments resulting from these projects was 1:46. The study covered 115 pre-investment projects (43 in Asia and the Pacific, 27 in Africa, 26 in Latin America, 14 in the Arab States and five in Europe) for which investment commitments were reported during the period 1976-1980. The ratio is based on the total cost to UNDP of these projects. Had it been based on the cost of the pre-investment component only the ratio would have, in all likelihood, been higher. The complete data on reported investment commitments related to UNDP-assisted projects appears in the Administrator's Annual Report (DP/1982/6/Add.3).

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