

UNITED NATIONS DEVELOPMENT PROGRAMME



UNDP

Distr.
GENERAL
DP/1983/22
11 March 1983
ORIGINAL: ENGLISH

GOVERNING COUNCIL
Thirtieth session
June 1983
Agenda item 6 (b)

S U P P O R T

OTHER FUNDS AND PROGRAMMES

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Report of the Executive Director on past Governing Council debates and decisions which continue to affect UNFPA in the 1980s

Summary

This report is being submitted to the Governing Council in response to the Council's request in paragraph 9, section I of decision 82/20 taken at its twenty-ninth session in June 1982 which requested the Executive Director to provide a document on past Governing Council debates and decisions which continue to affect UNFPA in the 1980s, using as a reference point his report on the UNFPA in the 1980s (DP/530), and particularly incorporating the decisions taken by the Council at its twenty-eighth and twenty-ninth sessions in one consolidated reference document.

CONTENTS

	<u>Page</u>
<u>Introduction</u>	2
<u>Subject areas (alphabetically)</u>	
I. Allocation of resources	3
II. Evaluation and implementation	4
III. Guidelines for programme area emphasis	7
IV. Infrastructure	8
V. Intercountry activities including UNFPA support to contraceptive research and development	10
VI. Multi-bilateral financing for projects	17
VII. Needs assessment	19
VIII. Operational reserve	20
IX. Priority countries, system of	21
X. Procedural decisions of the Governing Council binding on the UNFPA	24
XI. Resource and planning projections	24

INTRODUCTION

The thirtieth session of the Governing Council marks the tenth year in which the Governing Council has served as the governing body for the UNFPA.

It was the General Assembly in 1972 that decided to place the UNFPA under its authority and "without prejudice to the over-all responsibilities and policy functions of the Economic and Social Council", decided further "that the Governing Council of the United Nations Development Programme, subject to conditions to be established by the Economic and Social Council, shall be the governing body of the United Nations Fund for Population Activities" and invited "the Governing Council to concern itself with the financial and administrative policies relating to the work programme, the fund-raising methods and the annual budget of the Fund".

In this resolution (3019 (XXVII)), the General Assembly also invited the Governing Council "to organize itself in such a way that it can exercise effectively these functions, taking into account the separate identity of the United Nations Fund for Population Activities and its need to operate under the guidance of the Economic and Social Council, in close relationship with interested Governments and with appropriate international and national bodies, governmental and non-governmental, interested in population activities".

The first UNFPA appearance before the Governing Council was at its fifteenth session in January-February 1973. Some 24 decisions concerning the UNFPA have now been recorded by the Governing Council.

Because of the continuing concern by the Council in regard to some of the more important programme and subject areas dealt with by UNFPA, the Council at its twenty-ninth session in June 1982 requested what is essentially a codification of its various decisions in regard to these programme and subject areas. This document provides a review of the appropriate Governing Council decision, and a summary of the paper presented by the Executive Director upon which the decision is based. In many cases, the Council decision refers only to a document. In this review, a summary of the document is provided, so that Council Members will have a complete historical survey before them on these subject matters.

Because this is a reference document, all resolution, decision and document numbers have been integrated into the text for easy and quick reference, rather than footnoted at the end of the document. All decisions of the Governing Council were renumbered in 1981 to reflect the year of the decision, viz., 73/00 indicates that the decision was taken in 1973. A companion document being distributed informally at the thirtieth session of the Governing Council provides a subject index to all Governing Council decisions concerning the UNFPA, a copy of each decision and a list of all these Governing Council decisions as well as the revised Governing Council decision number.

Dates of the Governing Council sessions, for easy reference, are:

Fifteenth, January-February 1973
Sixteenth, June 1973
Seventeenth, January-February 1974
Eighteenth, June 1974
Nineteenth, January-February 1975
Twentieth, June 1975
Twenty-first, January-February 1976
Twenty-second, June 1976

Twenty-third, January-February 1977
Twenty-fourth, June 1977
Twenty-fifth, June 1978
Twenty-sixth, June 1979
Twenty-seventh, June 1980
Twenty-eighth, June 1981
Twenty-ninth, June 1982

I. ALLOCATION OF RESOURCES

1. Twentieth session. In presenting document DP/118 on the allocation of UNFPA resources and proposed alternative funding arrangements, the Executive Director recommended, inter alia, that: (a) UNFPA should continue to use its resources mainly to support activities forming the core of the population field; (b) programme preparation should be increasingly undertaken at the country level and a pipeline developed; (c) the Fund should continue providing assistance for a broad range of components in order to respond to the needs of countries in a flexible manner.
2. The Governing Council, in decision 75/33 A, paragraph (d), approved the recommendations made by the Executive Director.
3. Twenty-second session. The Executive Director presented a document (DP/186 and Corr.1) on priorities in the allocation of UNFPA resources. In Section IV, the UNFPA core programme of assistance was defined as falling within the broad scope of activities which, in the language of the World Population Plan of Action, comprises all programmes related to the determinants and consequences of population trends, including economic, social, demographic, biological, geographical, environmental and political aspects. The report pointed out that the limited financial and human resources available for population assistance suggest that the primary concern of the Fund should be to support the population aspects of development aimed at influencing population factors through the formulation and implementation of population policies with the objective of improving levels of living and the quality of life. The document listed the main areas of the core programme as follows (not in order of priority): basic population data collection and analysis, population policy formulation and implementation including family planning and population redistribution, population education and training, applied research as well as communication activities in support of these programmes. [For operational definitions of population activities, see the Key to the Standard Classification of Population Activities, adopted by the ACC Sub-Committee on population in June 1977 and issued by UNFPA in December 1977.]
4. Assistance to basic data collection includes support for census taking and surveys and for the establishment of pilot projects for the registration of vital statistics. Assistance to population dynamics takes the form of funding research and training concerning the causes and consequences of population levels, growth and trends. Support is provided for the formulation, implementation and evaluation of population policies by assisting the establishment or strengthening of policy units within government administrations in their efforts to integrate population factors in development plans and programmes. Included in the family planning sector is assistance to health-related delivery systems, community-based delivery systems, fertility regulating methods and the management and evaluation of family planning programmes. Support is provided for service delivery, training of personnel, strengthening management, provision of contraceptives - including the possibilities of local production, fertility regulation research and motivation for family planning. Included in the communication and education sector are communication for awareness of population issues as well as population education in schools and in extension programmes. Project assistance may be for training, research, support communication or action programmes in any of the population sectors.
5. In its decision (76/42, paragraph (d) (ii)), the Council endorsed the core programme of UNFPA assistance as outlined in section IV of the report.
6. Twenty-eighth session. In the document (DP/530) on "The future role of UNFPA: UNFPA in the 1980s" submitted by the Executive Director to the twenty-eighth session of the Governing Council, he indicated: "It is proposed that the main thrust of UNFPA support in the coming years should continue to be within the scope of the core programme and that the three areas mentioned above [the effects of migration and population distribution, the full integration of women into all levels of the development process, and the long-term consequences of population policies and programmes on the future age structure] should be considered within this context. Such support, then, will not affect the distribution of UNFPA allocations among the various programme areas of the core programme to any extent. In other words, basic population data collection and analysis, population policy formulation and implementation, family planning

programmes and support communication and education activities will continue to be the main sectors of UNFPA funding".

7. The Executive Director noted that, to ensure the most efficient use of UNFPA's scarce resources, "greater attention will be paid in the future, to the capacity of countries to absorb population assistance effectively" and also listed several other requirements, e.g., the commitment of a country to cope with its population problems, the level of past inputs, the foreign exchange needs of proposed population programmes and the availability, if any, of resources from other donors for such activities, and the seriousness of a country's population problems, especially in priority countries.

8. In its decision (81/7, I, paragraph 8), the Council took note of the report of the Executive Director on the UNFPA in the 1980s (DP/530) and requested him, in making project allocations, to take into account the following:

- (a) Magnitude of the population problems in relation to per capita gross national product;
- (b) Population size and the annual increase in absolute numbers;
- (c) Policies and programmes of the government;
- (d) Commitment by governments to stated population policy;
- (e) Absorptive capacity;
- (f) Level of support of development assistance per capita from other sources;
- (g) Level of support for population activities from other sources;
- (h) Actual and projected implementation rates.

II. EVALUATION AND IMPLEMENTATION

9. Twentieth session. In response to the discussion at the nineteenth and earlier sessions of the Governing Council, the Executive Director of UNFPA in 1975 submitted a document with a preliminary analysis on the "Implementation of UNFPA projects" (DP/109). This document discussed the quantitative measurement of implementation (proportion of an annual project budget expended during the year) as well as qualitative measurements (evaluation studies). It informed the Council of the establishment of an Evaluation Section in UNFPA. The report also made recommendations for improvement of implementation at various levels (UNFPA Headquarters, United Nations Agencies, UNFPA Field Co-ordinators and Governments).

10. In its decision (75/33 A, paragraph (e)) the Council requested the Executive Director of UNFPA to inform the Council regularly concerning both the quantitative and qualitative implementation of UNFPA projects and concerning the conclusions derived from the evaluation of selected programmes and projects.

11. Twenty-first session. With the purpose of updating document DP/109 in regard to the quantitative measurement of the implementation of UNFPA projects, the Executive Director presented a document (DP/147) to the twenty-first session of the Governing Council. In this document, he also informed the Council about his plans to submit a more detailed report, including a qualitative analysis of implementation of selected projects, to its twenty-second session.

12. The Council in its decision (76/2 A, paragraph (c)) noted the information supplied by the Executive Director on the implementation of UNFPA projects in 1974 and requested him to submit information on implementation in 1975 to the Governing Council at its twenty-second session.

13. Twenty-second session. The document presented to the twenty-second session of the Council on "Implementation of UNFPA projects" (DP/187) focussed mainly on the qualitative aspects of implementation. This was dealt with under four headings: biennial reviews, mid-term reviews, monitoring and evaluation. The biennial reviews referred to the programmes that were initially approved by the Council for two years and were then presented for extensions. Separate documents were presented on such programmes in five countries. The mid-term reviews were undertaken of certain other large-scale or particularly significant projects and three were reported on in DP/187. The Executive Director announced the introduction, from January 1976, of a revised and improved procedure for project monitoring based largely on the UNDP monitoring

system. The core elements of the system were Project Progress Reports, Tripartite Reviews and Annual Country Reviews. Finally, the Executive Director reported on the results of two major evaluations.

14. The Governing Council, in decision 76/42 paragraph (e), took note of the Executive Director's report on the implementation of UNFPA projects and requested him to continue submitting such reports on both quantitative and qualitative implementation.

15. Twenty-third session. The Executive Director submitted a report (DP/228) on the quantitative implementation of projects in 1975 to the twenty-third session of the Governing Council.

16. The Council in its decision (77/5, paragraph (b)) took note of the information supplied by the Executive Director and requested him to continue submitting reports on quantitative and qualitative implementation.

17. Twenty-fourth session. The Executive Director submitted a document on "Implementation of UNFPA projects" (DP/267) to the twenty-fourth session of the Governing Council. This document informed the Council about the evaluations undertaken in the previous year. Summaries of four evaluations were provided.

18. The Governing Council did not include any reference to the document in its decision at this session.

19. Twenty-fifth session. The Executive Director prepared a report on "Evaluation of UNFPA projects" (DP/331), in which he informed the Council about the purpose and methodology of UNFPA evaluations. Furthermore, he described and analysed findings which were recurrent themes in the evaluations conducted and pointed to major problem areas in UNFPA's operations. The report also contained summaries of the results of evaluations undertaken.

20. According to the report, there were two purposes for the evaluations: (1) to meet the requirements of the Executive Director's accountability to the Governing Council for funds entrusted to him and (2) to serve as a basis for future decision-making within UNFPA. The evaluations were conducted as objective and independent in-depth analyses of UNFPA-assisted programmes, projects or specific problem areas.

21. The report pointed out that there was little experience of evaluation in the United Nations system and that UNFPA therefore had to develop its methodology and formal mechanism on the basis of practical experience. Although the evaluations in principle could deal with needs assessment, project design, project performance, project effects and project impact, they usually concentrated on project performance and effects. Basically, the evaluations attempted to determine what changes took place; whether the changes which occurred were in the direction intended in the project document; whether these changes occurred because of the project inputs (government or UNFPA); and the relevance of the UNFPA inputs in particular.

22. The evaluations were carried out by persons who had not been involved in the planning, appraisal or implementation of the respective project. The Evaluation Office (as it was now called) was independent from the Programme Division. The Evaluation reports were reports to UNFPA, not by UNFPA.

23. The distinction between evaluations and the process of project monitoring was also explained.

24. The report summarized the results of all the evaluations undertaken so far, viz., of three country programmes, 13 regional projects and four interregional or global projects. Although the results varied considerably only two projects were regarded as failures. Among the problems recurring in individual projects, the report mentioned errors in judgement, deficiencies in the strategy or faulty planning, lack of clarity in project design and project objectives, lack of supervision from the executing agencies and delay in approvals of funds both at UNFPA and at the government level.

25. In spite of these problems, the Executive Director found the results of the evaluations encouraging and he emphasized that systematic efforts were being made to improve the accomplishments of UNFPA-sponsored activities and the application of lessons learned through evaluations.

26. In its decision (78/33, I, paragraph 11) the Council noted its appreciation of the Executive Director's report on the evaluation of UNFPA projects and endorsed the approach and methodology described therein, and requested him to supply similar reports periodically in the future.

27. Twenty-seventh session. The Executive Director submitted a report on "Evaluation of UNFPA projects" (DP/493) to the twenty-seventh session of the Council. This report described the work programme of UNFPA's Office of Evaluation in the previous two years and analysed the findings of three major evaluations and the subsequent action taken by the Executive Director. The results were similar to those reported in DP/331 (see twenty-fifth session). Although generally encouraging, there were some reasons for concern, in particular related to the design of projects and lack of clarity of objectives. In order to improve these areas, UNFPA issued revised instructions for preparation of project documents, but there was still a need for staff training in this field.

28. The Governing Council in its decision (80/13, I, paragraph 4) expressed its appreciation of the Executive Director's report on the evaluation of Fund projects and the candour with which conclusions of the evaluations were presented, and requested him to supply similar reports periodically in the future.

29. Twenty-ninth session. The Executive Director submitted two documents relating to evaluation and implementation to the twenty-ninth session: "Evaluation of UNFPA projects" (DP/1982/32) and "Report on implementation and monitoring of selected country programmes" (DP/1982/33).

30. The evaluation report summarized the results of nine in-depth, independent evaluations and offered some indications regarding the anticipated future trends for UNFPA evaluations.

31. The results of the nine evaluations were encouraging. Most projects had made considerable progress in meeting their immediate objectives. The MCH/family planning projects were successful in expanding delivery of services. The research projects produced valuable information and most executing agencies provided good technical backstopping. However, project design and clarity of objectives remained a problem and, i.a., management, supervision, monitoring and evaluation were weak areas. There were also problems in connection with the handling of project budgets.

32. The Executive Director reported that steps had been taken to increase the number of evaluations mainly by reducing the requirements for reporting. A two-year work plan had been established concentrating mainly, but not exclusively, on projects in MCH/family planning and information/education/communication and on country projects. Furthermore, he announced his intention to undertake a number of comparative evaluation studies of similar projects or project components.

33. In addition, the Executive Director recognized the need for a system of built-in self-evaluation and announced his intention to revise the manuals for project formulation and monitoring and explore the possibilities of providing training in order to ensure that evaluation and monitoring procedures are built into different stages of project preparation and implementation.

34. Since the Governing Council had requested reports on both qualitative and quantitative implementation of UNFPA programmes, the Executive Director submitted a report (DP/1982/33) which provided information on implementation of UNFPA programmes in seven selected countries. This report was based on results obtained through the core elements of the monitoring system - the Project Progress Report, the Tripartite Project Review and the Annual Country Review - and provided information regarding achievements and problems involved in the implementation of project activities approved within each country programme. The financial information included operative Governing Council approvals, amounts expended in 1980 and amounts allocated in 1981 by Work Plan category.

35. In its decision (82/20, I, paragraph 8), the Council took note of the report of the Executive Director on the evaluation of UNFPA projects as well as the report on the implementation and monitoring of selected country programmes and requested him to supply further reports periodically in the future that would take into account the views expressed by members of the Council that such reports be of a more analytical and functional nature.

III. GUIDELINES FOR PROGRAMME AREA EMPHASIS

36. Twenty-eighth session. In his report to the Governing Council on "The future role of UNFPA: UNFPA in the 1980s" (DP/530), the Executive Director suggested a number of goals for the UNFPA in the decade of the 1980s. These included: (a) increase awareness and understanding of population problems and issues and strengthen the commitment of developing and developed countries to deal with them; (b) formulation and implementation of population policies in accordance with the needs and perceptions of countries and integration of population aspects into all development planning; (c) building up the capability of developing countries to design, administer and evaluate population programmes with a view to promoting self-reliance; (d) increase access to information and means to attain desired family size and spacing of births; (e) redoubling of efforts in connection with contraceptive development; (f) reduction of infant mortality and more specifically to realize the target of reducing the level to 50 per thousand by the end of the 1980s with particular attention to reducing it to 120 per thousand in the poorest countries as set out in the International Development Strategy; (g) promote the full participation of women in all aspects of population and development programmes; and (h) address particularly the needs of disadvantaged population groups.

37. The document generally reviewed the types of future UNFPA supportable activities for each of the five major programme areas. It indicated that basic population data collection and analysis, population policy formulation and implementation, family planning programmes and support communication and education activities would continue to be the main sectors of UNFPA funding, although priority was not assigned to any of the programme sectors.

38. In its decision (81/7, I, paragraph 3), the Council also set forth the programme areas the Fund should concentrate on supporting in the order of priority indicated. These are:

(a) Family planning, oriented towards the individual and the family, both in the form of programmes integrated with maternal child health services in the primary health care context and in other programmes, as appropriate to social and cultural conditions, including:

- (i) Delivery of services at the community level, including improvements in the logistical systems through which such services can be provided;
- (ii) Training of personnel;
- (iii) Strengthening of management;
- (iv) Logistics support, including provision of contraceptives, if required;
- (v) Encouragement, where appropriate, of local production of contraceptives;
- (vi) Research into traditional and new contraceptive methods and development of improved means, including natural family planning methods;

(b) Population education, communication, motivation and dissemination of information on family planning;

(c) Basic data collection;

(d) Population dynamics;

(e) Formulation, implementation and evaluation of population policy.

39. Twenty-ninth session. In his report to the Council for 1981 (DP/1982/23), the Executive Director noted that, because of a shortfall below the 1981 Governing Council approval level and the losses due to currency fluctuations, the Work Plan for 1981-1984 had to be revised downward to take into account a more realistic income projection. He indicated that the reduced resource level made extensive reprogramming and rephrasing necessary and that, as a result, there was a decline in the percentage of allocations going to the family planning area. The Executive Director in his statement said that he believed this decline to be a one-time phenomenon and that the decline in the percentage of allocations to family planning would be reversed in 1982.

40. In its decision (82/20, I, paragraph 2), the Council expressed grave concern about the downward trend in assistance to the family planning area in 1981, particularly in the light of Council decision 81/7 and indicated that it expected that this trend would be reversed in 1982, in accordance with the priority areas for the Fund's population activities as set out in decision 81/7.

IV. INFRASTRUCTURE

41. Twenty-fourth session. At the twenty-fourth session of the Governing Council in June 1977, the Executive Director submitted a paper (DP/257) on infrastructure support for population posts in the organizations of the United Nations system. Noting that since it began operations UNFPA had provided infrastructure support at various levels to organizations of the United Nations system which are involved in population work, the Executive Director pointed out that this was "done in accordance with the original directives given to UNFPA which were later incorporated in the aims and purposes of UNFPA adopted by the Economic and Social Council (resolution 1763 (LIV)), namely that UNFPA should 'build up, on an international basis, with the assistance of the competent bodies of the United Nations system, the knowledge and the capacity to respond to national, regional, interregional and global needs in the population and family planning fields'".

42. DP/257 noted that "At several Governing Council sessions since 1974, during the discussion of UNFPA, the question of infrastructure support by UNFPA was raised by members, the view was expressed that UNFPA should not support posts which should properly be included in the organizations' regular budgets and that the number of such posts supported by UNFPA should be carefully limited. Several members urged that infrastructure support by UNFPA should be gradually phased out and one member expressed the opinion that it should be terminated altogether by 1979. At the twenty-second session, the Executive Director, in response to remarks made on the subject, noted that there had never been a decision by the Governing Council on terminating UNFPA infrastructure support to executing agencies. However, UNFPA had informed the organizations involved about the views expressed in the Council and had urged them to gradually absorb these posts. The Executive Director promised that a report on the question would be submitted to the Council".

43. In this document, the Executive Director reported on the consensus reached at a meeting of the ad hoc Inter-Agency Consultative Committee (IACC) in 1976 that basically only posts at the headquarters of the organizations should be regarded as infrastructure posts and that infrastructure support by UNFPA must be separated from project costs. Infrastructure posts should be posts of an administrative and/or financial support nature and include those which involve co-ordinating substantive activities at the headquarters, regional, and, in some cases, even country level.

44. The Executive Director reported in this document that it was agreed at the IACC meeting that UNFPA should continue the analysis of infrastructure support of posts in the various organizations and suggest to each organization the posts it considered to be of an infrastructure nature under the agreed definition. He also reported that agreements had been reached resulting in 16 posts being transferred from infrastructure to project personnel budgets in the ILO, FAO, UNESCO and WHO. He indicated that the United Nations had accepted in principle the UNFPA suggestions for the absorption of some UNFPA-financed infrastructure posts at Headquarters, but also indicated that the consequent budget proposals would have to be submitted to the relevant legislative bodies.

45. In its decision (77/39, paragraphs 1-3), the Governing Council took note of the report (DP/257) of the Executive Director, authorized him to continue discussions with the organization in the United Nations system on this subject with a view to further reducing UNFPA-funded infrastructure posts until a desirable minimum of UNFPA-funded infrastructure posts is attained in each organization, and requested the Executive Director to report further on this subject to the Governing Council at its next (twenty-fifth) session.

46. Twenty-fifth session. In his statement to the Governing Council, the Executive Director noted that "the dialogue between UNFPA and its executing organizations on the subject has

continued. There has been a net reduction of 24 professional posts among the infrastructure posts supported by the Fund, of which nine were absorbed into the regular budgets of the organizations concerned".

47. In its decision (78/33, I, paragraph 9), the Governing Council requested the Executive Director "to continue to reduce infrastructure support and payment of overhead costs and to submit at the next meeting of the Council his recommendations concerning the rationale for future support".

48. Twenty-sixth session. In a report (DP/367) to the Governing Council, the Executive Director noted that the consensus reached in regard to infrastructure support (see twenty-fourth session) was based in part on the fact that with the exception of the United Nations, UNFPA does not reimburse agencies through a system of overhead payments for support costs, but infrastructure posts may be considered as UNFPA financial support for the execution of projects in lieu of overhead reimbursement.

49. He noted that continued efforts had been made by the executing organizations to secure financing of infrastructure posts from their regular budgets, and that, at the same time, several posts previously regarded as infrastructure had been transferred to project budgets in line with the agreed-upon definition of infrastructure posts.

50. Noting, agency-by-agency including the regional commissions, the progress made up to that point in regard to infrastructure posts, the Executive Director pointed out that "while taking into account the Council's directive that infrastructure support to the United Nations organizations should be kept to a minimum, the Executive Director believes that...support of a limited number of infrastructure posts had proved, in many instances, to be a much less expensive arrangement than would be overhead payments, i.e., the reimbursement of support costs on a fixed percentage basis related to project delivery as applied, for example, for UNDP-supported activities. This is due to the fact that most organizations have accepted, over the past few years, not only a stabilization, but often an actual reduction, in the number of UNFPA-supported population infrastructure posts in spite of increasing levels of project implementation".

51. The Executive Director noted that, "from a substantive point of view, it has been the experience of the UNFPA that the continuity provided by funding a small, but relatively stable, number of infrastructure posts has encouraged and facilitated collaboration with field personnel of the organizations concerned in the development of soundly conceived and economically designed projects. Administratively, it has been and will continue to be, very helpful to UNFPA to have in most of its executing organizations identified personnel with specific counterpart responsibilities for UNFPA-funded projects. The continuation of infrastructure support to its executing organizations would be a factor that could have direct implications on the rate of implementation of UNFPA-supported programmes". He indicated that "infrastructure support and overhead payments to United Nations organizations could be kept at an over-all acceptable level relative to the organizations' population programme delivery" and expressed his hope that "by 1982, UNFPA-financed infrastructure support will attain the desirable minimum number of posts and in the case of the United Nations proper, the support would be limited to overhead payments...".

52. In its decision (79/28, I, paragraph 6), the Governing Council took note of the progress report (DP/367) of the Executive Director on UNFPA infrastructure support and requested the Executive Director to continue discussions with the parties concerned, with a view to maintaining an acceptable level of UNFPA-supported infrastructure posts, taking into account the need to provide adequate backstopping for the delivery of UNFPA assistance to the developing countries through the organizations in the United Nations system.

53. Twenty-seventh session. In his statement to the Governing Council, the Executive Director pointed out that, during 1979, discussions continued in regard to infrastructure support to United Nations organizations. He also noted that reductions which had been achieved in 1978 and 1979 would continue into 1980 and 1981. The Executive Director pointed out that "to us, the provision of infrastructure support, which had previously been decided upon by the Governing Council, appears to be the most economic and preferred arrangement for obtaining backstopping services of United Nations Agencies in the execution of country projects". He said: "The

Council may be reminded that UNFPA does not pay overhead costs to any agency, except the United Nations. We, therefore, do not agree with the suggestion made in a UNDP Governing Council document [DP/WGOC/32 and Corr.1 and DP/WGOC/32/Add.1 and Corr.1] on agency support cost that this arrangement for UNFPA should be changed".

54. See twenty-eighth session below for information on Council decision 80/44.

55. Twenty-eighth session. Again, in his statement to the Governing Council, the Executive Director reported on this matter. He said: "On the matter of agency support costs, the Governing Council decided last year [80/44] that for all programmes under its jurisdiction, executing agencies should be reimbursed at the rate of 13 per cent of annual project expenditures. UNFPA is arranging with each of its United Nations executing agencies to commence payment of agency support costs in 1982 and to phase out gradually the infrastructure project posts previously funded. We are planning this change in a way that will least disrupt the support the agencies have given UNFPA".

56. There was no Council decision in regard to UNFPA at this session.

57. Twenty-ninth session. In his statement to the Governing Council, the Executive Director noted that "The Members of the Council are aware that in the past UNFPA paid for infrastructure posts in organizations of the United Nations system. To a certain extent these payments were in lieu of payment of overhead for the execution of country activities. To that extent we are now following the instruction of the Council to discontinue infrastructure payments and to replace them by payment of 13 per cent agency support costs. However, UNFPA also paid for infrastructure posts in the regional commissions of the United Nations, such payments having the nature of extrabudgetary resources for the regular activities of the commissions. Some of the commissions have indicated their inability to continue their population activities at the same level as in the past should UNFPA funding come to an end. The Council Members should be aware of this risk".

58. In its paper on intercountry activities (DP/1982/29 and DP/1982/29/Add.1), the UNFPA noted also that the United Nations regional commissions have relied on UNFPA funding for their population activities and some had indicated their inability to continue their population activities if UNFPA funding ends.

59. In its decision (82/20, I, paragraph 3), the Governing Council endorsed the guidelines for the approval of new and continuing intercountry projects proposed by the Executive Director and, inter alia, requested the Executive Director "to provide assistance to the regional commissions...as appropriate...".

60. The matter of infrastructure support to the regional commissions was also the subject of discussion in the General Assembly's Second Committee at its thirty-seventh session. A draft resolution (A/C.2/37/L.102) was introduced which took note of decisions 80/44 and 82/20 (noted above) of the Governing Council, in regard to, respectively, agency support costs and the UNFPA guidelines for the approval of new and continuing intercountry projects "which, inter alia, called for the discontinuation by the United Nations Fund for Population Activities of infrastructural support to its project-executing agencies, including the regional commissions," and requested the Secretary-General, in consultation with the executive secretaries of the regional commissions, to consider the inclusion in the draft programme budget for the biennium 1984-1985 of proposals on modalities for the continuation of activities in the field of population at the regional level. The proposed resolution was adopted by the Second Committee and by the General Assembly (37/136) in December 1982.

V. INTERCOUNTRY ACTIVITIES

61. Twentieth session. UNFPA's intercountry activities have been the subject of special interest and decision by the UNDP Governing Council going back to 1975. In that year, because of the dramatic increase in the volume of requests for UNFPA assistance, as a result both of World Population Year of 1974 and the World Population Conference held in Bucharest, Romania in August 1974, the UNFPA proposed to the Governing Council at its twentieth session in June 1975

that UNFPA reconsider the principles to be applied in making allocations of scarce resources to meet the increasing demand for assistance and to explore alternative ways and means of furthering the objectives of the Fund with other interested funding organizations.

62. The Executive Director submitted a document on "Allocation of UNFPA resources and proposed alternate funding arrangements" (DP/118) [see separate chapters of this document on "allocation of resources" and "multi-bilateral financing for projects"] in which it was suggested (paragraph 16 (d)) that the greater part of UNFPA's resources should continue to be utilized to meet the needs at the country level, and support for regional, interregional and global programmes, geared towards meeting the needs of developing countries, should be stabilized at the 1975 level, making some allowance for increased costs and subject to availability of resources.

63. The Governing Council, in decision 75/33 A, paragraph (d), approved the recommendations made by the Executive Director in document DP/118, including paragraph 16 (d) noted above.

64. Twenty-second session. In 1976, the Executive Director submitted a report (DP/186 and Corr.1) to the twenty-second session of the Governing Council on "Priorities in future allocation of UNFPA resources", which, taking into account the World Population Plan of Action (WPPA) adopted at the World Population Conference, the views of the General Assembly in regard to implementation of the WPPA (resolution 3344 (XXIX)) and various inter-governmental consultations and meetings in regard to implementation of the WPPA, made a series of suggestions on priorities in the future allocation of UNFPA resources. Specifically, with regard to intercountry activities, the Executive Director proposed that the UNFPA undertake, in collaboration with the organizations concerned in the United Nations system, a review and assessment of the accomplishments of regional, interregional and global activities supported by the UNFPA in the past and develop an overall, integrated strategy for the future.

65. The Governing Council in decision 76/42, paragraph (d) (v), in taking note of the Executive Director's report (DP/186 and Corr.1), requested him to undertake the proposed review as indicated above.

66. Twenty-third session. The Executive Director provided a progress report to the Governing Council at its twenty-third session in January 1977 on "Application of criteria for establishing priorities" (DP/232). In section IV on intercountry activities, the Executive Director noted that the review and assessment of intercountry activities had been initiated and that the results would be reported to the Governing Council at its twenty-fourth session.

67. Twenty-fourth session. In June 1977, the Executive Director submitted another progress report (DP/263 and Corr.1) to the Governing Council at its twenty-fourth session on the "Application of criteria for establishing priorities". In regard to intercountry activities, the Executive Director recommended that, in preparing a strategy for future UNFPA support of regional, interregional and global population activities, (a) the five general principles for future allocation of UNFPA resources adopted by the Economic and Social Council (ECOSOC resolution 2025 (LXI) and the General Assembly (resolution 31/170) should be applied, (b) the population activities to be supported at the intercountry level should fall mainly within the core area of UNFPA assistance as outlined in DP/186 and Corr.1, (c) the capacity and experience of the appropriate international organizations concerned should be taken fully into account and utilized, for the maximum benefit of developing countries, and (d) the resources available should be concentrated mainly in supporting a relatively small number of major intercountry programmes, exploring fully the possibilities for interdisciplinary activities.

68. The Executive Director also recommended that in selecting intercountry programmes for future UNFPA support, the following criteria should be applied:

(a) The programmes should provide essential technical backstopping for population activities at the country level, so that developing countries can be assisted in meeting their basic needs in order to become self-reliant;

(b) Support should go to activities which can be carried out most effectively and economically at the intercountry level and which have the greatest multiplier effect at the country level;

(c) Innovative ideas and approaches to dealing with population issues and to promoting effective implementation of country programmes would be explored, particularly through research and pilot and demonstration projects;

(d) Comparative studies on population trends and issues in regions and sub-regions should be encouraged;

(e) Research activities should aim at developing common methodologies to deal with population issues of common concern to several countries and at providing early operational results;

(f) Research required to enable planners and policy-makers to take population factors into account in promoting social and economic development should be supported;

(g) Programmes which would encourage the collaboration of several disciplines and lead to an exchange of experience between countries through international efforts should be promoted;

(h) Dissemination of population information and data should be promoted both within and among regions;

(i) Training activities at the intercountry level should be limited to specific technical fields for which institutions, teachers and teaching materials are not available at the national level;

(j) Regional capacity to deal with population problems common to a number of countries within each region should be strengthened; and

(k) Activities should be supported only if other resources are not available at the national or international levels.

69. The Governing Council, in decision 77/24, paragraphs 3 (a), (b), (c), (d), and (e) took note of the Executive Director's progress report and (1) "noted the general principles and criteria contained in this report, which are to be applied in developing a strategy for future UNFPA support of intercountry activities"; (2) requested the Executive Director to circulate to members of the Governing Council the report on the review of intercountry activities as soon as possible [This paper entitled "Summary of UNFPA-Supported Intercountry Activities" was circulated to the Governing Council members in September 1977.]; (3) "further requested the Executive Director to submit the strategy to the Governing Council in June 1978"; and (4) "noted that the declining scale of resources allocated by UNFPA to intercountry activities in 1975 and 1976 is consistent with the ceiling approved by the Council at its twentieth session for UNFPA support of intercountry activities, and requested the Executive Director to continue this downward trend of support for these activities until the strategy for such activities has been adopted by the Council, bearing in mind the importance of global research projects of an innovative character and of other intercountry programmes of proven effectiveness".

70. Twenty-fifth session. In June 1978, the Executive Director submitted a report on "Support of intercountry activities" (DP/332) to the twenty-fifth session of the Governing Council. The document discussed the types of intercountry activities funded, magnitude and trends, the rationale for UNFPA support, some accomplishments of intercountry activities, constraints in intercountry approaches, and suggested priority areas for UNFPA support.

71. The Governing Council in decision 78/33, I, paragraphs 4-7, noted with appreciation the Executive Director's report (DP/332) on UNFPA support of intercountry activities and the progress that had been made and (1) considered favourably the Executive Director's initiative to establish an experimental mechanism for co-ordinating intercountry activities and for promoting more integrated programmes addressed to problems common to the countries in the respective geographical areas and encouraged further efforts of this kind; (2) urged the Executive Director, in consultation with the international organizations concerned, to co-ordinate approaches by organizations in the United Nations system for identifying and meeting country needs and to continue his efforts to streamline regional, interregional and global activities supported by UNFPA; (3) further requested the Executive Director to submit at the twenty-sixth session of the Governing Council, bearing in mind the views expressed in the Council: (a) cost estimates for intercountry activities; (b) suggested priorities at levels of financing equal to 20, 25 and 30 per cent of projected 1982 resources.

72. Twenty-sixth session. In June 1979, the Executive Director submitted a report on "UNFPA support of intercountry activities" (DP/406 and Annex) to the twenty-sixth session of the Governing Council. In this report, proposed priority intercountry programmes were presented under five major sectors: basic population data, population dynamics, population policies,

family planning and education and communication. Within each sector, the types of programmes that could be supported at each funding level [as indicated in 3 (b) above] were indicated.

73. In his report, the Executive Director noted that at the 25 per cent level, it would be necessary to make some reductions in the level of support to many ongoing programmes, to make room for new activities. Reductions would be made through decreasing the number of advisers and limiting the scope of various training, research and promotional activities. This would, of course, mean that many country programmes would receive less than optimum technical support. Furthermore, any new initiatives would have to be undertaken at a lower level of UNFPA support, often limiting their scope or the services which would be made available to countries.

74. For example, in the basic population data sector, reductions would have to be made in regional inputs to develop survey capability in countries, and methodological research for the improvement of civil and vital registration systems would be undertaken only at the global and interregional levels; research to improve data collection methodology could only be carried out in selected regions.

75. In the population dynamics sector, reductions would also be necessary. For example, not all of the proposed studies on mortality differentials and their effects on development efforts could be undertaken. The number of regional advisers on labour and population dynamics and on data analysis and the utilization of research findings would have to be reduced. Regional studies on the demographic aspects of agricultural growth and rural development would have to be more limited in scope. Support to work on demographic modelling would receive reduced support.

76. With regard to population policies, support to advisory services, such as the translation of policies into programmes, would be provided at a reduced level. Some research, such as the review of mortality effects on health and development, and on links between internal migration patterns and overall development strategies would have to be conducted on a more limited scale. Furthermore, some research and information exchange activities, for example, those related to the impact of socio-economic policies on fertility, would receive support at a reduced level.

77. In the family planning sector, technical backstopping of country activities would have to be provided on a reduced level. A number of research programmes, such as the WHO Special Programme, epidemiological research on health aspects of family planning, and various operational research programmes, would receive reduced support. A reduction would have to be made in the number of regional advisers, for example, those for the development of services of special groups and the utilization of various health systems for delivery of integrated maternal and child health and family planning.

78. With regard to communication and education programmes, communication support for family planning programmes would be provided at a reduced level and the same would be true for advisory services and training in population education, both in and out of schools. For example, training in the management of information exchange systems would have to be conducted at a reduced level in all regions, as would advisory services and training in the planning, management and evaluation of strategies in this sector. Support to the regional population education and communication clearinghouses would also have to be reduced.

79. In decision 79/28, I, paragraph 4, the Council took note of the report of the Executive Director on UNFPA support of intercountry activities (DP/406 and Annex) and approved the recommendations made in the report about the priority areas of future UNFPA support of intercountry activities within the level of approximately 25 per cent of total programme resources.

80. Twenty-eighth session. In his report on "The future role of UNFPA: UNFPA in the 1980s" (DP/530), submitted to the Governing Council at its twenty-eighth session in June 1981, the Executive Director indicated that "at the intercountry level, the programming approach in the early years of UNFPA emphasized activities that promote awareness of population issues and those which develop an international capacity for supporting activities at the country level. As support at the country level gradually gained in importance in the Fund's programme, UNFPA-supported intercountry activities began to concentrate more and more on providing technical backstopping for country activities and on the development of innovative concepts and approaches

for eventual application in countries. Since UNFPA has always relied on the technical expertise of the concerned organizations in the United Nations system, the initiative in developing inter-country activities for its support has tended to lie with them. To ensure that country needs are served, the Fund should become more active in drawing attention to the areas where research, training, methodological development or more programming efforts are required".

81. Acknowledging that the Fund had not yet succeeded in reducing intercountry support to the level of 25 per cent of total programme resources as requested by the Council in its decision 79/28, taken at its twenty-sixth session in June 1979, the Executive Director said that this was the result of several factors. "First, the growth in resources available to UNFPA, particularly in 1980, did not meet expectations and commitments were made earlier assuming a higher rate of growth. Since many of these commitments were made in connection with contracts, particularly of regional and interregional advisers, it was not possible to withdraw support without causing major disruptions in the provision of backstopping for countries. Second, a significant portion of intercountry support was allocated to the various regional and interregional demographic research and training centres, whose programmes are much needed and utilized by the developing countries, and to large projects such as the World Health Organization Special Programme of Research, Development and Research Training in Human Reproduction (WHO/HRP) and the World Fertility Survey for which the levels of UNFPA support were authorized by the Council at earlier sessions [See A. below.] Third, the needs of the developing countries for technical backstopping remains at a high level and are expected to remain so. The provision of such backstopping on an ad hoc basis through intercountry teams of advisers is still the most cost-effective approach. The cost of providing such essential advisory services has risen very rapidly and in the last year, has actually exceeded the rate of growth in total resources".

82. The document also noted, "While recognizing the need to continue emphasizing support to country programmes, intercountry programmes must remain an integral part of UNFPA's assistance programme, and some flexibility is required in connection with efforts to limit intercountry support. Most UNFPA-supported intercountry activities are executed by the organizations within the United Nations system and efforts will be made in consultation with these organizations to develop a more coherent, goal-oriented approach to intercountry support in the future, focussing on fewer but major programmes. Despite such efforts, however, it does not appear likely that allocations to intercountry activities can be kept within the level of approximately 25 per cent of total programme resources without adverse effects on the total programme. It is, therefore, proposed that the Council reconsider the Executive Director's previous suggestion that a range of between approximately 25 and 30 per cent of total programme resources be established as the level for intercountry support in the future."

83. The Governing Council in decision 81/7, I, paragraph 5, reaffirmed its decision 79/28 that UNFPA support of intercountry activities should be within the level of approximately 25 per cent of total programme resources by 1982; requested the Executive Director to submit a report on intercountry activities to the Council at its twenty-ninth session which would (a) identify types of programmes and projects that are clearly technical assistance and backstopping for country activities, (b) indicate the effects of other intercountry programmes at the country level, (c) recommend activities which should be phased out and which should be given priority in maintaining the above-mentioned level, and (d) provide precise guidelines for all new projects; and further requested the Executive Director to exercise extreme caution in the interim in approving any new projects or programmes for regional, interregional or global activities, to ensure that the ceiling of approximately 25 per cent is respected.

84. Twenty-ninth session. In 1982, the Executive Director submitted a further report (DP/1982/29 and DP/1982/29/Add.1) on intercountry activities to the twenty-ninth session of the Governing Council, as requested by the Council at its twenty-eighth session. The document offered, in addition to background information on UNFPA-funded intercountry activities, suggested guidelines for the approval of new and continuing intercountry projects. These are:

- (1) UNFPA will continue to support technical assistance and backstopping at the intercountry level to meet the varying needs of the various regions, and particularly the countries of the region;
- (2) UNFPA will continue to provide assistance for interregional and regional training programmes in those areas in which needs at the country level have been clearly demonstrated;

- (3) UNFPA will continue to fund research in demographic and socio-economic issues and various aspects of family planning programmes, concentrating its assistance on research which responds to demonstrated needs at the country level, where such research is confined to a definite time-frame, and where attention is directed not only to producing a final product but also to ensuring its utilization by countries of the region. At the global level, emphasis will be on conceptual and methodological issues of value to a wide range of countries in the different regions.
- (4) UNFPA will continue to assist information exchange activities, although at a lower level than in the past, particularly where the sharing of information and experience would benefit individual countries.

85. The Governing Council in decision 82/20, I, paragraph 3, decided that the Fund's support of intercountry activities should not exceed the level of 25 per cent of total programmable resources, endorsed the guidelines for the approval of new and continuing intercountry projects contained in the report of the Executive Director (DP/1982/29 and Add.1), requested the Executive Director to provide assistance to the regional commissions and to the various demographic training and research centres, as appropriate, and further requested the reporting of intercountry activities by Work Plan category as well as by functional category.

A. UNFPA support to contraceptive research and development

86. Twenty-fifth session. In a report on "Support of intercountry activities" (DP/332), to the Governing Council at its twenty-fifth session in June 1978, the Executive Director noted, in a section on "suggested areas for UNFPA support" that "Substantial support should also be provided for research in family planning technology. This should include the adaptation of current methodologies, development of new contraceptives and the prevention and treatment of infertility and sterility. For this purpose, research facilities in developing countries should be strengthened particularly through grants, advisory services and through research and training at regional or global levels. The WHO Special Programme of Research, Development and Research Training in Human Reproduction (WHO/HRP) and other appropriate international programmes should be utilized for this area of research. In accordance with the Fund's general policy to support applied and operational rather than basic or fundamental research, it is recommended that the Fund give priority to the development and improvement of family planning technology and practices".

87. In its decision (78/33, I, paragraph 12), the Council indicated that it shared the Executive Director's views that research on contraceptive technology is crucial to the attainment of the Fund's objectives and took note of his decisions to provide UNFPA assistance for the 1977 and 1978 activities of the WHO/HRP. [The UNFPA contributions to the WHO Special Programme amounted to \$500,000 in 1976; \$700,000, 1977; \$950,000, 1978]. The Council also requested the Executive Director to provide, for approval by the Governing Council at its twenty-sixth session, specific proposals for the future support for global programmes of an innovative character including the WHO/HRP.

88. Twenty-sixth session. In his report on "UNFPA support of intercountry activities" (DP/406 and Annex) submitted to the Governing Council at its twenty-sixth session in June 1979, the Executive Director indicated that, in regard to support to contraceptive research and in response to increasing evidence of unmet needs in this field and the interest demonstrated by the international donor community as well as by research institutions in less developed countries in UNFPA funding of these efforts, the UNFPA proposed to augment the contribution to bio-medical research (paragraph 37). He indicated that contributions to this area should be at a level compatible with UNFPA support to other research activities and should be given in a manner which would guarantee maximum support to country activities (also paragraph 37). In paragraph 40, the Executive Director noted that UNFPA proposed to increase gradually its financing of the WHO/HRP. UNFPA would contribute to the financing of the Programme's research activities on new and current methods for fertility control, expecting that its resources would be directed as much as possible to projects in developing countries. The Executive Director also said that the Fund, in order to ensure the maximum utilization of various existing approaches, a diversified utilization of UNFPA resources and their concentration on assisting developing countries, would aim at supporting alternative modes of operation such as taking

advantage of existing international groups or committees or regional organizations working in the field of contraceptive research and development.

89. In its decision (79/28, I, paragraph 5), the Council agreed that UNFPA should continue to support the WHO/HRP...and that in the period 1979-1982, it gradually increase its contribution to attain a level of \$2 million in 1982, and that the Governing Council should review the question of continued UNFPA support for this programme at its regular session in 1982. [In 1979, the UNFPA contribution to the WHO/HRP totalled \$1 million; in 1980, \$1.5 million; in 1981, \$1.5 million; and in 1982, \$2 million.]

90. Twenty-eighth session. In June 1981, the Executive Director, at the request of the Governing Council at its twenty-seventh session in June 1980, undertook an assessment of the current policies and operations of the UNFPA, with a view to defining future goals and directions and submitted a report entitled, "The future role of UNFPA: UNFPA in the 1980s" (DP/530). In the report, the Executive Director discussed contraceptive development (paragraph 17 (e)). He indicated that a goal in the 1980s would be "to redouble efforts" in this area. "The Fund recognizes the crucial and still unmet need for a safe, inexpensive, effective, acceptable and easily administered contraceptive. UNFPA intends to support efforts to develop new contraceptives for both men and women and to improve current methods given the importance that countries assign to these tasks. Research on contraceptive acceptability with a view to promoting utilization and adoption of new methods will be encouraged, ensuring that the special concerns of the developing countries in this regard are taken into account. Moreover, it will also support efforts to solicit resources to enable continued and expanded work in contraceptive development to be undertaken. In this connection, the technical capability and experience in the developing countries will be fully utilized and co-operation with all organizations and governments interested in this field will be promoted".

91. In its decision (81/7, I, paragraph 9), the Governing Council requested the Executive Director to (a) undertake a comprehensive review of needs and opportunities in the field of contraceptive research and development which would address, inter alia, (i) the question of identifying those activities as a category separate from other intercountry activities, (ii) the question of what set percentage of the Fund's intercountry activities, if any, should be earmarked for research programmes designed to develop and improve various kinds of contraceptives, including natural family planning methods, and (iii) the question of continued Fund support - including the annual level of such support - for the WHO/HRP and other research programmes within the proposal presented, as requested by the Governing Council at its twenty-sixth session; and (b) explore with the World Bank and other interested agencies - World Health Organization, International Planned Parenthood Federation, and private foundations - how the World Bank proposal for the establishment of a joint board for health research could affect the contraceptive research field.

92. Twenty-ninth session. In 1982, the Executive Director, at the Council's request, submitted a comprehensive report on support to contraceptive research and development (DP/1982/36 and DP/1982/36/Add.1). The report provided background information on the needs in the field of contraceptive research and development, the current status of contraceptive technology, funding of contraceptive research and development and the opportunities for future support to this field. In the document, the Executive Director noted that two important areas of activity were beyond UNFPA's capacity, i.e., (1) fundamental research on human reproductive processes, and (2) core support for long-term strengthening of research institutions. Posing certain questions to the Governing Council concerning the future level of UNFPA support in this area and UNFPA's relations with the WHO/HRP, the Executive Director noted that the UNFPA review of needs and opportunities in the field of contraceptive research and development demonstrated that there is an important need for increased research and development efforts and that there are obvious opportunities for this research.

93. In its decision (82/20, I, paragraph 6), the Governing Council took note of the report of the Executive Director and --

(a) directed the Fund in accordance with its mandate concerning population matters within the United Nations system and with the Council's earlier determination in decision 25/31 [renumbered as 78/33] of 29 June 1978, that research on contraceptive technology is crucial to

the attainment of the Fund's objectives, to take action to increase the level of its financial contribution and the effectiveness of its support for contraceptive research and development by: (i) stimulating research on new and existing contraceptive methods, fully taking into account the national policies of developing countries in this field and the needs expressed by those concerned; (ii) taking a more active role in deliberations of research organizations receiving UNFPA support, with respect to UNFPA-supported programmes and projects; (iii) closely co-ordinating its assistance in this area with support provided by other organizations;

(b) endorsed the need for increasing and long-term support and commitment by the Fund to this area of activity, through the WHO/HRP as well as through appropriate international and non-governmental organizations and through national institutions;

(c) decided that the Fund should contribute at least \$2 million and could contribute up to \$2.5 million to WHO/HRP in 1983, taking into consideration paragraph (a) (i), it being understood that this is within the 25 per cent limitation set for intercountry programmes and it being further understood that any amount above \$2 million would be considered by the Council at its thirtieth session;

(d) decided to postpone a decision on the percentage as well as on a higher level of UNFPA funding in the long term in this area of activity until the thirtieth session of the Governing Council and after the results of various assessments and evaluations of contraceptive development and research to be undertaken within the next year are made available; and

(e) requested the Executive Director of the Fund, in the light of these reports and the recommendations made in his report (DP/1982/36 and Add.1) to prepare jointly with the Director-General of the World Health Organization, in consultation with the International Planned Parenthood Federation, a report to be submitted to the Governing Council at its thirtieth session on the future role of the United Nations system in family planning research, including contraceptive development, taking into account the research under way in public, private and commercial organizations, the likely future funding of such research and its prospects for success, bearing in mind the particular needs of the developing countries.

94. Thirtieth session. In response to the request of the Governing Council at its twenty-ninth session (see (e) above), the Executive Director is submitting a "Report on the future role of the United Nations system in family planning research, including contraceptive research and development" (DP/1983/21 and DP/1983/21/Add.1) to the thirtieth session of the Council.

VI. MULTI-BILATERAL FINANCING FOR PROJECTS

95. Seventeenth session. In its decision (74/16, paragraph (f)), for the seventeenth session, the Governing Council approved the Fund's Financial Regulations and Rules (DP/36). Regulation 3.4 of the Financial Regulations and Rules indicated: "Trust funds may be established for specified purposes consistent with the policies, aims and activities of UNFPA. The purposes and limits of each Trust Fund shall be clearly defined by the competent authority". The decision also approved and authorized "the continuation of the acceptance by UNFPA of a limited number of governmental contributions it is currently receiving limited by their donors to certain specific purposes". [This paragraph of the Financial Regulations and Rules as well as others is being revised and presented to the Governing Council at its thirtieth session for approval. See document DP/1983/24.]

96. Twentieth session. The Executive Director submitted a paper (DP/118), entitled "Allocation of UNFPA resources and proposed alternate funding arrangements" to the twentieth session of the Governing Council. In it, he noted that "Until recently, the United Nations Fund for Population Activities had sufficient resources to meet all the technically sound project requests falling within its mandate. However, during 1974 the volume of requests for assistance increased dramatically as a result of the growing awareness and concern about population problems among Member States and increasing interest in promoting population activities. This development was accelerated by the promotional work undertaken in connection with World Population Year, the convening of the World Population Conference...as well as the activities undertaken by UNFPA and other organizations concerned with population matters".

97. This development, he said, made it necessary for UNFPA to reconsider the principles to be applied in making allocations of scarce resources to meet the increasing demand for assistance and to explore alternative ways and means of furthering the objectives of the Fund with other interested funding organizations.

98. In regard to the latter, he suggested that "collaboration with bilateral and other aid organizations could be possible particularly in the following situations: (a) in cases of unanticipated requests for assistance, over and above commitments already made, or where UNFPA has fully programmed its resources; (b) in countries where UNFPA has already made large inputs or commitments, and where it may be possible for bilateral donors to fund additional activities requested by the Government; and (c) where the funding requested for an activity is linked to population but is not directly covered by UNFPA's mandate (such as health infrastructure, social welfare measures and economic and social statistics) the Fund may support the population components whereas an interested bilateral donor or the appropriate Specialized Agency may assist in providing other relevant parts of the programme".

99. In its decision (75/33 A, paragraph (d)), the Council approved the recommendations made by the Executive Director in DP/118 on the allocation of UNFPA resources and proposed alternate funding arrangements and requested, inter alia, the Executive Director to keep the Council informed on progress in the development of alternate sources of funding.

100. Twenty-first session. The Executive Director submitted a progress report (DP/161) on "Multi-bilateral funding arrangements" to the twenty-first session of the Governing Council. In it, he noted that multi-bi funding should be guided by several principles. These are:

(a) Multi-bi projects should be undertaken only with the prior and express consent of the recipient country;

(b) UNFPA should initiate only such multi-bi projects as are compatible with its general policies and with its aims and purposes as approved by the General Assembly and the Economic and Social Council; these may include projects interlinked with population but having health, social welfare, or other broader development objectives; UNFPA might fund only the part directly related to population, and the rest of the programme may be submitted for bilateral funding;

(c) Multi-bi funding should be designed to enlarge the volume of population assistance to countries; several governments which contribute to UNFPA have funds set aside for bilateral aid in addition to those they make available to UNFPA, some of which could be used in such multi-bilateral arrangements;

(d) The volume of funds available for pledging to UNFPA or the multilateral development system as a whole should not be adversely affected as a result of multi-bi support;

(e) Resources which would become available for multi-bi funding should be concentrated on a small number of relatively large aid-worthy projects;

(f) Multi-bi projects will be assessed under UNFPA's normal project approval procedures; in addition, bilateral donors will assess the project according to their own approval procedures, if they so desire;

(g) UNFPA should be responsible for monitoring and evaluation of projects funded under multi-bi arrangements, when so requested by donors and recipients concerned;

(h) As individual donor and recipient governments are subject to different constitutional mandates and rules for their bilateral programmes, it was recognized that it would be difficult to adopt a general set of procedures and modalities, and a flexible approach was therefore recommended; it was felt that multi-bi projects should be dealt with on a case-by-case basis;

(i) The occasion of Governing Council sessions should be utilized by UNFPA for a review with prospective bilateral donors of projects designated by the Executive Director, in agreement with the prospective recipients, as appropriate for multi-bi funding. To make such a review meaningful, documentation should be circulated to the governments concerned some six weeks prior to the Governing Council session. The discussions would be informal, outside the Council session.

(j) Subject to the agreement of a prospective recipient, UNFPA will provide prospective bilateral donors with relevant information on all population projects undertaken in the prospective recipient country, to enable the donors to consider applications in the context of the total effort in the particular country;

(k) Management of multi-bi projects was considered more complex than that of other projects funded by UNFPA, and it was felt that careful attention should therefore be given to the management aspect.

101. He also suggested several possible arrangements for multi-bi assistance:

(a) Direct funding arrangements between donor and recipient: With the agreement of the recipient government, one or more donor countries would be approached to participate in funding

the project. The donor(s) would give the funds for the project directly to the recipient government where they would be deposited in a special project account. If so requested by the donor and recipient countries in any specific case, UNFPA would be prepared to assist in managing and monitoring the project to ensure its proper execution. These projects would be submitted to the Governing Council for information;

(b) Cost-sharing among donor, recipient and UNFPA: With the agreement of the recipient government, one or more donor governments would be approached to participate in a project which would also include financial inputs (in convertible currency) by the recipient government and by UNFPA. Under this cost-sharing arrangement, the donor government would deposit its funds with UNFPA which would be responsible for managing, monitoring and reporting the project either directly or through one or more executing agencies. These projects would be subject to the regular approval procedures as authorized by the Governing Council, i.e., they would require Council approval if the proposed UNFPA portion constituted (i) a country agreement, (ii) a project or programme in the amount of \$1 million or more, or (iii) a project with innovative aspects or policy implications.

(c) Funds-in-trust arrangements: In a few suitable cases, as an exceptional arrangement, one (or more) donor governments with the agreement of the recipient government would be approached to fund the project under a trust fund arrangement which would be submitted to the Governing Council for approval in accordance with the UNFPA Financial Regulations and Rules established by the Council. UNFPA would be responsible for managing, monitoring and reporting the project either directly or through one or more executing agencies.

102. In its decision (76/2 A, paragraph (b)), the Council noted and gave interim approval to the procedures and recommendations on multi-bilateral financing proposed by the Executive Director in document DP/161 and the further information on them in his statement to the Governing Council at its twenty-first session, and requested him, taking into account the comments of Council members at the twenty-first session, to submit at subsequent sessions further information and recommendations on multi-bilateral and other additional sources of funding.

103. Twenty-second session. At its twenty-second session, the Governing Council in decision 76/42, paragraph (b) (iv), approved support to the national programme of sex education in Mexico in the amount of \$2,032,000 contributed by the Government of Sweden under a funds-in-trust arrangement with UNFPA for an estimated period of four years.

104. Twenty-third session. In his statement to the Governing Council at its twenty-third session, the Executive Director noted:

105. "Our experience thus far with multi-bilateral operations indicates only one change that I wish to recommend in my proposals of a year ago to you: I suggested last year that multi-bilateral support should contemplate mainly large projects; experience today indicates that a number of both prospective recipients and prospective donors look favourably upon multi-bilateral support also for smaller projects; and I recommend that you authorize the Fund to proceed accordingly".

106. In its decision (77/5, paragraph (3)), the Council took note of the information given by the Executive Director on progress made in multi-bilateral funding arrangements; and endorsed his suggestion that such arrangements be entered into also for smaller projects.

107. Thirtieth session. In his report to the Council on the work on the Fund in 1982 (DP/1983/19), the Executive Director provided a complete report on the status of multi-bilateral financing. He noted that "in 1982, some \$4.8 million in new funds were made available in multi-bi contributions, compared with \$2.7 million in 1981. From the start of the multi-bi programme in 1976 through 31 December 1982, \$14.8 million in contributions has been pledged for UNFPA-sponsored population multi-bi projects".

VII. NEEDS ASSESSMENT

108. Twenty-second session. In his report on priorities in the allocation of UNFPA resources (DP/186 and Corr.1), the Executive Director referred to the marked differences among countries and regions in their approaches to population issues and in the measures taken to deal with

these issues. It listed the various steps in the development of national population programmes, explaining that basic activities could be identified for each step with regard to data collection, research, training, services, information and communication support. On the basis of this information, the Executive Director stated his intention to undertake a thorough study of the types of basic population activities required to meet the needs of countries, and to help develop, in co-operation with countries, guidelines for providing the necessary assistance, taking into account the priorities of the countries themselves and the availability of their own resources as well as other sources of external assistance. The objectives of programmes developed as a result of this exercise would be to build up the recipient countries' self-reliance while providing a framework for international assistance within a balanced and integrated programme.

109. In decision 76/42, paragraph (d) (iii), the Governing Council took note of the Executive Director's report on priorities in the allocation of UNFPA resources and requested him to develop, in consultation with governments and organizations concerned, minimum programmes in each sector of population activities at the country level, and to identify the types of assistance needed.

110. Twenty-third session. In a report (DP/232) on the "Application of criteria for establishing priorities", the Executive Director noted that, in regard to undertaking studies to determine the types of basic, or minimum, population activities required to meet the needs of developing countries at various stages of their development, the first stage in establishing such minimum programmes was to create a data base on existing national policies and programmes and to analyse the present capacity in the country for the formulation of population policies and their implementation. He indicated that on the basis of such an analysis in a few high priority countries, the minimum programme needs, with the principle of self-reliance always kept in mind, would be studied. He also noted that, after preliminary investigation at UNFPA headquarters, the studies would be continued in the country with the participation of the UNFPA Co-ordinators, in close collaboration with the government and in consultation with the relevant organizations in the United Nations system.

111. In its decision (77/5, paragraph (c)), the Council took note of the report of the Executive Director and requested him to apply the recommendations set out in the report.

112. Twenty-fourth session. In a document (DP/263), the Executive Director provided a progress report on "Application of criteria for establishing priorities". In it, he reported that "in view of the generally favourable reaction from both recipient and donor governments to the drafting of minimum or basic needs programmes, and of the wish of a number of Council members that the exercise should begin as soon as possible", UNFPA had, in a set of procedures, outlined the steps to be taken and the roles to be played by the different participants.

113. In its decision (77/24, paragraph (c)), the Council requested the Executive Director to prepare the proposed strategy in regard to intercountry activities, bearing in mind the needs of developing countries, "particularly the needs identified in the formulation of basic population programmes...". [Since 1977 when the first needs assessment missions were undertaken, through 1982, some 70 missions have been conducted - 43 to 42 of the 53 priority country including one repeat, and 27 to other countries including one repeat. See "The UNFPA in 1982: Programme and Financial Highlights" in DP/1983/19 for a complete summary.]

VIII. OPERATIONAL RESERVE

114. Fifteenth session. Early in 1973, the Governing Council, in its decision 73/24, paragraph (b) (ii), authorized the Executive Director to depart from a system of full funding and to establish, on a provisional basis, an operational reserve of \$20 million.

115. Twenty-seventh session. In decision 80/13, II, paragraph 7, the Governing Council decided, as a result of suggestions made in its Budgetary and Finance Committee, to review the question of the Fund's operational reserve at the twenty-eighth session and requested the Executive Director to submit recommendations, taking fully into account the decision taken at the twenty-seventh session concerning the arrangements for the operational reserve of UNDP.

116. Twenty-eighth session. The report and recommendations of the Executive Director on the operational reserve (DP/534) made reference to the decision of the Governing Council that the level of the operational reserve of UNDP for each year of the third IPF cycle (1982-1986) should be established at 25 per cent of the estimated contributions or expenditures, whichever might be higher. The report, DP/534, recommended that an amount be set aside out of annual income and added each year to the reserve.

117. The Governing Council, in decision 81/7, III, paragraphs 4, 5 and 6, decided that the elements to be compensated for and covered by the Operational Reserve of the Fund should be limited to: (a) downward fluctuations or short-falls in resources, (b) uneven cash flows, (c) increases in actual costs as compared to planning estimates or fluctuations in delivery, or (d) other contingencies which result in a loss of resources for which the Fund has made commitments for programming.

118. The Governing Council also decided that the level of the Operational Reserve for each year should be established at 25 per cent of the estimated contributions for that year, rounded off to the nearest \$1 million, this target to be fully achieved as soon as possible and preferably not later than by the end of 1989. The Reserve was to be fully funded and gradually increased by amounts set aside out of annual income, taking into account the objective of retaining the level of delivery of projects in developing countries. The Executive Director was to present to the Governing Council an annualized replenishment schedule showing also draw-downs for that year in conjunction with the annual submission to the Council of his resources utilization projection included in the Work Plan of the Fund. The Council also decided that the Operational Reserve should be held in liquid assets which would be irrevocably and promptly available for disbursements.

119. Twenty-ninth session. An annualized schedule to increase the Operational Reserve was presented to the twenty-ninth session in the Work Plan 1983-1986 and request for approval authority, including the report on the Operational Reserve (DP/1982/24). It showed the relationship of the increase to the programme and operational costs of the Fund for the period 1982-1986. The annualized schedule included a \$1 million increase in 1982, \$2 million in 1983, \$4 million in 1984, \$5 million in 1985 and \$7 million in 1986.

120. In its decision 82/20, I, paragraph 7, the Governing Council took note of the planned increases.

IX. PRIORITY COUNTRIES, SYSTEM OF

121. Twentieth session. In a document submitted by the Executive Director, entitled, "Allocation of UNFPA resources and proposed alternate funding arrangements" (DP/118), the Executive Director addressed himself to the question as to how resources should be distributed among countries in view of the fact that UNFPA's main thrust was at the country level. The possibility of adopting an IPF system was examined at some length and the Executive Director expressed the opinion that such a system did not seem to be a practical measure at that stage. While the subject was to be left open for future discussion, the Executive Director suggested that the allocation of funds to individual countries for the time being continue to be based on consideration of country needs, as well as the relevance and soundness of programmes.

122. In its decision (75/33 A, paragraph (d)), the Governing Council noted the Executive Director's intention, in view of the disparity between requests and resources, to submit, after appropriate consultations, a further report on the allocation of UNFPA resources to the Governing Council at its twenty-second session.

123. Twenty-second session. In a report on "Priorities in future allocations of UNFPA resources" (DP/186 and Corr.1), submitted to the twenty-second session of the Governing Council, the Executive Director examined in detail the various alternatives for a system of allocating resources on an equitable basis. Included in the analysis were: (a) allocation of resources on the basis of indicative planning figures (IPF system for countries); (b) allocation of resources among major developing regions or regional IPFs rather than IPF for individual countries;

(c) priority in the allocation of resources to least developed countries; (d) priority in the allocation of resources to countries designated as most seriously affected; (e) allocation of resources based on a system of priority countries for population assistance (PCPA).

124. In recommending the adoption of a system of priority countries, the Executive Director proposed the following criteria to be used in the selection of countries for population assistance: a total population of one million or more, a per capita national income below \$400 and exceeding two or more of the following demographic threshold levels: (i) rate of population growth of 2.5 per cent per annum; (ii) level of fertility in terms of gross reproduction rate of 2.5; (iii) infant mortality of 160 infant deaths per 1,000 live births; (iv) population density on arable land of 2 persons per hectare.

125. The Governing Council in its decision 76/42, paragraph (d) (iv), approved in principle the criteria for establishing priorities as outlined in paragraphs 53-55 of the Executive Director's report, DP/186, with the modification that high priority countries would be designated irrespective of the size of their population and adjusted so that UNFPA resources would be further concentrated, in accordance with minimum requirements of national programmes, in countries with the most urgent population problems. The Council also requested the Executive Director to submit a report on the application of the criteria for setting priorities at the twenty-third session.

126. Twenty-third session. In response to the request of the Council, the Executive Director submitted a report (DP/232) on "Application of criteria for establishing priorities". In this report the Executive Director recommended that the criteria previously suggested, excluding population size, be adopted, and that the threshold levels for demographic indicators proposed earlier, in order to concentrate resources in countries with the most urgent population problems be raised by one-tenth, as follows: (i) rate of population growth of 2.75 per cent per annum; (ii) gross reproduction rate of 2.75; (iii) infant mortality of 176 infant deaths per 1,000 live births; (iv) population density on arable land of 2.2 persons per hectare. The Executive Director recommended that up to two-thirds of total programme resources available to UNFPA for population activities at the country level be established as a goal or ceiling for assistance in high priority countries as a group.

127. The Governing Council, in its decision 77/5, paragraph (c), took note of the Executive Director's report (DP/232) and requested the Executive Director, taking into account the comments of the Council, to apply the recommendations set out in the report in a flexible manner, with due regard to the Fund's obligation to honour in full the commitments it had already entered into, and the priority needs of all developing recipient countries. The Council also requested the Executive Director to submit a report on further progress made in the application of criteria at appropriate intervals.

128. Twenty-fourth session. In document DP/263 and Corr.1, the Executive Director submitted a progress report on the "Application of criteria for establishing priorities". The application of the revised indicators approved by the Council at the previous session yielded a group of 40 priority countries distributed as follows: 17 in Africa, 14 in Asia and the Pacific, 5 in the Mediterranean and Middle East, and 4 in Latin America. In the application of the concept of priority countries for population assistance in a flexible manner, it was recognized that since comparable official statistics are not always available on a world-wide basis, the designation of countries was sometimes less than definitive. The Executive Director expressed his intention to give special attention to a list of borderline countries in the allocation of resources in non-priority countries which would qualify as priority countries if allowance was made for a two per cent variation in the threshold levels for demographic indicators. Thus, 8 countries in Africa, 2 in the Asia and the Pacific region, 2 in Latin America and one in Europe, Mediterranean and Middle East region were identified as "borderline" countries.

129. In its decision 77/24, paragraph 3, the Governing Council took note of the Executive Director's progress report and requested him to report on further progress made in the application of criteria for the establishment of priorities, bearing in mind the necessity of a flexible application of the recommendations on priorities and the population needs of all developing recipient countries.

130. Twenty-eighth session. In 1981, the Executive Director submitted a report on "The future role of UNFPA: UNFPA in the 1980s" (DP/530). Paragraphs 38-49 of his report dealt with priority countries. The report outlined five alternatives for updating the list of priority countries for UNFPA assistance on the basis of changes in the threshold levels of the criteria used to determine priority status of countries. The Executive Director recommended an upward adjustment of the threshold level for the economic indicator to \$500 GNP per capita and a downward revision of the demographic indicators: rate of growth - 2.5 per cent; gross reproduction rate - 2.5 per cent; infant mortality - 160 per 1000 live births; agricultural density - 2.0 persons per hectare.

131. In its decision (81/7, I, paragraph 7), the Council requested the Executive Director to report to the Council on the experience of the UNFPA with the system of priority countries and to explore the possibility of introducing additional criteria to be applied in a future revision.

132. Twenty-ninth session. In response to the Council's request at the twenty-eighth session of the Governing Council, the Executive Director submitted a policy paper on "The UNFPA experience with the system of priority countries," (DP/1982/30). Supporting material was provided in document DP/1982/30/Add.1. The UNFPA experience was reviewed extensively in terms of resource distribution to the priority countries, borderline countries and other countries, distribution among major programme areas by priority status of countries, and regional analysis of the priority system.

133. In the document, the Executive Director explained that on the basis of a detailed analysis, it appeared that no major modification in the existing criteria was necessary, except to substitute the criterion of the annual increment in population size for the annual rate of growth. Annual increments in population size take into account not only the rate of growth, but also the size of population. Absolute increments of population by themselves constitute population problems in a large number of developing countries.

134. It was further recommended that the distinction between priority countries and borderline countries be eliminated. That categorization, made on the basis of a two per cent variation from the threshold levels for the various criteria, was too small to make any meaningful distinction between the two groups of countries.

135. For countries to be designated as priority countries, it was proposed that they satisfy the GNP per capita criterion of US \$500 or less and any two of the following criteria:

- a) an annual increment of 100,000 or more in population size,
- b) gross reproduction rate of 2.5 or more,
- c) infant mortality rate of 160 or more per 1000 live births,
- d) density of agricultural population on arable land of 2.0 persons or more per hectare.

136. An upward adjustment in the threshold level of the economic indicator was necessary to take into account the impact of inflation in recent years and the proposed level of US \$500 per capita GNP was considered appropriate since it was also the level to be applied by UNDP in its Third Programming Cycle. With regard to gross reproduction rate, infant mortality rate and density of agricultural population on arable land, a reduction in the threshold levels was advisable in view of recent demographic trends in many developing countries. An annual increment of 100,000 or more in population size takes into account increases in small countries as well.

137. After the discussion of the document, the Council in decision 82/20, I, paragraph 4, endorsed the continuation of the system of priority countries in order that the Fund may concentrate its resources in countries with the most urgent needs and with the most urgent population problems. However, the Council also viewed with grave concern the downward trend in assistance going to priority countries and reiterated its view as stated in decision 81/7, I, paragraph 4, that all efforts should be made to attain the target of devoting two-thirds of country programme resources to priority countries. The Governing Council also endorsed the modified criteria for the determination of priority countries, as outlined in the report of the Executive Director.

X. PROCEDURAL DECISIONS OF THE GOVERNING COUNCIL BINDING ON THE UNFPA

138. In addition to the decisions of the Governing Council concerning levels of support by UNFPA for the principal elements of its programmes of assistance, the Council has also put into effect criteria for approval by the Council itself and for decisions by the Fund.

139. Sixteenth session. In decision 73/43, paragraph (d), the Council requested the Executive Director to submit summaries of three types of projects for prior approval. These included:

- (i) comprehensive country agreements,
- (ii) projects and programmes in the amount of \$1 million or more, and
- (iii) projects which, because of their innovative aspects or policy implications, deserved the Council's consideration and approval.

140. The Council also authorized the Executive Director (paragraph e) to approve other projects within the ceilings for project approval prescribed by the Council, (paragraph f) to incur pre-project expenditures in respect of those projects to be submitted to the Council, and (paragraph i) requested him to submit to the Council summaries of projects requiring prior Council approval, together with information on those projects which he had approved between Council sessions.

141. Seventeenth session. The Council, in decision 74/16, paragraph (d), authorized UNFPA to report on the approval of projects in amounts less than \$100,000 once a year in connection with its annual report.

142. Eighteenth session. In decision 74/29 B, paragraph (c), the Council authorized the Executive Director to allocate appropriate funds for the first two years of the five-year country agreements [approved in the decision] and requested him to report back on these at the twenty-second session of the Council. In paragraph (g), the Council requested the Executive Director to work towards a standardized format providing relevant financial and planning information on proposed country agreements and projects submitted to the Governing Council for approval.

143. Twenty-sixth session. In decision 79/28, I, paragraph 3, the Council agreed that from the twenty-sixth session of the Council, allocations to new, large-scale projects and programmes will be approved, unless the Council decides otherwise, for their whole duration up to five years. The Council also requested information on those projects, which total \$250,000 or more, approved under the authority of the Executive Director.

XI. RESOURCE AND PLANNING PROJECTIONS

144. Twenty-eighth session. In decision 81/7, I, paragraph 2, the Governing Council requested that the Executive Director assume an annual constant increase in resources of 10 per cent for the period 1982-1985, taking an expected \$131 million in contributions and other income as the basis for a review and reassessment of the total UNFPA programme for the period 1982-1985, according to guidelines set also by decision 81/7 of the Governing Council.

145. Twenty-ninth session. The report (DP/1982/28) of the Executive Director on the review and reassessment of the UNFPA programme for the period 1982-1985 set out a methodology for determining the amount of programmable resources including the provision for overprogramming by 5 per cent, because there is always a degree of under-implementation.

146. The Governing Council, in decision 82/20, I, paragraph 2, endorsed the methodology, including the 5 per cent overprogramming. The Council, in the same decision, paragraph 10, also expressed deep concern at the decline in resources for the Fund and its consequent adverse impact on programme delivery and urged all countries to contribute or increase their contributions in order to achieve the level of resources envisaged in decision 81/7 for the period 1982-1985, which, inter alia, assumed a 10 per cent annual increase.