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FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

ANNUAL REVIEW OF THE FINANCIAL SITUATION 1981

Report of the Administrator

Summary

In this report, the Administrator provides a comprehensive financial review of the activities financed from the UNDP Account during 1981, the financial position at the end of that year and a forecast of activities in 1982 and 1983. The paper deals with the unfavourable developments in the UNDP financial situation including, (a) a shortfall in voluntary contributions from earlier projections; (b) the curtailment of programme expenditure in 1982 and 1983 resulting from the resource constraints; (c) the projected UNDP liquidity situation, including the timing of payment of contributions. The report also deals with the status of investments, the utilization and balances of accumulating non-convertible currencies and the status of the Operational Reserve. The report concludes with the Administrator's recommendations, included in paragraph 37.

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INTRODUCTION

1. In accordance with established procedures, financial statements for the UNDP account 1/ for the year are submitted to the Governing Council for its review. In past years, these statements were based on preliminary year-end data as traditionally UNDP accounts were not closed at the time of preparation of documentation for the Governing Council. However, with the implementation of new accounting systems in UNDP, the Administrator is pleased to report that it has been possible this year to provide statements based on final data as submitted for audit to the UNDP external auditors.

2. Additionally, in order to facilitate this review, the statements have been streamlined and provided in the following three groupings:

I. 1981 Financial statements

Statement I : Statement of income and expenditure for the year-ended 31 December 1981

Statement II : Statement of assets and liabilities as at 31 December 1981

Statement III: Statement of changes in the financial position for the year-ended 31 December 1981

Statement IV : Summary of movement in subsidiary programme funds and revenue reserve for the year-ended 31 December 1981

Schedule 1 : Contributions outstanding as at 31 December 1981

Schedule 2 : 1981 Expenditures by agency

Schedule 3(a): Summary of investments as at 31 December 1981

1/ The UNDP account includes all resources, except those derived from trust funds.

Schedule 3b : Investments of the reserve for construction loans to Governments as at 31 December 1981

Schedule 4(a): Income received under project, programme and third party cost-sharing arrangements

Schedule 4(b): Income received under third party cost-sharing arrangement: (by donor)

II. 1981 Variance analysis: forecasts vs. actuals

Table 1 : Income and expenditure for 1981

Table 2 : Assets and liabilities as at 31 December 1981

Table 3 : Cash flow for the period 1 January to 31 December 1981

III. Estimates for 1982 and 1983

Table 4 : Forecast of income and expenditure for 1982 and 1983

Table 5 : Estimated balance sheets as at 31 December 1982 and 1983

Table 6 : Cash flow statement for the period 1 January 1982 to 31 December 1982

Table 7 : Estimates of accumulated non-convertible currencies as at 31 December 1982

I. INCOME AND EXPENDITURE

3. Statements I and II provide a summary of the financial activities of UNDP during 1981 and its financial position as at 31 December 1981. An overview of income and expenditure for 1980 and 1981, forecasts for 1982 and annual percentage changes are presented in the following summary:

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Comparative Analysis of
Income and Expenditure for 1980, 1981 and 1982
(actuals for 1980 and 1981, forecast for 1982)
(Millions of US dollars)

	<u>1980</u>	Percentage change <u>1981/1980</u>	<u>1981</u>	Percentage change <u>1982/1981</u>	<u>1982 Forecast</u>
INCOME:					
Income from voluntary contributions	693.5	(0.5)	690.0	2.8	709.7
Cost-sharing, Government Cash	79.2	9.0	86.3	3.2	89.1
Counterpart Contributions (GCCC) and Special Measures Fund for the Least Developed Countries (LDCs)					
Other income (net)	<u>48.7</u>	(42.5)	<u>28.0</u>	(10.7)	<u>25.0</u>
Total income	<u>821.4</u>	(2.1)	<u>804.3</u>	2.4	<u>823.8</u>
EXPENDITURE:					
Expenditure for Indicative Planning Figure (IPF), Programme Reserve and Special Industrial Services (SIS)	597.9	9.7	655.8	(14.6)	560.0
Supplementary programme expenditure (cost sharing, GCCC and Special Measures Fund for LDCs)	79.7	(5.0)	75.8	4.2	79.0
Total programme expenditure	<u>677.6</u>	8.0	<u>731.6</u>	(12.7)	<u>639.0</u>
Agency support costs	87.9	7.2	94.2	(11.8)	83.1
UNDP programme support and administrative services budget					
- UNDP core activities	88.6	14.4	101.4	7.8	109.3
- Non-core activities	3.0	6.7	3.2	68.8	5.4
Other	<u>6.9</u>	2.9	<u>7.1</u>	18.3	<u>8.4</u>
Total expenditure	<u>864.0</u>	8.5	<u>937.5</u>	(9.8)	<u>845.2</u>
Net excess of expenditure over income	42.6		133.2		21.4

a/Based on United Nations rates of exchange as at 1 April 1982.

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4. It will be noted that while income in 1981 decreased by approximately \$17 million or 2.1 per cent compared to 1980, total expenditure increased by \$74 million or 8.5 per cent. This resulted in a net excess of expenditure over income during 1981 of \$133.2 million. This excess has been attributed as follows:

(Millions of US dollars)

(a) Excess of main programme expenditure over income	137.9
(b) Surplus of cost-sharing income over expenditure	(6.1)
(c) Excess of Special Measures Fund for LDCs expenditure over income; and	2.1
(d) Surplus of GCCC income over expenditure	(0.7)
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Net excess of expenditure over income	133.2
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As a result of this excess of main programme expenditure over income, after transfers to the Operational Reserve and to the United Nations Volunteers (UNV), the revenue reserve of UNDP went down to \$71.1 million at 31 December 1981, from \$234.2 million at 31 December 1980 (Statement IV).

5. As in the annual review of the financial situation for 1980 (DP/547 and DP/547/Corr.1), the Administrator is providing the Council with comprehensive financial information on the activities financed from the UNDP account. Tables 1, 2 and 3 illustrate the actual financial activities of UNDP in 1981, as compared with the forecasts presented to the twenty-eighth session. As shown in table 1, total income in 1981 amounted to \$804.3 million which was \$136.3 million lower than had been forecast. The forecast was based on pledges made in national currencies and expressed in US dollars using the rates of exchange which prevailed at the time of the pledges. However, since then, the strengthening of the US dollar in 1981 has eroded the value of these pledges in US dollar terms and therefore actual income received. Additionally, an anticipated major pledge mentioned in DP/547/Corr.1 did not materialize. The progressive erosion in 1981 in the value of the pledges made (in addition to the non-materialization of the pledge mentioned above) may be seen from the fact that UNDP had originally anticipated, at the time of preparation of the financial review (DP/547) in March 1981, that total pledges would amount to \$814.7 million, whereas actual pledges in 1981 turned out to

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be \$673.6 million, or \$141.1 million less than originally envisioned. In this connection, the Administrator wishes to point out that for the first time in the history of UNDP, voluntary contributions to the Programme decreased from the previous year. Total pledges for 1981 of \$673.6 million represent a decrease of 6 per cent from the pledges for 1980 of \$716.6 million (the pledges for both years being valued at the appropriate applicable rates of exchange). Total income received in 1981 relating to voluntary pledges (for 1981 and prior years) was \$690.0 million, which also represents a decrease of 0.5 per cent from the income received during 1980 of \$693.5 million.

6. Total expenditure in 1981 of \$937.5 million was \$57.6 million lower than the forecast of \$995.1 million. This shortfall resulted mainly from lower levels of expenditure relating to the field programme and cost-sharing activities, and a proportionate reduction in agency support costs. The reasons for these changes are discussed further in section II. Expenditure relating to the administrative and programme budget was also less than forecast by \$5.4 million. Administrative and programme support expenditure is discussed in detail in DP/1982/51.

7. With respect to table 2, Balance sheet variance analysis, it may be noted that the revenue reserve as at 31 December 1981 was \$87.4 million lower than the forecast primarily due to a net excess of expenditure over income of \$133.2 million actually incurred in 1981, which was larger than forecast by \$78.7 million. This difference between the forecast and the actual level of the revenue reserve is covered by corresponding reductions in investments and letters of credits and an increase in the level of unliquidated obligations.

8. Exclusive of reserves^{2/}, cash, notes, letters of credit and investments as at 31 December 1981 amounted to \$279.4 million, which can be compared with \$402.6 million as at 31 December 1980. Cash balances as at 31 December 1981 amounted to \$19.0 million (excluding holdings in accumulating non-convertible currencies), of which \$3.7 million was held in the central account of UNDP and \$15.3 million represented the operating cash balances in the field offices. It should be noted that, as planned, the level of operating funds provided to agencies as well as cash held at UNDP field office accounts have been reduced during 1981.

II. PROGRAMME EXPENDITURES

9. Field programme expenditure in 1981 amounted to \$731.6 million, of which \$649.8 million represented expenditure against IPFs, \$21.0 million against supplementary programmes in the UNDP Account (Programme Reserve, SIS, and

^{2/} These are the Operational Reserve of \$200 million and the Reserve for Construction Loans to Governments of \$25 million.

Special Measures Fund for LDCs) and \$60.8 million against cost-sharing and GCCC. The details of expenditure by agency and source of fund are shown in schedule 2.

10. The summary below presents, for comparison purposes, expenditures for 1980 and 1981 and forecasts of expenditure for 1982. It also shows earlier forecasts for these years provided in DP/547/Corr.1. Programme expenditure in 1981 of \$731.6 million represents an increase of \$54.0 million over 1980 or approximately 8 per cent; however, this amount is lower by \$42.0 million from the forecast of 1981 expenditure. The shortfall in main programme expenditure of 3.2 per cent can be attributed in some degree to exchange rate changes in 1981, especially the strength of the US dollar vis-a-vis other currencies, which resulted in lower levels of these expenditure when expressed in US dollars. The forecast of cost-sharing expenditure has also proven to be overstated. Expenditure attributed to cost-sharing in 1981 was \$51.0 million, which represents a considerable reduction from the forecast of \$74.0 million. Among the reasons for this reduction are the following: (a) amounts charged to cost-sharing were lower by approximately \$5 million than would normally have been the case, in response to requests by several countries that preferred to conserve cost-sharing funds for 1982 and future years when UNDP allocations are expected to be more stringent, and (b) some cost-sharing contributions amounting to approximately \$2 million did not materialize, thus necessitating charges to IPF. (See also paragraph 12 below.)

Programme expenditure and forecast for 1980-1982
(Millions of US dollars)

	1980		1981		1982
	Final	Forecast in		Forecast in	Revised
	expenditure	DP/547/Corr 1	Expenditure	DP/547/Corr 1	forecast
IPF	590.7	(649.8	(550.0
Programme		((
Reserve	3.3	(677.6	4.4	(711.0	7.0
SIS	3.9	(1.6	(3.0
Cost-sharing	57.9	74.0	51.0	80.0	55.0
Special Measures					
Fund for LDCs	14.0	15.0	15.0	15.0	15.0
GCCC	7.8	7.0	9.8	9.0	9.0
TOTAL	677.6	773.6	731.6	815.0	639.0

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11. In keeping with the expectations of reduced resource availability in 1982, the Administrator intends to limit programme expenditure against IPFs to \$550 million. Correspondingly, cost-sharing expenditures are estimated at \$55.0 million. The estimate of total field programme expenditure for 1982 is \$639.0 million, which represents a reduction of \$176.0 million or approximately 21.6 per cent from the earlier forecast and a reduction of \$92.6 million or 12.7 per cent from the expenditure in 1981. Reductions in the programme of this magnitude are understandably difficult to implement and therefore careful monitoring is required to ensure that the established limits will not be exceeded. The Administrator is taking measures to enforce these budgetary limitations.

III. COST-SHARING ARRANGEMENTS

12. Total cost-sharing expenditure during the year amounted to \$51.0 million, exclusive of support costs. Of this amount, \$46.7 million was expended in project cost-sharing and \$4.3 million in programme cost-sharing. There was thus a reduction of \$6.9 million in the amounts apportioned to cost-sharing in 1981 from 1980 and cost-sharing expenditure as a percentage of total field programme expenditure decreased from 8.5 per cent to 7.0 per cent. 1981 thus represents the first year since 1977 when cost-sharing expenditure decreased from the previous year. As noted in paragraph 10, the non-payment by some donors of cost-sharing contributions necessitated charges to IPF. Furthermore, some countries expressed a preference to charge expenditures to IPF rather than cost-sharing in order to conserve cost-sharing funds for 1982 and future years when UNDP allocations are expected to be lower.

13. Income from cost-sharing contributions increased from \$58.2 million in 1980 to \$62.6 million in 1981. Of this amount, \$41.3 million was contributed as project cost-sharing, \$8.5 million as programme cost-sharing and \$12.8 million as third party cost-sharing. Schedules 4(a) and 4(b) provide further information on cost-sharing income during 1981. The following summarizes the balances of cost-sharing contributions held by UNDP:

	<u>Millions of US dollars</u>
Balance of cost-sharing contributions held by UNDP as at 31 December 1980	30.8
Cost-sharing income during 1981	62.6
Cost-sharing expenditure during 1981	(51.0)
Support cost thereon	(5.6)
Increase in balance held	<u>6.0</u>
Balance as at 31 December 1981	<u>36.8</u>

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14. The forecast of cost sharing expenditure for 1982 has been reduced to \$55.0 million from the earlier forecast of \$80.0 million provided in DP/547/Corr.1. Similarly, the forecast of cost-sharing contributions in 1982 have been revised from \$96.9 million to \$62.5 million. These revisions have been made based on present levels of approved cost-sharing budgets and on firm indications of availability of future cost-sharing funds. However, these forecasts may prove to be understated if expressions of interest on the part of some Governments in making larger cost-sharing contributions are fully realized. In any event, the impact of such increased contributions are expected to be felt primarily from 1983 onwards. The Administrator considers it prudent at this stage to use a conservative forecast for planning purposes.

IV. SPECIAL MEASURES FUND FOR LDCs

15. The balance of resources available for this fund as at 31 December 1980 was \$19.4 million. An additional amount of \$12.9 million was pledged and paid during 1981. The expenditure for 1981 amounted to \$15.0 million as had been forecast in DP/547. The balance of the resources available as at 31 December 1981 was therefore \$17.3 million. The information is summarized below:

	<u>Millions of US dollars</u>	
Balance as at 31 December 1980		19.4
Income received during 1981	12.9	
Expenditure during 1981	<u>15.0</u>	
Decrease in balance held		(2.1)
Balance as at 31 December 1981		<u>17.3</u>

As at 31 December 1981, total resources for the Special Measures Fund for LDCs since the inception of the Fund in 1973 amounted to \$98.3 million (excluding pledges of \$17.4 million for 1982). Of this amount, \$81.0 million was spent during 1973-1981. Against the balance of \$17.3 million, budgets available at 31 December 1981 amount to \$13.5 million. The Administrator will continue to monitor the progress of the Fund to ensure that available resources are promptly programmed and also that they are not exceeded.

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V. PROGRAMME RESERVE (SPECIAL PROGRAMME RESOURCES FROM 1982)

16. During 1981, expenditures chargeable to the Programme Reserve amounted to \$4.5 million. Of this \$2.7 million were expended for disaster-related projects and \$1.8 for other activities. The over-all status of the Programme Reserve for the second cycle is presented in the following paragraphs.

17. The Governing Council at its twenty-second session in June 1976 approved an allocation of \$39.5 million for the Programme Reserve in the second programming cycle (1977-1981), in order to finance emergency assistance in the case of natural disasters and contingencies, as well as special activities and studies designed to broaden the scope of the Programme if resources for such purposes were not available elsewhere. During the period 1977-1981, the Council authorized the transfer of the following amounts from the Programme Reserve to other programmes:

Millions of US dollars

Special Measures Fund for LDCs	3.0
(UNV) Special Voluntary Fund	1.0
IPF for interregional projects	3.5
IPF for the National Liberation Movements (NLM)	3.15
SIS	0.7
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Total transfer authorized	11.35
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18. Activities authorized by the Council and the Administrator to be financed from the Programme Reserve, including emergency relief in the aftermath of natural disasters and projects for programme development, amounted to \$18.3 in the second cycle. In addition, expenditures were also incurred against Programme Reserve allocations of \$7.1 million authorized during the first cycle. Against the combined budgets of \$25.4 million, cumulative expenditure for the period 1977-1981 was \$16.7 million. The balance of approximately \$8.7 million represents committed funds against the Programme Reserve as at 31 December 1981 and, according to operative paragraph 5 of Governing Council decision 81/25, will be carried over as an add-on to the authorized level of the Programme Reserve for the third cycle. The residual uncommitted funds of \$2.7 million from the authorization for the second cycle of \$39.5 million will lapse.

VI. SPECIAL INDUSTRIAL SERVICES

19. At its twenty-second session, the Council approved an allocation for forward planning purposes of \$17.5 million for the period 1977-1981 for SIS. At its twenty-eight session, the Council authorized an increase in the level of SIS allocations from \$17.5 million to \$18.2 million through a transfer from the Programme Reserve of \$0.7 million, in order to accommodate an anticipated delivery in excess of the original authorization. However, 1981 expenditure for SIS amounted to \$1.6 million and cumulative expenditure for the 1977-1981 period to \$17.1 million. The Administrator therefore recommends that the Council restore the level of SIS allocations for 1977-1981 to \$17.5 million and that the difference of \$0.4 million between the original level approved by the Council (\$17.5 million) and the actual final expenditure (\$17.1) for the second cycle be carried forward and added to the SIS allocation for the 1982-1986 period.

VII. FINANCIAL FORECASTS

20. The Administrator presents in tables 4, 5 and 6 his forecasts of programme activities in 1982 and 1983. Taken together, these forecasts present an unfavourable picture of the financial situation of UNDP over the next two years. As stated in paragraph 5, pledges by Governments decreased in current terms from \$716.6 million in 1980 to \$673.3 million in 1981. The resource projections for 1982 and 1983 are also equally unfavourable. Anticipated pledges at the present time for 1982 and 1983, as shown in table 4, are \$690.0 million and \$741.7 million respectively. The projection for 1982 is based on an increase of 7.5 per cent over 1982.

21. It may also be noted that the net assets of UNDP (assets in excess of liabilities), as represented by the revenue reserve, have in the past two years been reduced from \$295.5 million as at 31 December 1979 to \$71.1 million as at 31 December 1981, as a result of the build-up of the programme during this period and the excesses of expenditure over income incurred. Additionally, accumulating non-convertible currencies constitute a large part of the revenue reserve (\$41.0 million out of \$71.1 million at 31 December 1981). Taking these into consideration and based on the resource projections mentioned in paragraph 20, the Administrator has been compelled to set a limit on programme expenditure relating to the UNDP Account in 1982 of \$560.0 million and maintain about the same level in 1983. As a consequence, the net assets of UNDP, as represented by the revenue reserve, are expected to go down to \$47.5 million as at 31 December 1982 and \$32.5 million as at 31 December 1983. When accumulating non-convertible currencies are excluded, the usable assets in the revenue reserve would decrease to \$5.7 million as at 31 December 1982 and would be fully used up as at 31 December 1983. If the resource projections on which the expenditure limits have been based turn out to be overstated, expenditures may have to be further curtailed in these years.

22. The projection of cash flows during 1982, shown in table 6, indicates the tight liquidity situation UNDP expects in that year. As disbursements are likely to average \$75 million per month, UNDP cash holdings during several months in 1982 will only be adequate to cover the cash requirements of UNDP for less than two months. Delays in payment by Governments beyond what has been assumed in this table may result in the use of the Operational Reserve for at least a temporary period during 1982.

VIII. UNDP PLACEMENT OF FUNDS

23. Placements held for the UNDP Account other than reserves as at 31 December 1981 were \$219.4 million. In addition, \$200 million of the Operational Reserve and \$20.3 million of the \$25.0 million reserve for construction loans to Governments were similarly placed, bringing the total of such placements to \$439.7 million, a reduction of \$36.1 million from 31 December 1980. Schedules 3(a) and 3(b) provide summaries of the investments as at that date.

24. For the financial year 1981, the total return on UNDP investments was approximately 7.7 per cent or \$30.8 million. This resulted from interest earnings of 14 per cent or \$56 million and a loss of 6.3 per cent or \$25.2 million from exchange rate changes. This compares with a total return of 9.3 per cent (\$47.4 million) in 1980, of which 11.6 per cent (\$59.6 million) was from interest earnings and a loss of 2.3 per cent (\$12.2 million) from exchange rate changes. The substantial increases of losses on exchange resulted from the strength of the US dollar throughout 1981. The Council dealt with the issue of currency management at its twenty-sixth session, during which the Administrator stated that the losses on exchange resulted from UNDP holdings of some currencies other than the US dollar. Furthermore, as UNDP did not speculate in currency markets, currencies were exchanged only to the extent required to meet the operational needs of the programme. In addition to losses sustained on currencies held for operational purposes, losses also resulted from UNDP holdings of non-convertible currencies and on currencies held in the Operational Reserve.

25. During the period 1977-1981, total investment income amounted to \$203.8 million which is \$143.8 million more than had been projected at the beginning of the cycle (DP/199). This amount represents a total yield of 9.9 per cent on the funds entrusted to UNDP. It may be noted that the period of the second cycle was characterized by wide currency fluctuations. In the first part of the cycle, the weakness of the US dollar vis-a-vis other currencies led to significant currency gains, whereas in the later part of the cycle the reverse occurred, leading to corresponding losses. For the whole period of 1977-1981, the impact of the currency fluctuations balanced themselves out, leading to a net loss of only \$0.3 million. The investment income during this period of

\$203.8 million was therefore due in its entirety to interest income. In addition to higher than anticipated interest rates, improvements in UNDP cash management functions contributed to the high level of investment income earned.

26. As stated at previous sessions of the Governing Council, UNDP does not make investments in the formal sense, as it does not place funds in equities or in longer-term bonds because of its liquidity needs and requirements for safety and availability. It places funds only in short-term instruments which can be drawn down as and when needed. Consistent with this policy and as requested by the Council at its twenty-fifth session (decision 25/16, operative paragraph 5), and reaffirmed at the twenty-sixth session, the Administrator has continued prudent efforts to increase the UNDP funds placed for the benefit of developing countries on safe, liquid and profitable terms. Because of the uncertain level of resources in 1981, maturing investments in developing countries that are of a longer term nature could not be replaced until the financial situation of UNDP at year's end, taking into account 1982 pledges, was known. As at 31 December 1981, \$25.9 million was placed, within these constraints, primarily in World Bank bonds, the proceeds of which are for the use of developing countries. An additional \$7.6 million was placed in World Bank bonds in early 1982, increasing to \$33.5 million the amount placed for the benefit of developing countries as at 31 March 1982.

IX. STATUS OF THE OPERATIONAL RESERVE

27. As authorized by the Governing Council in its decision 79/31, \$25 million was transferred to the Operational Reserve in 1981, thus funding that Reserve at the level of \$200 million authorized for 1981. The composition of the Operational Reserve as at 31 December 1981 compared to 1980 is as follows:

	<u>(Millions of US dollars)</u>	
	<u>31 Dec.1981</u>	<u>31 Dec.1980</u>
Authorized level	200.0	175.0
<u>Investments</u>		
Canadian dollars	5.0	5.0
Deutsche marks	40.0	35.0
Japanese yen	20.0	12.0
Netherlands guilders	15.0	9.0
Norwegian kroner	5.0	-
Swiss francs	7.5	9.0
UK pounds sterling	7.5	17.0
US dollars	100.0	88.0
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Total	200.0	175.0
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X. UTILIZATION OF ACCUMULATED NON-CONVERTIBLE CURRENCIES

28. UNDP holdings of accumulated non-convertible currencies amounted to \$41.7 million as at 31 December 1981. This balance, as indicated in table 7, represents a net decrease of \$3.3 million from 31 December 1980 and is marginally lower than the level projected in DP/547. This net decrease should be seen in the light of the depreciation in the value of UNDP holdings of these currencies amounting to \$4.2 million. In this connection, it may be noted that the Turkish lira has been added to the list of accumulating currencies as a result of the receipt of cost-sharing funds in local currency from the Government which UNDP has not been able to fully utilize. The Administrator proposes not to accept further cost-sharing commitments in Turkish lira until the present holdings have been fully utilized. The conversion of roubles which had been agreed to be exchanged for developing country currencies has not yet been completed. A total of the equivalent of \$485,000 was converted in 1981 leaving a balance as at 31 December 1981 of \$2.1 million yet to be converted. Efforts are being continued to complete this conversion of roubles. The Administrator is pleased to report a significant reduction in the balances held in China and therefore will not include the Chinese currency in the list of accumulating currencies. The currency of Malta will similarly be removed from the list.

XI. COLLECTION OF OUTSTANDING CONTRIBUTIONS RECEIVABLE

29. A detailed listing of the outstanding receivables by country and by major type of receivable is provided in schedule 1. The total amount outstanding is lower than at the end of 1980 (\$74.6 in 1981 compared to \$102.3 million in 1980). The total amount of outstanding voluntary contributions decreased from \$54.1 million to \$35.9 million. The balance outstanding resulted from two Governments not paying all or part of their pledges. Payments received early in 1982 have reduced the amount of voluntary contributions outstanding for 1981 and prior years to \$8.5 million by the end of February 1982.

30. As requested by the Governing Council at its twenty eighth session, in its decision 81/25, the Administrator has held consultations with a number of donor Governments to determine the extent to which payment schedules can be established. While some limited progress has been achieved in this respect, many Governments have indicated that they are still unable to commit themselves to written schedules of payment. In this connection, the Administrator would like to emphasize that there has been a further deterioration in the timing of payments in 1982. Payments received towards 1982 pledges through the end of February totalled \$37.0 million compared with \$50.3 million during the same period in 1981. Continued delays in payment of contributions by Governments may necessitate the use of the

Operational Reserve, which at its presently funded level of \$200.0 million remains the only financial cushion available to UNDP. However, the Operational Reserve represents only two and one-half months' cash requirement for UNDP at the present rate of disbursements. The Council may therefore wish to again urge Governments to pay their pledges as early in the year as possible in order to help avoid any potential liquidity problems for UNDP.

31. At its twenty-seventh session, in its decision 80/48, the Governing Council requested member Governments to pay outstanding assessed programme costs due to UNDP promptly, and further authorized the Administrator to charge any balances of assessed programme costs which remain unpaid at the end of 1980 to the IPFs of the respective countries. During 1981, payments totaling \$0.9 million were collected. Action has been completed to charge \$0.4 million to IPFs of the countries concerned. Of the \$348,000 due to UNDP in respect of assessed programme costs from Governments as at 31 December 1981, a payment of \$277,000 was made during 1982, since the Government did not want the outstanding balances to be charged against its IPF. The only balance remaining is \$71,500 from two countries that presently do not have an IPF. Negotiations are continuing for early payment of this balance.

XII. DELEGATION OF THE INVESTMENT FUNCTION TO THE ADMINISTRATOR

32. In 1978, the Secretary-General delegated to the Administrator certain functions relating to the administration of UNDP funds which strengthened the Administrator's ability to manage the funds for which he is accountable, taking into account the particular needs of UNDP. The Governing Council, in its decision 79/37 at its twenty-sixth session, expressed satisfaction with the arrangements. In the report of the Board of Auditors to the General Assembly on the accounts of UNDP for the year ended 31 December 1980, it was recommended that "investment management which is a corollary function should as well be delegated to the Administrator for a more effective management of UNDP Funds and Trusts Funds". It was further suggested that the matter be reviewed by officials of the United Nations and UNDP.

33. Under the present arrangement, UNDP determines the availability of funds for placement and decides on the currency, amount, instrument, and duration of the placements. Instructions are given to the United Nations Office of Financial Services to complete the transaction on a best bid basis. The United Nations Office of Financial Services also opens and closes bank accounts as requested by UNDP.

34. Several meetings have been held between officials of the United Nations and UNDP in 1981 and 1982 to review these arrangements with the primary objective of ensuring that the investment functions are performed efficiently and at the least cost to UNDP. It has been agreed that the

United Nations would review these operations to determine if any changes need to be made, taking into account the level of the subvention and the benefits accruing to UNDP by the United Nations continuing to perform any or all of these functions. The Administrator will report further developments to the Council at its thirtieth session in 1983.

XIII. SUMMARY OF INCOME AND EXPENDITURE FOR 1977-1981

35. As 1981 is the last year of the second programming cycle, a summary of the income and expenditure for the period 1977-1981 is presented in table 8. Total income for this period amounted to \$3.7 billion and total expenditure was \$3.5 billion. Cumulative net excess of income over expenditure for the period was \$235 million. The balance of the revenue reserve, which was at (\$65.8) million at the beginning of the second cycle, went up to to \$71.1 million at the end of the cycle. The Operational Reserve, which at the end of the first programming cycle was totally depleted of liquid assets, was increased by \$50 million to a level of \$200 million and was replenished with fully liquid assets as decided by the Governing Council at its twenty-sixth session (79/31). In addition, a Reserve for Construction Loans to Governments of \$25 million was set up as decided by the Council at the same session (79/43).

36. It may be noted that income received from voluntary contributions for this period was \$3.2 billion. This represents 94 per cent of the resource projection of \$3.4 billion, which the Governing Council adopted at its twenty-second session (DP/199) as a basis for the establishment of IPFs for the second cycle. Total programme expenditure relating to IPF for the second cycle was \$2,396.6 million. The Administrator is pleased to report that 97 per cent of the adjusted IPFs of \$2,468.6 million have thus been delivered during the second cycle. Additionally, programme expenditure relating to cost sharing during this period amounted to \$210.8 million.

XIV. SUMMARY

37. In light of the above, the Administrator recommends that:

The Governing Council

(a) Note with concern the projected decline in programme delivery in 1982 due to the lack of sufficient resources to sustain the envisaged growth of the programme for the third programming cycle;

(b) Call upon Governments to increase, to the extent possible, contributions to the Programme;

(c) Endorse the steps taken by the Administrator to ensure that the level of programme delivery is consistent with existing and projected resource availability;

(d) Express deep concern at the lagging pace of payment of contributions and strongly urges Governments to pay their contributions to UNDP as early as possible in the year; and

(e) Call upon Governments to pay without delay all amounts past due to the programme;

(f) Restore the level of the Special Industrial Services for 1977-1981 to \$17.4 million and authorize that the difference between this level and the fund expenditure for the second cycle be carried forward and added to the third cycle allocation for Special Industrial Services.

STATEMENT I

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of income and expenditure for the year
ended 31 December 1981
(Millions of US dollars)

<u>1980</u>		<u>1981</u>
INCOME		
Contributions from Governments		
691.8	Voluntary pledges	688.7
1.7	Assessed programme costs	1.3
11.7	Voluntary pledges for the Special Measures Fund for the LDCs	12.9
58.2	Cost-sharing contributions	62.6
<u>9.3</u>	GCCC	<u>10.8</u>
772.7		776.3
	Add: Exchange adjustments on collection of contributions	(0.5)
<u>772.7</u>		<u>775.8</u>
48.7	Miscellaneous income	28.5
<u>821.4</u>	TOTAL INCOME	<u>804.3</u>
EXPENDITURE		
Programme expenditure		
590.7	From IPFs for projects	649.8
3.3	From the Programme Reserve	4.4
3.9	From the SIS	1.6
14.0	From the Special Measures Fund for LDCs	15.0
57.9	From Government cost-sharing contributions	51.0
<u>7.8</u>	From GCCC	<u>9.8</u>
677.6		731.6
5.1	UNDP sectoral support costs	5.6
0.4	UNDP/United Nations Environment Programme (UNEP) Joint Venture (institutional support costs)	0.4
<u>87.9</u>	Reimbursement of programme support costs to participating and executing agencies	<u>94.2</u>
771.0		831.8
1.0	Expert hiatus financing and extended sick leave costs	0.9
<u>0.4</u>	Adjustments to prior year's programme expenditure and programme support costs	<u>0.2</u>
772.4		832.9
<u>91.6</u>	UNDP administrative and programme support costs	<u>104.6</u>
<u>864.0</u>	TOTAL EXPENDITURE	<u>937.5</u>
42.6	EXCESS OF EXPENDITURE OVER INCOME	133.2

STATEMENT II

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of assets and liabilities
as at 31 December 1981
(Millions of US dollars)

<u>1980</u>		<u>1981</u>
	ASSETS	
	Cash	
3.9	Convertible currencies	3.1
3.6	Usable non-convertible currencies	0.6
45.2	Accumulated non-convertible currencies	41.0
<u>23.1</u>	Cash at field office	<u>15.3</u>
75.8		60.0
47.9	Government letters of credit	-
<u>278.9</u>	Investments	<u>219.4</u>
402.6		279.4
	Advances and accounts receivable	
	Operating funds provided by UNDP to participating and executing agencies	35.8
48.7	Due from trust funds administered by UNDP	0.5
3.9	Other accounts receivable and deferred charges	33.7
46.0	Accrued interest	<u>11.3</u>
<u>15.0</u>		81.3
113.6		
	Investments of the Operational Reserve	200.0
175.0	Investments of the Reserve for Construction Loans to Governments	<u>25.0</u>
<u>25.0</u>		225.0
200.0		
	Contributions pledged by Governments for current and prior years	74.6
102.3		660.3
818.5		
	LIABILITIES AND RESERVES	
	Liabilities	
74.8	Accounts payable	53.6
138.1	Unliquidated obligations of participating and executing agencies	166.7
0.6	Due to United Nations	1.6
4.2	Due to the United Nations Fund for Population Activities (UNFPA)	4.1
7.0	Due to trust funds administered by UNDP	1.6
<u>2.3</u>	Junior Professional Officers' (JPO) Programme	<u>2.4</u>
227.0		230.0
102.3	Contributions pledged by Governments	74.6
	Unexpended contributions	
19.4	For the Special Measures Fund for LDCs	17.3
30.8	For Government cost-sharing contributions	36.9
<u>4.8</u>	For GCCC	<u>5.4</u>
55.0		59.6
	Reserves	
175.0	Operational Reserve	200.0
25.0	Reserve for Construction Loans to Governments	25.0
<u>234.2</u>	Revenue reserve	<u>71.1</u>
434.2		296.1
818.5		660.3

STATEMENT III

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of charges in financial position for the year
ended 31 December 1981^a
(Millions of US dollars)

<u>1980</u>		<u>1981</u>
	SOURCE OF FUNDS	
821.4	Total income for the year	804.3
-	Decrease in operating funds provided to agencies	12.9
-	Decrease in accounts receivable	19.4
26.5	Increase in liabilities	3.0
<u>847.9</u>	<u>Total funds provided</u>	<u>839.6</u>
	APPLICATION OF FUNDS	
864.0	Total expenditure for the year	937.5
0.5	Transfer from Revenue Reserve to UNV programme	0.3
17.3	Increase in operating funds provided to agencies	-
15.7	Increase in accounts receivable	-
25.0	Transfer of investments to the Operational Reserve	25.0
<u>922.5</u>	<u>Total funds used</u>	<u>962.8</u>
<u>(74.6)</u>	<u>DECREASE IN CASH AND INVESTMENTS</u>	<u>(123.2)</u>
477.2	Cash and investments at beginning of year	402.6
	Increase (decrease) in cash and investments:	
(7.6)	In convertible currencies	(0.8)
2.4	In usable non-convertible currencies	(3.0)
0.9	In accumulated non-convertible currencies	(4.2)
(5.5)	In cash at field offices	(7.8)
(22.3)	In Government letters of credit	(47.9)
(42.5)	In investments	(59.5)
<u>(74.6)</u>		<u>(123.2)</u>
<u>402.6</u>	<u>Cash and investments at end of year</u>	<u>279.4</u>

^{a/} Exclusive of the investments of the Operational Reserve and of the Reserve for Construction Loans to Governments.

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STATEMENT IV

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Summary of movement in subsidiary programme funds and Revenue Reserve for the
year ended 31 December 1981

(Millions of US dollars)

	<u>Special Measures Fund for LDCs</u>	<u>Government cost-sharing contributions</u>	<u>GCCC</u>	<u>Revenue reserve</u>	<u>Total</u>
Balance at 1 January 1981	<u>19.4</u>	<u>30.8</u>	<u>4.8</u>	<u>234.2</u>	<u>289.2</u>
Excess of income over expenditure (expenditure over income)	(2.1)	6.1	0.7	(137.9)	(133.2) ^{a/}
Transfer from Revenue Reserve to UNV Programme	-	-	-	(0.2)	(0.2)
Transfer from Revenue Reserve to the Operational Reserve	-	-	-	(25.0)	(25.0)
Total movement during year	(<u>2.1</u>)	<u>6.1</u>	<u>0.7</u>	<u>(163.1)</u>	<u>(158.4)</u>
Balance at 31 December 1981	<u>17.3</u>	<u>36.9</u>	<u>5.5</u>	<u>71.1</u>	<u>130.8</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

^{a/} as shown in Statement I.

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Schedule 1

Contributions outstanding as at 31 December 1981, for 1981 and prior years
(US dollars)

<u>Country or organization</u>	<u>Voluntary contributions</u>	<u>Voluntary programme costs</u>	<u>Assessed programme costs</u>	<u>GCCC</u>	<u>Cost-sharing</u>	<u>Total</u>
Afghanistan	-	-	-	2 000	-	2 000
Algeria	-	-	-	785 522	1 290 438	2 075 960
Antigua	-	10 673	-	-	-	10 673
Argentina	194 605	-	-	-	224 989	419 594
Australia	-	-	-	-	66 121	66 121
Bahamas	-	-	-	-	8 526	8 526
Bahrain	-	-	-	-	173 712	173 712
Bangladesh	55 454	-	-	-	-	55 454
Belgium	-	-	-	-	54 564	54 564
Benin	1 042	-	-	-	-	1 042
Bolivia	15 000	248 000	-	107 044	600 814	970 858
Brazil	1 817 410	-	-	24 578	263 641	2 105 629
Burma	-	-	-	53 290	-	53 290
Burundi	6 512	-	-	-	1 325 749	1 332 261
Canada	-	-	-	-	459 585	459 585
Caribbean Development Bank	-	-	-	-	25 000	25 000
Central African Customs and Economic Union	-	-	-	-	16 000	16 000
Central African Development Bank	-	-	-	-	253 165	253 165
Chad	7 066	-	-	-	-	7 066
Chile	-	-	-	-	240 000	240 000
Colombia	166 137	48 384	-	48 104	755 054	1 017 679
Congo	5 000	-	-	-	-	5 000
Cook Islands	-	679	-	-	28 728	29 407
Costa Rica	-	-	-	-	6 000	6 000
Czechoslovakia	-	11 791	-	-	59 920	71 711
Democratic Kampuchea	1 455	-	-	-	-	1 455
Djibouti	2 034	-	-	98 910	-	100 944
Dominican Republic	-	-	-	-	24 360	24 360
Dominica	37 037	-	-	-	-	37 037
Ecuador	305 930	60 000	-	-	201 218	567 146
Egypt	12 306	-	-	315 735	269 171	597 212
El Salvador	12 300	148 000	-	-	-	160 300
Finland	-	-	-	-	21 450	21 450
Gabon	-	-	-	-	35 410	35 410
Gambia	7 274	-	-	-	-	7 274
Greece	-	133 953	-	-	-	133 953
Grenada	6,111	-	-	-	-	6,111
Guatemala	-	-	-	-	74 510	74 510
Guinea-Bissau	3 316 ^{a/}	-	-	-	114 000	117 316
Guyana	185 616	-	-	-	-	185 616
Haiti	6 000	-	-	-	-	6 000
Honduras	26 500	-	-	-	150 517	177 017
India	-	-	-	25 397	50 000	75 397
Iran	-	-	-	1 748	20 059	21 807
Iraq	516 949	247 458	-	-	359 878	1 124 285
Israel	29 221	-	-	-	50 000	79 221
Italy	-	-	-	-	120 799	120 799
Ivory Coast	257 340	-	-	-	216 334	473 674
Japan	7 900 000	-	-	-	-	7 900 000
Jordan	-	-	-	-	14 804	14 804
Kenya	72 815	-	-	-	406 533	479 348
Kuwait	-	-	-	-	2 111 687	2 111 687
Lao People's Democratic Republic	24 340	-	-	800	-	25 140
Lebanon	340 000	206 591	-	67 392	15 235	629 218
Lesotho	6 035	-	-	-	-	6 035
Liberia	71 000	-	-	-	-	71 000
Libyan Arab Jamahiriya	-	-	-	-	1 537 192	1 537 192

^{a/} Including \$395 outstanding contributions for Special Measures Fund for LDCs.

Country or organization	Voluntary contributions	Voluntary programme costs	Assessed programme costs	GCCC	Cost-sharing	Total
Madagascar	-	74 517	-	-	-	74 517
Malaysia	-	-	-	10 978	-	10 978
Mali	17 668	-	-	-	-	17 668
Mauritania	6 935	66 247	-	-	-	73 182
Mauritius	263	4 732	-	-	-	4 995
Mekong Committee	-	-	-	40 597	-	40 597
Mexico	148 517	-	-	-	6 920	155 437
Montserrat	-	3 817	-	-	-	3 817
Morocco	27 884	-	-	83 846	224 351	336 081
Nepal	-	-	-	-	200 000	200 000
Netherlands	-	-	-	-	884 929	884 929
Netherlands Antilles	-	-	-	-	440	440
Nicaragua	68 000	136 000	-	-	-	204 000
Niger	-	-	-	-	6 303	6 303
Nigeria	758 725	-	-	-	151 493	910 218
Oman	-	-	-	68 264	407 237	475 501
OPEC Special Fund	-	-	-	-	1 601 502	1 601 502
Pakistan	-	-	-	529 293	-	529 293
Panama	190 230	120 000	-	-	61 654	371 884
Papua New Guinea	-	-	-	-	8 201	8 201
Paraguay	20 000	-	-	7 286	160 300	187 586
Peru	330 600	240 000	-	-	-	570 600
Portugal	-	-	3 557	3 557	-	-
Qatar	-	-	-	-	965 818	965 818
Republic of Korea	-	-	-	5 000	-	5 000
Rwanda	-	-	-	8 011	28 996	37 007
Samoa	10 000	-	-	-	-	10 000
Saint Kitts	1 865	-	-	-	-	1 865
Saint Lucia	-	16 400	-	-	-	16 400
Saudi Arabia	-	-	-	439 799	1 383 594	1 823 393
Senegal	269 728	-	-	93 329	-	363 057
Sierra Leone	90 000	-	-	-	-	90 000
Singapore	-	-	-	5 000	43	5 043
Somalia	-	-	-	1 222 879	-	1 222 879
Spain	368 000	-	71 528	-	-	439 528
Sri Lanka	-	-	-	86 920	-	86 920
Sudan	1 000 000	-	-	-	4 998	1 004 998
Suriname	-	-	-	-	150 480	150 480
Swaziland	-	8 021	-	-	-	8 021
Switzerland	-	-	-	-	279 375	279 375
Syrian Arab Republic	-	-	-	300 000	-	300 000
Thailand	-	20	-	-	-	20
Togo	7 774	177 880	-	134 647	-	320 301
Tunisia	141 196	284 026	277 008 ^{b/}	-	90 000	792 230
Turkey	54 749	10 483	-	64 610	964 708	1 094 550
Uganda	633	-	-	-	270 270	270 903
United Arab Emirates	-	-	-	-	3 301 168	3 301 168
United Kingdom of Great Britain and Northern Ireland	-	-	-	-	-	-
Turks and Caicos Islands	-	9 480	-	-	-	9 480
United Republic of Cameroon	355	-	-	46 445	450 369	497 169
United Republic of Tanzania	48 485	-	-	-	1 988 882	2 037 367
United States of America	19 802 278	-	-	-	470 712	20 272 990
Uruguay	-	-	-	66	856 432	856 498
Venezuela	-	268 979	-	-	52 955	321 934
Viet Nam	-	-	-	15 000	-	15 000
Yemen	10 945	-	-	500 000	700 707	1 211 652
Yugoslavia	396 089	221 974	-	3 623	-	621 686
Zaire	25 000	-	-	-	3 050 182	3 075 182
	<u>35 887 724 ^{a/}</u>	<u>2 758 105</u>	<u>348 536</u>	<u>5 196 113</u>	<u>30 371 739</u>	<u>74 562 217</u>

^{a/} Including \$395 outstanding contributions for Special Measures Fund for LDCs.

^{b/} This amount was paid in January 1982.

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UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

1981 expenditure by agency a/

(Thousands of US dollars)

Agency	IPFS					Programme Reserve	SIS	Special Measures Fund for LDCs	GCCC	Subtotal	Programme support costs	Total
	Country	Regional	Inter-regional	Global	Total							
UNITED NATIONS	85 360	4 130	264	-	89 754	222	-	1 541	703	92 220	12 806	105 026
ECA	-	7 577	-	-	7 577	-	-	275	-	7 852	1 099	8 951
ECE	-	878	-	-	878	-	-	-	-	878	123	1 001
ECLA	-	2 127	-	-	2 127	-	-	-	-	2 127	298	2 425
ECWA	-	458	-	-	458	-	-	-	-	458	64	522
ESCAP	-	5 174	-	-	5 174	-	-	-	40	5 214	684	5 898
UNIDO	62 233	1 561	41	-	63 835	32	1 563	1 506	356	67 292	9 380	76 672
UNCTAD	8 115	6 029	2 715	-	16 859	-	-	199	-	17 058	2 390	19 448
HABITAT	10 235	-	-	-	10 235	291	-	437	8	10 971	1 536	12 507
ILO	46 653	5 410	50	-	52 113	10	-	1 853	234	54 210	7 547	61 757
FAO	159 010	17 569	1 933	872	179 384	1 329	-	1 796	6 411	188 920	25 044	213 964
UNESCO	46 818	5 269	21	-	52 108	63	-	2	133	52 306	7 290	59 596
ICAO	33 425	6 189	3	-	39 617	-	-	161	106	39 884	5 565	45 449
WHO	17 716	4 138	311	1 090	23 255	12	-	346	33	23 646	3 301	26 947
WORLD BANK	27 516	3 601	298	3 135	34 550	226	-	753	960	36 489	3 596	40 085
UPU	1 517	1 831	-	-	3 348	-	-	(3)	-	3 345	648	3 993
ITU	25 363	5 684	260	-	31 307	-	-	1 084	6	32 397	4 369	36 766
WHO	8 248	4 010	-	-	12 258	-	-	123	-	12 381	1 882	14 263
IMCO	5 240	1 517	192	-	6 949	-	-	117	-	7 066	986	8 052
WIPO	84	426	-	-	510	-	-	-	-	510	127	637
IAEA	3 845	1 043	-	-	4 888	17	-	-	165	5 070	992	6 062
WTO	272	129	-	-	401	-	-	3	-	404	57	461
AFESD	-	613	-	-	613	-	-	-	-	613	86	699
AsDB	2 324	-	-	-	2 324	-	-	132	-	2 456	344	2 800
GOVERNMENTS	6 993	2 534	-	-	9 527	175	-	553	109	10 364	199 b/	10 563
UNV	3 006	1 024	41	-	4 071	-	-	445	248	4 764	-	4 764
UNDP	27 496	8 332	927	9 857	46 612	2 081	-	3 730	286	52 709	3 845	56 554
TOTAL (inclusive of cost-sharing)	581 469	97 253	7 056	14 954	700 732	4 458	1 563	15 053	9 798	731 604	94 258	825 862
Charged to: Sources of funds as per column heading	536 374	92 731	6 731	14 004	649 840	4 458	1 563	14 959	9 798	680 618	88 819	769 437
Cost-sharing	45 095	4 522	325	950	50 892	-	-	94	-	50 986	5 439	56 425
TOTAL (inclusive of cost-sharing)	581 469	97 253	7 056	14 954	700 732	4 458	1 563	15 053	9 798	731 604	94 258	825 862

a/ Cost-sharing expenditure is included under all the column headings.

b/ Programme support costs paid to executing agencies as co-operating agencies participating in government executed projects.

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Schedule 3(a)

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Investments as at 31 December 1981
(US dollars)

<u>1980</u>	<u>Type</u>	<u>Currency</u>	<u>1981</u>
<u>Interest-bearing current accounts</u>			
37 207		Austrian schillings	46 249
29 351		Belgian francs	48 088
329 743		Canadian dollars	107 864
4 157 190		Danish kroner	353 259
801 820		Deutsche marks	412 923
1 032 195		Finnish markkaa	3 944 211
60 569		French francs	86 010
174 618		Italian lire	14 849
153 106		Netherlands guilders	35 897
247 561		Pounds sterling	197 732
251 320		Swedish kronor	123 957
256 811		Swiss francs	2 213 076
590 542		United States dollars	767 830
<u>8 122 033</u>			<u>8 351 945</u>
<u>Interest-bearing accounts</u>			
5 463 150		United States dollars	5 436 863
73 851		Icelandic kronúr	-
<u>5 537 001</u>			<u>5 436 863</u>
<u>Call accounts</u>			
		United States dollars	7 900 000
		Belgium francs	6 693 333
		Canadian dollars	2 161 017
		Danish kroner	704 225
		Deutsche marks	3 611 253
		French francs	3 274 336
		Italian lire	2 680 672
		Netherlands guilders	2 416 667
		Norwegian kroner	551 844
		Pounds sterling	2 637 795
		Swedish kronor	3 084 715
		Swiss francs	5 454 545
<u>23 626 553</u>			<u>5 454 545</u>
<u>Deposits-at-notice</u>			
<u>1 018 867</u>		Japanese yen	<u>16 374 976</u>
<u>Time-deposits</u>			
159 668 337		United States dollars	65 555 330
3 604 649		Australian dollars	2 758 621
814 814		Austrian schillings	1 040 628
		Belgian francs	10 400 000
8 559 219		Canadian dollars	14 915 254
		Danish kroner	2 816 901
21 647 332		Deutsche marks	14 090 909
4 044 943		French francs	4 424 779
4 560 438		Italian lire	2 941 176
5 335 243		Japanese yen	12 433 333
-		New Zealand dollars	291 667
6 584 452		Pounds sterling	-
15 567 923		Netherlands guilders	10 416 467
-		Norwegian kroner	145 897
10 232 556		Swedish kronor	4 235 727
-		Swiss francs	1 590 909
<u>240 619 906</u>	Total		<u>148 057 598</u>
<u>278 924 360</u>	Grand Total		<u>219 391 784</u>

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Schedule 3(b)

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Investments of the Reserve for Construction Loans to Governments
as at 31 December 1981
(US dollars)

A. Housing loans

<u>Borrower</u>	<u>Repayment period of loan a/</u>	<u>Balance 31 December 1980</u>	<u>Additional loans made in 1981</u>	<u>Repayment due in 1981</u>	<u>Received in 1981</u>	<u>Balance 31 December 1981</u>
United Republic of Tanzania	1975-1984	110 504	-	26 205	26 205	84 299
Botswana	1975-1989	423 225	-	40 767	40 767	382 458
Malawi						
- Phase I	1975-1990	173 016	-	15 645	15 645	157 371
- Phase II	1976-1991	135 452	-	10 880	10 880	124 572
- Phase III	1980-1995	56 000	-	-	-	56 000
East African Community b/	1976-1990	390 279	-	27 676	-	390 279
Lesotho	1976-1990	435 162	-	37 042	37 042	398 120
Rwanda	1976-1990	122 833	-	10 456	10 456	112 377
Swaziland	1976-1990	328 398	-	27 954	27 954	300 444
Burundi	1976-1991	236 543	-	16 554	16 554	219 989
Benin	1978-1993	378 959	-	24 640	24 640	354 319
Democratic Yemen	1982-1997	277 966	840 244	-	-	1 118 210
Angola c/	1982-1997	-	949 892	-	-	949 892
Total		3 068 337	1 790 136	237 819	210 143	4 648 330

B. Investments

<u>Type</u>	<u>Currency</u>	<u>Interest rate</u>	<u>Amount</u>
Time deposits	US dollars	16.3750	3 900 000
	US dollars	16.1250	5,000,000
	US dollars	16.2500	11 451 670
			20 351 670
Total			25 000 000

a/ Interest accrues at 3-1/2 per cent per year on the unpaid balance for all loans except Malawi (Phase III), Angola and Democratic Yemen, where the rate of interest is 5 per cent.

b/ In addition, repayments of \$12,362, \$25,821 and \$26,733 are due for 1978, 1979 and 1980 respectively. The East African Community was dissolved in 1978 and an arbitrator's decision on the balance is awaited.

c/ New Housing loan.

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Schedule 4(a)

Income Received Under Cost-sharing Arrangements
(Thousands of US dollars)

Country	Project cost-sharing		Programme cost-sharing		Third party cost-sharing	
	Received in 1981	Cumulative total	Received in 1981	Cumulative total	Received in 1981	Cumulative total
Afghanistan	-	1 077	-	-	(388) ^{a/}	837
Algeria	728	5 265	-	-	-	-
Argentina	541	1 186	-	-	-	-
Australia	6	168	-	-	-	-
Bahamas	406	424	-	-	-	-
Bahrain	823	7 191	-	-	-	2 097
Barbados	100	100	-	-	-	-
Belize	23	23	-	-	-	-
Benin	33	208	-	-	-	-
Bermuda	-	25	-	-	-	-
Bolivia	2 639	5 546	-	-	-	171
Botswana	-	415	-	-	-	-
Brazil	2 868	9 423	2 491	16 288	-	-
Brunei	(15)	69	-	-	-	-
Burundi	200	2 387	-	-	-	-
Central African Republic	-	14	-	-	-	-
Chile	32	388	-	-	-	20
Colombia	1 197	2 164	-	-	-	-
Congo	-	-	867	867	-	-
Cook Islands	6	6	-	-	-	-
Costa Rica	-	40	-	-	-	257
Cyprus	-	10	-	-	-	-
Czechoslovakia	-	160	-	-	-	-
Dominican Republic	99	131	-	-	-	-
Ecuador	1 162	2 376	-	-	867	867
Egypt	342	1 739	-	-	131	11 124
El Salvador	228	629	-	-	-	-
Ethiopia	-	20	-	-	-	-
Gabon	179	2 185	-	1 046	-	-
Gambia	-	19	-	-	-	-
Ghana	-	99	-	-	-	-
Greece	54	328	-	-	-	-
Guatemala	-	1 818	-	-	-	-
Guinea	27	112	-	-	-	-
Guyana	62	62	-	-	-	-
Guinea Bissau	-	-	-	-	-	418
Haiti	46	796	-	-	-	-
Honduras	(9)	1 390	-	-	-	419
Iceland	-	133	-	-	-	-
India	624	6 008	-	-	-	-
Indonesia	55	2 604	-	-	-	-
Iran	(75)	28 687	-	-	-	-
Iraq	2	7 063	-	-	-	-
Ivory Coast	397	3 158	776	5 859	-	46
Jamaica	49	49	-	-	-	-
Japan	183	1 383	-	-	-	-
Jordan	299	955	-	-	-	68
Kenya	-	595	-	-	-	-
Kuwait	2 467	8 577	-	-	-	-
Lebanon	239	247	-	-	-	-
Liberia	-	38	-	-	941	941
Libyan Arab Jamahiriya	822	2 846	-	-	-	-

^{a/} Negative income due to reduction of cost-sharing budget AFG/78/012/E. This amount is held in favour of the Government of the Netherlands pending confirmation of its application.

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Country	Project cost-sharing		Programme cost-sharing		Third party cost-sharing	
	Received in 1981	Cumulative total	Received in 1981	Cumulative total	Received in 1981	Cumulative total
Madagascar	(20)	87	-	-	-	-
Malaysia	79	630	-	2 000	-	-
Mali	-	27	-	-	-	1 103
Mauritania	-	23	-	-	-	-
Mexico	329	862	-	-	-	-
Morocco	102	304	-	-	-	-
Nepal	-	-	-	-	-	30
Netherlands Antilles	60	177	676	855	-	-
Nicaragua	-	74	-	-	-	-
Niger	144	360	-	-	-	-
Nigeria	1 608	11 621	2 355	23 903	-	-
Oman	1 344	2 163	-	-	-	-
Pakistan	-	15	-	-	-	-
Panama	346	570	-	-	-	-
Papua New Guinea	11	67	-	-	-	-
Paraguay	598	1 900	-	-	-	109
Peru	-	33	-	-	-	108
Poland	-	274	-	-	-	-
Portugal	19	464	-	-	-	-
Qatar	(28)	4 960	-	2 820	-	-
Republic of Korea	7	28	-	-	-	-
Rwanda	30	190	-	-	-	441
Saudi Arabia	2 234	23 554	-	9 000	-	-
Senegal	-	38	-	-	-	-
Singapore	-	209	-	-	-	-
Somalia	10	31	-	-	400	400
Sri Lanka	215	215	-	-	-	-
Sudan	291	2 813	-	2 165	-	3 969
Suriname	32	32	-	-	150	150
Swaziland	479	489	-	-	261	261
Syrian Arab Republic	-	15	-	-	-	-
Thailand	-	40	-	-	-	-
Togo	36	156	-	-	-	-
Trinidad and Tobago	9	95	1 347	4 473	-	-
Trust Territory of the Pacific Islands	(5)	159	-	-	-	-
Tunisia	-	171	-	-	-	-
Turkey	2 053	12 158	-	-	-	-
Uganda	-	463	-	-	-	-
United Arab Emirates	3 764	10 203	-	-	-	-
United Republic of Cameroon	3 763	6 324	-	-	-	-
United Republic of Tanzania	1 827	4 944	-	-	-	68
Upper Volta	-	36	-	-	-	-
Uruguay	259	895	-	-	-	-
Venezuela	1 870	9 232	-	-	-	-
Yemen	2 802	6 281	-	-	4 426	16 064
Zaire	182	286	-	-	-	-
Zambia	-	51	-	-	-	-
Africa Regional	-	-	-	-	2 959	7 542
Arab Regional	-	-	-	-	1 972	6 223
Asia Regional	-	-	-	-	-	2 062
Europe Regional	-	-	-	-	17	117
Latin America	-	-	-	-	608	4 298
Interregional	-	-	-	-	513	2 078
Global	-	-	-	-	-	641
TOTAL	41 289	214 055	8 512	69 276	12 857	62 929

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SCHEDULE 4(b)

Income received under third party cost-sharing arrangements

By donor
(Thousands of US dollars)

<u>Donor</u>	<u>Recipient country/ region</u>	<u>Amount in 1981</u>	<u>Cumulative amount 1975-1981</u>
Algeria	Africa Regional		199
	Interregional		25
	Subtotal		224
Australia	Egypt		227
Austria	Egypt		420
	Europe Regional		100
	Subtotal		520
Arab Fund for Economic and Social Development	Arab States Regional		20
Belgium	Mali		1 103
Canada	Egypt		1 000
	Honduras		24
	Sudan		451
	Interregional		30
	Subtotal		1 505
Caribbean Development Bank	Latin America Regional	33	78
Denmark	Egypt		498
East African Development Bank	Africa		46
Economic Commission for Europe	Yemen		3 009
Germany, Federal Republic of	Paraguay		108
	United Republic of Tanzania		43
	Yemen	259	1 121
	Asia Regional		62
	Subtotal	259	1 334
Greece	Egypt		500
Interregional Fund for Agriculture	Latin America Regional		450
Iran	Arab Regional		2 003
Israel	Latin America Regional		50
Italy	Egypt		237
	Africa Regional		119
	Interregional	100	210
	Subtotal	100	566
Japan	Egypt		1 000
Kuwait	Interregional		30
Libya Arab Jamahiriya	Africa Regional		97
Morocco	Africa Regional		64

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<u>Donor</u>	<u>Recipient Country/ Region</u>	<u>Amount in 1981</u>	<u>Cumulative Amount 1975-1981</u>
Netherlands	Afghanistan	(388) a/	837
	Bangladesh		257
	Bolivia		171
	Costa Rica		257
	Ecuador	867	867
	Egypt		2 000
	Guinea-Bissau		418
	Honduras		395
	Jordan		68
	Liberia	941	941
	Peru		108
	Sudan		1 234
	Suriname	150	150
	Swaziland	261	261
	United Republic of Tanzania		25
	Yemen	4 167	11 272
	Africa Regional		215
	Europe Regional	17	17
	Subtotal	6 015	19 493
Norway	Egypt		543
Special Fund of the Organization of Petroleum Exporting Countries (OPEC)	Egypt	131	1 500
	Africa Regional	2 686	3 070
	Arab Regional	1 972	4 200
	Asia Regional		2 000
	Latin America Regional	575	3 500
	Interregional	413	1 783
	Global		641
	Subtotal	5 777	16 694
Sweden	Egypt		920
	Sudan		2 285
	Subtotal		3 205
Switzerland	Bangladesh		1 840
	Chile		20
	Egypt		500
	Ivory Coast		46
	Nepal		30
	Rwanda		441
	Subtotal		2 877
United Nations Trust Fund for Sudano-Sahelian Activities	Africa Regional		2 586
United Kingdom	Egypt		1 770
	Yemen		662
	Subtotal		2 432
United States	Somalia	400	400
	Africa Regional		400
	Latin America Regional		220
	Subtotal	400	1 020
Venezuela	Egypt		10
West African Development Bank	Africa Regional	273	745
TOTAL		12 857	62 929

a/ Negative income due to reduction of cost-sharing budget AFG/78/012/E. This amount is held in favour of the Government of the Netherlands pending confirmation of its re-application.

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UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Table 1

1981 Income and expenditure: forecast vs actual
(Million of US dollars)

	<u>Forecast a/</u>	<u>Actual b/</u>	<u>Variance</u>
<u>Income</u>			
Voluntary contributions and voluntary programme cost	800.0	687.5	(112.5)
Assessed programme cost	1.6	1.3	(0.3)
Special Measures Fund for LDCs	10.6	12.9	2.3
Cost-sharing	84.1	62.6	(21.5)
GCCC	<u>7.8</u>	<u>10.8</u>	<u>3.0</u>
	904.1	775.1	(129.0)
Miscellaneous income	35.0	28.5	(6.5)
Prepayment of contributions	1.5	1.2	(0.3)
Other adjustments		<u>(0.5)</u>	<u>(0.5)</u>
	940.6	804.3	(136.3)
<u>Expenditures</u>			
Main field programme	677.6	655.8	(21.8)
Cost sharing	74.0	51.0	(23.0)
Special Measures Fund LDCs	15.0	15.0	(0.0)
GCCC	7.0	9.8	2.8
Agency support costs, hiatus financing and other adjustments	113.5	101.3	(12.2)
Administrative and programme support costs	<u>108.0</u>	<u>104.6</u>	<u>(3.4)</u>
	<u>995.1</u>	<u>937.5</u>	<u>(57.6)</u>
Excess of expenditure over income	<u>54.5</u>	<u>133.2</u>	<u>78.7</u>

a/ As provided in DP/547/Corr.1, table 8.

b/ As shown in Statement I.

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UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Table 2

Balance sheet as at 31 December 1981: forecast vs actuals
(Millions of US dollars)

	<u>Forecast^{a/}</u>	<u>Actual^{b/}</u>	<u>Variance</u>
<u>Assets</u>			
Cash			
Convertible currencies	6.0	3.1	(2.9)
Usuable non-convertible currencies	3.0	0.6	(2.4)
Accumulated non-convertible currencies	42.1	41.0	(1.1)
Imprest cash	14.0	15.3	1.3
Investments	246.9	219.4	(27.5)
Letters of credit	27.9	-	(27.9)
Operational Reserve	200.0	200.0	-
Reserve for Construction Loans	25.0	25.0	-
Operating funds to agencies	35.0	35.8	0.8
Due from trust funds	2.3	0.5	(1.8)
Other accounts receivables and deferred charges	30.8	33.7	3.7
Accrued interest	7.7	11.3	3.6
Outstanding contributions	50.3	74.6	24.3
	<hr/>	<hr/>	<hr/>
Total	690.2	660.3	(29.9)
	<hr/>	<hr/>	<hr/>
<u>Liabilities</u>			
Accounts payable	50.0	53.6	3.6
Unliquidated obligations	146.1	166.7	20.6
Due to United Nations	2.0	1.6	(0.4)
Due to UNFPA	3.0	4.1	1.1
Due to trust funds	2.5	1.6	(0.9)
JPO Programme	1.5	2.4	0.9
Outstanding contributions	50.3	74.6	24.3
Unexpended contributions			
For the Special Measures Fund			
for LDCs	15.0	17.3	2.3
For cost-sharing	30.8	36.9	6.1
For GCCC	5.5	5.4	(0.1)
<u>Reserves</u>			
Operational Reserve	200.0	200.0	-
Reserve for Construction Loans	25.0	25.0	-
Revenue reserve	158.5	71.1	(87.4)
	<hr/>	<hr/>	<hr/>
TOTAL	690.2	660.3	(29.9)
	<hr/>	<hr/>	<hr/>

^{a/} As provided in DP/547/Corr.1, table 9.

^{b/} As shown in Statement 2.

UNITED NATIONS DEVELOPMENT PROGRAMME

Table 3

Cash Flow Statement for the period
1 January 1981 to 31 December 1981^{a/}
(Millions US of dollars)

	Forecast			Actual		Net cumulative balance
	Inflow b/	Outflow	Net cumulative balance	Inflow c/	Outflow	
Opening balance	334.3					334.3
Less: transfer to Operational Reserve	(25.0)					25.0
January	66.9	78.6	297.6	67.5	78.6	298.2
February	8.9	73.8	232.7	17.6	73.8	242.0
March	27.6	76.9	183.4	37.5	76.9	202.6
April	80.3	68.4	195.3	80.9	70.9	212.6
May	18.1	64.0	149.4	29.6	64.0	178.2
June	142.4	78.8	213.0	81.7	61.9	198.0
July	169.7	80.9	301.8	126.7	64.9	259.8
August	48.9	78.6	272.1	32.8	74.0	218.6
September	68.5	85.2	255.4	36.7	81.2	174.1
October	96.7	98.2	253.9	145.4	75.9	243.6
November	116.9	103.8	267.0	56.2	78.6	221.2
December	<u>121.0</u>	<u>107.2</u>	<u>280.8</u>	<u>81.4</u>	<u>83.7</u>	<u>218.9</u>
	1 275.2	994.4		1 103.3	884.4	
Plus: Decrease in accumulated non-convertible currencies	3.0		3.0	4.2		4.2
	<u>1 278.2</u>	<u>283.8</u>	<u>1,107.5</u>			<u>223.1^{d/}</u>

^{a/} Estimates based on forecasts of income and disbursements for UNDP finance activities (DP/547/Corr 1.)

^{b/} Inflows include estimated investment income

^{c/} Includes actual investment income received

^{d/} Represented by: Cash - Convertible currencies 3.1
Usable non-convertible currencies 0.6
Investments 219.4
223.1

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UNITED NATIONS DEVELOPMENT PROGRAMME

Table 4

Forecast of income and expenditure for 1982 and 1983
(Millions of US dollars)

<u>Income</u>	<u>1982</u>	<u>1983</u>
Voluntary contributions	707.9 <u>a/</u>	736.9 <u>a/</u>
Assessed programme costs	0.3	
Special Measures Fund for LDCs	17.3	17.0
Cost-sharing	62.5	75.0
GCCC	9.3	11.4
	<hr/>	<hr/>
Miscellaneous income	797.3	840.3
Prepaid contributions	25.0	20.0
	1.5	1.5
	<hr/>	<hr/>
	823.8	861.8
	<hr/>	<hr/>
<u>Expenditure</u>		
Main programme	560.0	563.0
Cost-sharing	55.0	65.0
GCCC	9.0	11.0
Special Measures Fund for LDCs	15.0	15.0
Sectoral support	6.9	6.0
Agency support costs	83.1	85.0
Hiatus financing and other	1.5	1.5
UNDP programme support and administrative services		
- UNDP core activities	109.3	124.1
- UNDP non-core activities	5.4	3.1
	<hr/>	<hr/>
	845.2	873.7
	<hr/>	<hr/>
Excess of expenditure over income	21.4	11.9
	<hr/>	<hr/>

a/ Forecasts of income are calculated as follows:

Pledges receivable for prior years on 1 January
Pledges for current year, including pledges not yet announced

38.6	19.2
690.0	741.7
<hr/>	<hr/>
728.6	760.9

less:

Forecast of balance of pledges receivable at 31 December
Amounts collected in 1981

19.2	22.5
1.5	1.5
<hr/>	<hr/>
707.9	736.9
<hr/>	<hr/>

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Table 5

Estimated balance sheets as at 31 December 1982 and 31 December 1983
(Millions of US dollars)

	Balance sheet 31 Dec. '81	Balance sheet 31 Dec. '82	Balance sheet 31 Dec. '83
<u>Assets:</u>			
Cash and Investments			
Convertible currencies	3.9	6.0	6.0
Usable non-convertible currencies	0.6	3.0	3.0
Accumulated non- convertible currencies	41.0	41.8	41.8
Cash at field offices	15.3	15.0	15.0
Investments	<u>218.6</u>	<u>153.5</u>	<u>153.2</u>
	<u>279.4</u>	<u>219.3</u>	<u>219.0</u>
Advances and accounts receivable			
Operating fund held by agencies	35.9	35.0	35.0
Due from trust funds	0.6	1.0	1.0
Other accounts receivable deferred charges	33.5	35.0	35.0
Accrued interest	<u>11.3</u>	<u>7.7</u>	<u>5.0</u>
	<u>360.7</u>	<u>298.0</u>	<u>295.0</u>
<u>Liabilities:</u>			
Accounts payable	53.5	50.0	55.0
Unliquidated obligations Due to United Nations, UNFPA, trust funds and JPO programme	166.8	127.8	130.8
	<u>9.7</u>	<u>10.0</u>	<u>10.4</u>
	<u>230.0</u>	<u>187.8</u>	<u>196.2</u>
Unexpended contributions:			
For Special Measures Fund for LDCs	17.3	19.7	21.7
For cost-sharing	36.8	37.5	39.1
For GCCC	<u>5.5</u>	<u>5.5</u>	<u>5.5</u>
	<u>289.6</u>	<u>250.5</u>	<u>262.5</u>
<u>Net Assets</u>			
(Revenue reserve)	71.1	47.5	32.5
<u>Net Assets</u>			
(exclusive of non-convertible currencies)	30.1	5.7	(9.3)

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Table 6

Cash flow statement for the period
1 January 1982 to 31 December 1982
(Millions of US dollars)

	<u>Inflow b/</u>	<u>Net cumulative Outflow</u>	<u>balance</u>
Opening balance	223.1 c/		
January	70.1	88.5	204.7
February	66.1	75.8	195.0
March	45.0	76.0	164.0
April	68.8	79.8	153.0
May	30.3	75.5	107.8
June	78.9	69.2	117.5
July	130.6	60.3	187.8
August	33.8	67.5	154.1
September	37.9	75.6	116.4
October	151.5	68.9	199.7
November	58.3	71.3	186.7
December	56.6	80.0	163.3
	<u>1 051.0</u>	<u>887.7</u>	
Plus: Increase in accumulating currencies	(0.8)	-	(0.8)
	<u>1 060.2</u>	-	<u>162.5</u>

a/ Estimates based on forecasts of income and disbursements for UNDP financed activities.

b/ Inflows including estimated investment income

c/ Represented by: Cash - Convertible currencies

Usable non-convertible currencies
Investments

3.1
0.6
219.4 d/
223.1

d/ Excluding investments of the Operational Reserve

/...

UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Table 7

Estimates of accumulated non-convertible currencies
as at 31 December 1982
(Thousands of US dollars) a/

	Balance as at 31 Dec. 1980	Balance as at 31 Dec. 1981	Estimated 1982 receipts <u>b/</u>	Estimated 1982 expenditures <u>c/</u>	Estimated balance As at 31 Dec 1982
Albania	73	77	5	-	82
Bulgaria	1 335	1 771	851	354	2 268
People's Republic of China	3 007		-	-	-
Cuba	1 911	1 963	711	374	2 300
Czechoslovakia	2 441	2 219	613	712	2 120
German Democratic Republic	3 971	3 752	818	520	050
Hungary	449	180 636	608	208	
Iran	7 047	6 340	-	-	6 340
Malta	569	-	-	-	-
Poland	3 203	4 081	1 250	290	5 041
Romania	491	869 672	329	1 212	
Turkey	-797	2 856	2 207	1 446	
Union of Soviet Socialist Republics <u>d/</u>	17 307	16 048	2 840	3 249 <u>e/</u>	15 639 <u>e/</u>
Yugoslavia	3 289	3 376	618	1 474	2 520
	<u>45 093</u>	<u>41 437</u>	<u>11 890</u>	<u>10 117</u>	<u>43 226</u>

a/ Based on United Nations rate of exchange in effect 31 December 1981.

b/ Non-convertible portion

c/ Based on 1981 utilization

d/ Including Byelorussian and Ukrainian Soviet Socialist Republics.

e/ Excluding equivalent \$2,071 in roubles to be exchanged for developing countries currencies. Should exchange be completed in 1982, the balance of rouble holdings will be reduced to \$13,568.

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UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Table 8

Summary of income and expenditure
for the years 1977 to 1981
(Millions of US dollars)

	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>Total</u>
<u>Income</u>						
Contributions from Governments						
Voluntary pledges	521.6	593.1	679.5	691.8	688.7	3 174.7
Assessed programme costs	3.8	2.1	0.4	1.7	1.3	9.3
Special Measures Fund for LDCs	4.1	8.0	11.5	11.7	12.9	48.2
Cost-sharing contributions	47.4	44.4	41.9	58.2	62.6	254.5
GCCC	8.2	6.5	3.4	9.3	10.8	38.2
	585.1	654.1	736.7	772.7	776.3	3 524.9
Other	25.2	49.3	62.2	48.7	28.0	213.4
TOTAL INCOME	610.3	703.4	798.9	821.4	804.3	3 738.3
<u>Expenditure</u>						
Programme expenditure						
IPF	285.8	387.5	482.8	590.7	649.8	2 396.6
Programme Reserve	5.2 ^{a/}	2.3	2.5	3.3	4.4	17.7 ^{a/}
SIS	3.4	3.6	4.6	3.9	1.6	17.1
Special Measures Fund for LDCs	9.5	5.3	9.8	14.0	15.0	53.6
Government cost-sharing	28.2	30.5	43.2	57.9	51.0	210.8
GCCC	5.8	6.4	4.7	7.8	9.8	34.5
	337.9	435.6	547.6	677.6	731.6	2 730.3
UNDP sectoral support costs	3.6	3.6	4.7	5.1	5.6	22.6
UNDP/UNEP Joint Venture (institutional support costs)	-	-	-	0.4	0.4	0.8
Agencies programme support costs	45.3	58.0	73.2	87.9	94.2	358.6
	386.8	497.2	625.5	771.0	831.8	3 112.3
Expert hiatus financing	1.3	1.1	1.2	1.0	0.9	5.5
Adjustments to prior years expenditure	0.8	0.2	1.0	0.4	0.2	2.6
	388.9	498.5	627.7	772.4	832.9	3 120.4
UNDP administrative and programme support costs	55.4	60.0	71.4	91.6	104.6	383.0
TOTAL EXPENDITURE	444.3	558.5	699.1	864.0	937.5	3 503.4
Excess (deficit) of income over expenditure	166.0	144.9	99.8	(42.6)	(133.2)	234.9

^{a/} Includes \$1.0 million of expenditure relating to UNV/Special Voluntary Fund.