Attached is the annotated version of the Executive Director's proposals for the revised UNFPA financial regulations. The annotated version contains a comparison between the proposed regulations and the present regulations, and indicates the comparable UNDP financial regulations, with comments, where applicable.
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**Annex**

United Nations financial regulations governing external audit
Proposed UNFPA Financial Regulations have been based wherever possible and applicable on the UNDP Financial Regulations.

All proposed new language which differs from the UNDP Financial Regulations has been underlined. Where no present UNFPA Financial Regulation exists, Present column is blank.

FINANCIAL REGULATIONS OF THE UNITED NATIONS FUND FOR POPULATION ACTIVITIES

A. APPLICABILITY

APPLICABILITY

Regulation 1.1: These regulations shall govern the financial management of the United Nations Fund for Population Activities (UNFPA) and shall, unless otherwise provided by the General Assembly or the Governing Council and except as specified in these Regulations, apply, mutatis mutandis, to all funds administered by UNFPA.

Regulation 1.2: Amendments and exceptions to these Regulations may be made only by the Governing Council.

Regulation 1.3: Exceptions to these Regulations may only be made by specific decision of the Governing Council.

Editing changes. "and the annexes thereto" has been eliminated as it is not applicable to UNFPA.

As in UNDP.
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<tr>
<td><strong>Regulation 1.3:</strong> These Regulations shall become effective on 1 January 1984.</td>
<td><strong>Regulation 1.3:</strong> These Regulations shall become effective on 1 January 1982.</td>
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<td>Change of date only.</td>
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<td><strong>Regulation 1.4:</strong> In regard to any matter not specifically covered by these Regulations, the appropriate provisions of the United Nations Financial Regulations shall, mutatis mutandis, apply.</td>
<td><strong>Regulation 1.4:</strong> In regard to any matter not specifically covered by these Regulations, the appropriate provisions of the United Nations Financial Regulations and Rules, shall, mutatis mutandis, apply.</td>
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<td>As in UNDP.</td>
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<td><strong>B. DEFINITION</strong></td>
<td><strong>B. DEFINITIONS</strong></td>
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<td><strong>Article II - DEFINITIONS</strong></td>
<td><strong>Article II - DEFINITIONS</strong></td>
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<td><strong>Regulation 2.1:</strong> For the purposes of the Financial Regulations of UNFPA, the following definitions of the main entities involved in the activities of UNFPA shall apply:</td>
<td><strong>Regulation 2.1:</strong> For the purposes of the Financial Regulations of UNDP, the following definitions of the main entities involved in the activities of UNDP shall apply:</td>
<td></td>
<td>Editing changes. UNDP changed to UNFPA.</td>
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<tr>
<td>(a) &quot;UNFPA&quot; shall mean the United Nations Fund for Population Activities placed under the authority of the General Assembly by General Assembly resolution 3019 (XXVII);</td>
<td>(a) &quot;UNDP&quot; shall mean the United Nations Development Programme established by resolution 2029(XX) of the United Nations General Assembly;</td>
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<td>As in UNDP.</td>
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<tr>
<td>(b) &quot;UNDP&quot; shall mean the United Nations Development Programme established by resolution 2029(XX) of the United Nations General Assembly;</td>
<td>(b) &quot;General Assembly&quot; shall mean the General Assembly of the United Nations;</td>
<td></td>
<td>As in UNDP.</td>
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<td>(c) &quot;General Assembly&quot; shall mean the General Assembly of the United Nations;</td>
<td>(c) &quot;Governing Council&quot; shall mean the Governing Council of UNDP;</td>
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<td>As in UNDP.</td>
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</table>
(e) "Advisory Committee" shall mean the Advisory Committee on Administrative and Budgetary Questions;

(f) "Secretary-General" shall mean the Secretary-General of the United Nations or the official to whom the Secretary-General has delegated authority and responsibility for the matter in question;

(g) "Administrator" shall mean the Administrator of UNDP or the official to whom the Administrator has delegated authority and responsibility for the matter in question;

(h) "Executive Director" shall mean the Executive Director of UNFPA or the official to whom the Executive Director has delegated authority and responsibility for the matter in question;

(i) "Government" shall mean the Government of a State Member of the United Nations or of a Specialized Agency or of the International Atomic Energy Agency. "Recipient" when used in conjunction with "Government" shall mean the Government, as defined above, of a country which receives UNFPA assistance and applies also, mutatis mutandis, to all entities entitled, as a result of a Governing Council decision, to receive UNFPA assistance;

(d) "Advisory Committee" shall mean the Advisory Committee on Administrative and Budgetary Questions;

(e) "Secretary-General" shall mean the Secretary-General of the United Nations or the official to whom the Secretary-General has delegated authority and responsibility for the matter in question;

(f) "Administrator" shall mean the Administrator of UNDP or the official to whom the Administrator has delegated authority and responsibility for the matter in question;

(g) "Government" shall mean the Government of a State Member of the United Nations or of a Specialized Agency or of the International Atomic Energy Agency. Within these Regulations, the term "Government" has also been used in conjunction with the following:

(i) "host" Government shall mean the Government, as defined above, of a country within whose legal boundaries an office of UNDP is located or which receives programme support and administrative services from a UNDP office located elsewhere;

"Government" has been appropriately defined excluding "host" Government definition which is not applicable to UNFPA. Also editing changes. See also following comment.
proposed

(j) "executing agency" shall mean an entity to which the Executive Director has entrusted the implementation of UNFPA assistance to a project and shall include the following:

(i) a recipient Government or Governments;

(ii) organizations of the United Nations system, i.e., the United Nations, the Specialized Agencies, the International Atomic Energy Agency and other organizations that are or become part of the United Nations system;

(iii) a governmental or inter-governmental institution or agency not part of the United Nations system;

(iv) the UNFPA itself.

采纳

(ii) "recipient" Government shall mean the Government, as defined above, of a country which receives UNDP assistance to projects. Within these Regulations, this term has been used to apply, mutatis mutandis, to all entities entitled, as a result of a Governing Council decision, to receive UNDP assistance.

(h) "executing agency" shall mean an entity to which the Administrator has entrusted the implementation of UNDP assistance to a project (refer Regulation 2.20(i)(i) below) and shall include the following:

(i) a recipient Government or Governments;

(ii) organizations of the United Nations system, i.e., the United Nations, the Specialized Agencies, the International Atomic Energy Agency and other organizations that are or become part of the United Nations system.

As in UNDP.

These organizations are referred to as Participating and Executing Agencies.

Editing changes. "These organizations are referred to as Participating and Executing Agencies." has been eliminated.

(iii) a governmental or inter-governmental institution or agency not part of the United Nations system;

(iv) the UNDP itself.

Where the provisions of a Regulation apply to only one or some of the categories of executing agencies referred to above, the Regulation so specifies.
Regulation 2.2: For the purposes of the Financial Regulations of UNFPA, the following definitions in respect of specific terms used shall apply.

(i) "agency support costs" shall mean the expenses incurred by an executing agency as a result of its administration of programme activities financed from UNFPA funds;

(ii) "allocation" shall mean financial authorization issued by the Executive Director to an executing agency empowering it to incur commitments and to make expenditures for specific purposes related to UNFPA programme activities and within specified limits, during a definite period;

(iii) "allotment" shall mean a financial authorization issued by the Executive Director to an executing agency to incur expenditures and commitments for specific purposes related to programme activities and within specified limits, during a definite period;

(iv) "appropriation" shall mean the total amount approved by the Governing Council for specified purposes in the current biennial budget against which obligations may be incurred for those purposes up to the amounts so approved;

As in UNDP.

UNDP changed to UNFPA.

Editing changes. Executive Director for Administrator.

Editing changes. Executive Director for Administrator.
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<td>(v) &quot;appropriation line&quot; shall mean a subdivision of the appropriation for which a specific amount is shown in the appropriation resolution and within which the Executive Director is authorized to make transfers without prior approval.</td>
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<td>Editing changes. Executive Director for Administrator.</td>
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<td>(i) &quot;biennial budget&quot; shall mean the budget covering a period of two calendar years to cover programme support and administrative services costs of UNFPA.</td>
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<td>Editing changes. UNFPA for UNDP. Specifies two year period.</td>
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<td>(i) &quot;capital assets&quot; shall mean assets intended for long-continued use or possession, e.g., land, buildings and non-expendable equipment;</td>
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<td>As in UNDP.</td>
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<td>(ii) &quot;commitment&quot; shall mean an engagement involving a liability against the resources of one or more future years entered into by the Executive Director, or by an Executing Agency within the allocations issued to it;</td>
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<td>Editing changes. The definition has been made more specific by the addition of the words underlined.</td>
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<td>(iii) &quot;contribution-in-cash&quot; shall mean payment made in cash received by UNFPA;</td>
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<td>Editing changes. UNFPA for UNDP.</td>
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<td>(iv) &quot;counterpart contributions&quot; shall mean the agreed contributions of recipient Governments made for the cost of specific services and facilities as set out in individual project documents related to programme activities undertaken for, or with that Government;</td>
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<td>Definition in present UNFPA Rule 101.1(q) has been included.</td>
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(v) "contribution-in-kind" shall mean the provision of goods and services including capital assets received by UNFPA.

(iv) "contribution-in-kind" shall mean the provision of goods and services including capital assets received by UNDP;

(v) "country programme" shall mean the programme of UNDP technical cooperation in a particular country, prepared by the Government of that country, in collaboration with the United Nations system, indicating the proposed use of UNDP resources towards the achievement or furtherance of selected national development objectives during the period covered by the country programme;

(vi) "cost sharing" shall mean an arrangement by which costs of projects that are normally charged to an IPF and the reimbursement of the related agency support costs are covered in full or in part by a contribution from the recipient Government or Governments, one or more Governments other than the recipient Government or Governments, or an organization of Governments, or organizations of the United Nations system. Such arrangements may be made on the following basis:

- project cost sharing whereby the contribution relates to a specific project;
- programme cost sharing whereby the contribution does not relate to a specific project but to all or several projects in a recipient country or region; and

(w) and (vi) under UNDP define "country programme" and "cost sharing". Country programming does not apply to UNFPA since the UNFPA Work Plan is the basic document describing the allocation of programming resources. There is no parallel form of cost sharing assistance in the UNFPA. These definitions have therefore been eliminated.

Editing changes. UNFPA for UNDP.
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<td>(i) &quot;disbursement&quot; shall mean the actual amount paid.</td>
<td>(i) &quot;disbursement&quot; shall mean the actual amount paid.</td>
<td>- third party cost sharing, which can be either project or programme cost sharing, whereby the contribution is paid by one or more entities other than the recipient Government or Governments.</td>
<td>As in UNDP.</td>
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<td>(i) &quot;ex-gratia payment&quot; shall mean a payment made where there is no legal liability but the moral obligation is such as to make payment justifiable;</td>
<td>(i) &quot;ex-gratia payment&quot; shall mean a payment made where there is no legal liability but the moral obligation is such as to make payment justifiable;</td>
<td>As in UNDP. Under United Nations Financial Rule 110.13 Legal Office determination of the absence of legal liability is a precondition to an ex-gratia payment.</td>
<td>As in UNDP.</td>
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<td>(ii) &quot;expenditure&quot; shall mean total charges incurred whether paid or unpaid, i.e. the sum of disbursements and unliquidated obligations for the current year in respect of programme activities and for the biennium in respect of the biennial budget.</td>
<td>(ii) &quot;expenditure&quot; shall mean total charges incurred whether paid or unpaid, i.e. the sum of disbursements and unliquidated obligations for the current year in respect of programme activities and for the biennium in respect of the biennial budget.</td>
<td>As in UNDP. The word &quot;basis&quot; in the definition has been eliminated.</td>
<td>As in UNDP.</td>
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<td>(i) &quot;fully funded&quot; shall mean that funds are available in the form of cash on hand or an irrevocable letter of credit;</td>
<td>(i) &quot;fully funded basis&quot; shall mean that funds are available in the form of cash on hand or an irrevocable letter of credit;</td>
<td>As in UNDP. This definition has been eliminated as it is not applicable to UNFPA.</td>
<td>As in UNDP.</td>
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<td>(ii) &quot;Fund&quot; shall mean an independent accounting entity, established by resolution of an appropriate legislative organ, which resolution specifies in whom responsibility for both executive direction and legislative guidance is vested. (See also &quot;Programme&quot;);</td>
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(ii) "funds administered by UNFPA" shall include funds in the UNFPA Account and funds of trust funds established by the Governing Council or the Executive Director.

(iii) "funds administered by UNDP" shall include funds in the UNDP Account and funds of trust funds established by the Governing Council or the Administrator, as well as funds of Programmes, Funds, other entities and trust funds established by the General Assembly or the Secretary-General and entrusted to UNDP for administration, i.e., to the Governing Council for legislative guidance or to the Administrator for executive direction.

(i) "intercountry" when used with reference to a programme activity or project shall mean regional, inter-regional or global, as the case may be.

(i) under UNDP defines "intercountry programme". Intercountry programming does not apply to UNFPA since the UNFPA work plan is the basic document describing the allocation of programme
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<td>with the Governments concerned and with the United Nations system, indicating the proposed use of UNDP resources towards the achievement or furtherance of the development objectives of the intercountry subdivision concerned.</td>
<td>resources. This definition has therefore been eliminated.</td>
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<td>(i) &quot;obligation&quot; shall mean an engagement involving a liability against the resources of the current year in respect of a programme activity, or of the current biennium in respect of the biennial budget.</td>
<td>(i) &quot;obligation&quot; shall mean an engagement involving a liability against the resources of the current year in respect of programme activities and the current biennium in respect of the biennial budget.</td>
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<td>(i) &quot;partially funded&quot; shall mean the authority to allocate funds against anticipated future years' income;</td>
<td>(i) in UNDP has been eliminated as it is not applicable to UNFPA.</td>
</tr>
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<td></td>
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<td>(ii) &quot;Programme&quot; shall mean an independent accounting entity, established by resolution of an appropriate legislative organ, which resolution specifies in whom responsibility for both executive direction and legislative guidance is vested. (See also &quot;Fund&quot;);</td>
<td>(ii) in UNDP has been eliminated as it is not applicable to UNFPA.</td>
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As in UNDP. The word "basis" in the definition has been eliminated.
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<td>(iii) &quot;programme activities&quot; shall mean activities directly associated with the planning, programming and implementation of UNFPA assistance through country, regional, inter-regional and global projects and shall be distinguished from activities of a programme support and administrative services nature;</td>
<td>(iii) &quot;programme&quot; within the context of the form of presentation of the biennial budget shall mean a subdivision of the budget;</td>
<td>(iv) &quot;programme activities&quot; shall mean activities directly associated with the planning, programming and implementation of UNDP assistance through country, regional, inter-regional and global projects and shall be distinguished from activities of a programme support and administrative services nature;</td>
<td>Editing changes. UNFPA for UNDP.</td>
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<td>(iv) &quot;programme support and administrative services&quot; shall include those activities that are undertaken by UNFPA to provide management, technical, administrative, financial and logistical support to its programme activities;</td>
<td>(v) &quot;programme support and administrative services&quot; shall include those activities that are undertaken by UNDP to provide management, technical, administrative, financial and logistical support to its programme activities;</td>
<td>(v) &quot;programme support and administrative services&quot; shall include those activities that are undertaken by UNDP to provide management, technical, administrative, financial and logistical support to its programme activities;</td>
<td>Editing changes. UNFPA for UNDP.</td>
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<td>(v) &quot;project&quot; shall mean a separately identified undertaking relating to population matters, carried out by an executing agency on behalf of one or more recipient governments and assisted by UNFPA;</td>
<td>(vi) &quot;project&quot; shall mean a separately identified development undertaking of one or more Governments and assisted by UNDP;</td>
<td>(vi) &quot;project&quot; shall mean a separately identified development undertaking of one or more Governments and assisted by UNDP;</td>
<td>As in UNDP with editing changes.</td>
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<td>(vi) &quot;project document&quot; shall mean the formal document, including revisions thereof, covering the agreed arrangements for the implementation of the project which includes, inter-alia, a statement of the immediate and long range objectives of the project, a project work plan, a budget for UNFPA assistance to the project, and pertinent background and supporting data.</td>
<td>(vii) &quot;project document&quot; shall mean the formal document, including revisions thereof, covering the agreed arrangements for the implementation of the project which includes, inter-alia, a budget for UNDP assistance to the project.</td>
<td>(vii) &quot;project document&quot; shall mean the formal document, including revisions thereof, covering the agreed arrangements for the implementation of the project which includes, inter-alia, a budget for UNDP assistance to the project.</td>
<td>Editing changes with addition of words to make definition more specific.</td>
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<td>Proposed</td>
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<td>(i) &quot;resources&quot; available to UNFPA shall include pledges of voluntary contributions, other governmental or intergovernmental payments to UNFPA, donations from non-governmental sources, interest earnings and miscellaneous income.</td>
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<td>Definition in present UNFPA Rule 101.1(r) has been included.</td>
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<td>(i) &quot;Special Programme Resources&quot; shall mean the amount of resources set aside during the current planning period to finance such programme activities as may be determined by the Governing Council.</td>
<td>(i) under UNDP defines &quot;Special Programme Resources&quot;. This definition has been eliminated because it is not used in UNFPA.</td>
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<td>(i) &quot;trust fund&quot; shall mean a fund or funds accepted by UNFPA under the terms of these Financial Regulations to finance activities specified by the contributor, which activities must be consistent with the policies, aims and activities of UNFPA.</td>
<td>(i) &quot;trust fund&quot; shall mean funds which are accepted by UNDP under the terms of these Financial Regulations to finance activities specified by the contributor, which activities must be consistent with the policies, aims and activities of UNDP.</td>
<td>Editing changes, including UNFPA for UNDP.</td>
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<td>(i) &quot;UNFPA Account&quot; shall mean the Account established for the purpose of accounting for all income to UNFPA, but excluding funds of trust funds established by the Governing Council or the Executive Director;</td>
<td>(i) &quot;UNDP Account&quot; shall mean the Account established for the purposes of accounting for all income to UNDP, which excludes funds of trust funds established by the Governing Council or the Administrator and funds of Programmes, Funds, other entities and trust funds established by the General Assembly or the Secretary-General and entrusted to UNDP for administration, and all expenditures made by or on behalf of UNDP against that income;</td>
<td>Editing changes. UNFPA for UNDP. &quot;Funds of Programmes, Funds,...&quot; has been eliminated because it is not applicable to UNFPA.</td>
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</table>
(ii) "UNFPA assistance to a project" shall mean the contribution to a project which is funded from the UNFPA Account;

(iii) "unliquidated obligation" shall mean an obligation or that portion of an obligation which is not yet disbursed.

C. ACCOUNTABILITY

Article III - ACCOUNTABILITY

Regulation 3.1: The Executive Director of UNFPA is responsible and accountable to the Governing Council for all phases and aspects of UNFPA's financial activities.

D. FUNDS

Article IV - UNFPA FUNDS

Voluntary Contributions

Regulation 4.1: Voluntary contributions may be accepted by UNFPA from Governments of Member States

United Nations Development Programme

Financial Regulations

(ii) "UNDP assistance to a project" shall mean the contribution to a project which is funded from the UNDP Account;

(iii) "UNDP funds" shall include all sources of income which are credited to the UNDP Account;

(iv) "unliquidated obligation" shall mean an obligation or that portion of an obligation which is not yet disbursed.

C. ACCOUNTABILITY

Article III - ACCOUNTABILITY

Regulation 3.1: The Administrator of UNDP is fully responsible and accountable to the Governing Council for all phases and aspects of UNDP activities.

D. FUNDS

Article IV - UNDP FUNDS

Voluntary Contributions

Regulation 6.1: Voluntary contributions may be accepted by UNDP from Governments of Member States of United Nations Development Programme

Comments

Editing changes. UNFPA for UNDP.

(iii) in UNFPA has been eliminated, as unnecessary.

As in UNDP.

Proposed Regulation 3.1 deals solely with financial authority and is designed to recognize the de facto situation which prevails and to formalize the responsibility of the Executive Director for all aspects of UNFPA's financial activities, as well as his accountability to the Governing Council with respect thereto. The wording corresponds to the wording of UNDP Regulation 3.1.

Editing changes. UNFPA for UNDP.
### United Nations Development Programme

#### Financial Regulations

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<td><strong>States of the United Nations, of the Specialized Agencies or of the International Atomic Energy Agency.</strong></td>
<td><strong>of the United Nations, of the Specialized Agencies or of the International Atomic Energy Agency.</strong></td>
<td><strong>the United Nations, of the Specialized Agencies or of the International Atomic Energy Agency.</strong></td>
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<tr>
<td>Regulation 4.2: The Secretary-General shall convene annually a Pledging Conference at which Governments may announce their voluntary contributions to UNFPA.</td>
<td>Regulation 6.2: The Secretary-General of the United Nations shall annually invite pledges of voluntary contributions to UNFPA for the following year.</td>
<td>Regulation 4.2: The Secretary-General shall convene annually a Pledging Conference at which Governments may announce their voluntary contributions to UNDP. Editing changes. UNFPA for UNDP.</td>
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<td><strong>Regulation 4.3:</strong> Voluntary contributions may be pledged either on an annual basis or for a number of years.</td>
<td><strong>Regulation 6.3:</strong> Voluntary contributions may be pledged on an annual basis or for a number of years.</td>
<td>As in UNDP.</td>
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<tr>
<td><strong>Regulation 4.4:</strong> Voluntary contributions shall be made without limitation as to use by a specific executing agency, in a specific recipient country or region, or for a specific project. No contributing Government shall receive special treatment with respect to its voluntary contributions, nor shall negotiation for the use of currencies contributed to UNFPA take place between contributing and recipient Governments.</td>
<td><strong>Regulation 6.5:</strong> Except as heretofore authorized, voluntary contributions shall be made without limitation as to use by a specific executing agency, in a specific recipient country or region, or for a specific project. No contributing Government shall receive special treatment with respect to its voluntary contributions nor shall negotiation for the use of currencies contributed to UNFPA take place between contributing and recipient Governments.</td>
<td>Editing changes. UNFPA for UNDP.</td>
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<td><strong>Regulation 4.5:</strong> Voluntary contributions shall be made in currencies which are readily usable by UNFPA, consistent with the need for efficiency and economy of operations, or convertible to the greatest possible extent into currencies readily usable by UNFPA.</td>
<td><strong>Regulation 6.4:</strong> Voluntary contributions shall be made in currencies which are readily usable by UNFPA, consistent with the need for efficiency and economy of operations, or convertible to the greatest possible extent into currencies readily usable by UNFPA.</td>
<td>UNFPA Regulations 4.5 and 4.6 are reproduced from the existing UNFPA Regulations 6.4 and 6.6. UNDP Regulations 4.5 and 4.7 were proposed by the Administrator as Regulations 3.5 and 3.6 (DP/352/Add.1) at the twenty-eighth session. These were not approved by the Governing Council. Instead, the Governing Council decided that the old Regulations 6.4 and 6.6.</td>
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<td><strong>Regulation 4.6:</strong> A voluntary contribution to UNDP shall be deemed readily usable if previous accumulations of contributions from the donor country amount to less than the contribution itself.</td>
<td><strong>Regulation 6.6:</strong> A voluntary contribution to UNDP shall be deemed readily usable if previous accumulations of contributions from the donor country amount to less than the contribution itself.</td>
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<td>Regulation 4.6: The Executive Director shall report annually to the Governing Council on the nature of restrictions on the use of voluntary contributions and the extent to which such restrictions have affected the flexibility, efficiency and economy of UNFPA operations.</td>
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<td>Contributions associated with programme activities</td>
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<td>Regulation 4.7: Recipient Governments are expected to assist in defraying costs associated with UNFPA supported projects in their countries by making available, either in cash or in kind or in both, a substantial part of the project’s requirements, normally at least that part payable in local currency, except in cases of hardship. In the light of policies established by the Governing Council, the level, nature and timing of such</td>
<td>Regulation 7.1: Recipient Governments shall be expected to demonstrate that they attach serious priority to projects, usually by financing at least a part of the local currency costs.</td>
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<td>Regulation 7.2: Counterpart contributions made by recipient Governments towards the costs of projects may be made in kind. The level and nature of such</td>
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<td>Contributions associated with programme activities</td>
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<tr>
<td>Regulation 4.8: Recipient Governments are expected to assist in defraying costs associated with UNDP supported activities in their countries: (a) By making additional cash contributions as a separately identified part of their voluntary contributions to UNDP, at such levels as the Governing Council shall recommend, to assist in defraying local costs of a general nature associated with projects and</td>
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<td>Editing changes. UNFPA for UNDP. Sub-para. (b) has been merged with the leading text. As additional cash contributions are not applicable to UNFPA, (a) has been eliminated.</td>
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counterpart contributions will be determined in agreement with the recipient Government or Governments and will be described, as appropriate, in the relevant project document.

which are payable by UNDP or its executing agencies;

(b) By making available, either in cash or in kind or both, a substantial part of the project's requirements, normally at least that part payable in local currency, except in cases of hardship. In the light of policies established by the Governing Council, the level, nature and timing of such contributions will be determined in agreement with the recipient Government or Governments and will be described, as appropriate, in the relevant project document.

Contributions associated with UNDP Field Offices

Regulation 4.9: In accordance with the agreements between the Administrator and the host Governments concerned, host Governments are expected to contribute a substantial portion of the costs of UNDP field offices in cash and in kind. Contributions in kind toward field office costs shall include, for example, land, buildings and other facilities, equipment, materials, supplies, and services. Contributions in cash toward field office costs shall be reflected as income in the biennial budget for UNDP.

Cost sharing contributions

Regulation 4.10: The Administrator is authorized to enter into cost sharing agreements, including third party cost sharing agreements provided these have been accepted by the recipient country or countries, subject to such principles as the Governing Council may establish.
Regulation 4.8: Whenever the Governing Council has approved assistance on a reimbursable basis, the requesting Government shall reimburse the cost of such assistance to UNFPA in accordance with an agreement to be concluded between UNFPA and the Government concerned.

Regulation 8.1: Whenever the Governing Council has approved assistance to a requesting Government on a refundable basis, that Government shall refund the cost of such assistance to the UNFPA in accordance with an agreement to be concluded between the UNFPA and the Government concerned.

Regulation 4.12: Whenever the Governing Council has approved assistance on a reimbursable basis in respect of a country programme, the requesting Government shall reimburse the cost of such assistance to UNDP in accordance with an agreement to be concluded between UNDP and the Government concerned.
### Proposed

#### Donations

**Regulation 4.9:** Donations from intergovernmental and non-governmental sources may be accepted by UNFPA, for purposes consistent with those of UNFPA.

**Regulation 4.10:** Where the purpose of a donation is the general support of UNFPA and no limitations are imposed by the donor as to its use, the monies received shall be treated as donations to UNFPA for credit to the UNFPA Account, as defined in Regulation 2.2 U(i). Donations proposed for specific purposes shall be treated under the provisions for trust funds in Article V.

**Regulation 4.11:** Individual donations of a value in excess of $25,000 shall be accepted only with the prior approval of the Governing Council.

#### Miscellaneous income

**Regulation 12:** All income to UNFPA shall be classified as miscellaneous income, except:

(a) The income from the items specified in Regulations 4.1 through 4.11;

(b) Direct refunds of expenditures in respect of projects during the approved duration of a project, i.e., before the final allocation for UNFPA assistance to a project is made;

### Present

#### Article IX. Donations

**Regulation 9.1:** Donations from non-governmental sources may be accepted by the UNFPA for purposes consistent with those of the UNFPA.

**Regulation 9.2:** No limitation may be imposed by the donor as to use of donations by a specific Participating and Executing Agency, in a specific recipient country or for a specific project.

**Regulation 9.3:** Individual donations of a value in excess of $10,000 shall be accepted only with the prior approval of the Governing Council.

#### Miscellaneous income

**Regulation 10.1:** All income to UNFPA except:

(a) Voluntary contributions;

(b) Donations;

(c) Payments by Governments for refundable assistance;

(d) Direct refunds of expenditures; and

(e) Revenue derived from the Staff Assessment Plan shall be

### United Nations Development Programme

#### Donations

**Regulation 11:** Donations from intergovernmental and non-governmental sources may be accepted by UNDP, for purposes consistent with those of UNDP.

**Regulation 12:** Where the purpose of a donation is the general support of UNDP and no limitations are imposed by the donor as to its use, the monies received shall be treated as donations to UNDP for credit to the UNDP Account, as defined in Regulation 2.2 U(i). Donations proposed for specific purposes shall be treated under the provisions for trust funds of Article V.

**Regulation 13:** Individual donations of a value in excess of $25,000 shall be accepted only with the prior approval of the Governing Council.

#### Miscellaneous income

**Regulation 14:** All income to UNDP shall be classified as miscellaneous income, except:

(a) The income from the items specified in Regulations 4.1 through 4.15;

(b) Direct refunds of expenditures in respect of projects during the approved duration of a project, i.e., before the final allocation for UNDP assistance to a project is made;

### Comments

- Editing changes. UNFPA for UNDP.
- Change of reference number.
- UNFPA for UNDP.
(c) Direct refunds of expenditures in respect of the biennial budget during the current biennium;

(d) Advances or deposits to trust funds; and

(e) Revenue derived from the Staff Assessment Plan.

**Regulation 4.13:** Miscellaneous income shall be credited to the UNFPA Account, as defined in Regulation 2.2 U(i), or to other funds administered by UNFPA to which the income accrued or from which it was derived.

**Article V - TRUST FUNDS**

Regulation 5.1: Trust funds may be established by the Governing Council or by the Executive Director for specified purposes consistent with the policies, aims and activities of UNFPA. Trust funds which directly or indirectly involve additional financial liability for UNFPA shall be established only by the Governing Council. Trust funds established by the Executive Director shall be reported in detail to the Governing Council through the Advisory Committee.

Regulation 5.2: The purpose and limits of each trust fund shall be clearly defined at the time the fund is established and, unless

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<td>(c) Direct refunds of expenditures in respect of the biennial budget during the current biennium;</td>
<td>classed as miscellaneous income.</td>
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<td>Editing changes. UNFPA of UNDP.</td>
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<td>(d) Advances or deposits to trust funds; and</td>
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<td>(e) Revenue derived from the Staff Assessment Plan.</td>
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<td>(e) Revenue derived from the Staff Assessment Plan.</td>
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Regulation 4.17: Miscellaneous income shall be credited to the UNDP Account, as defined in Regulation 2.2 U(i), or to such other funds administered by UNDP to which the income accrued or from which it derived.

**Article V - TRUST FUNDS**

Regulation 5.1: Trust funds may be established for specified purposes consistent with the policies, aims and activities of UNDP. Trust funds which directly or indirectly involve additional financial liability for UNDP shall be established only by the Governing Council. Trust funds established by the Administrator shall be reported in detail to the Governing Council through the Advisory Committee.

Regulation 5.2: The purpose and limits of each trust fund shall be clearly defined by the appropriate authority and, unless

Regulation 3.4: 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.

Regulation 5.1: Trust funds may be established by the Governing Council or by the Administrator for specified purposes consistent with the policies, aims and activities of UNDP. Trust funds which directly or indirectly involve additional financial liability for UNDP shall be established only by the Governing Council. Trust funds established by the Administrator shall be reported in detail to the Governing Council through the Advisory Committee.

Regulation 5.2: The purpose and limits of each trust fund shall be clearly defined by the appropriate authority and, unless

As in UNDP.

The text of this proposed Regulation is taken verbatim from the corresponding UNDP Regulation on the same subject.
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<td>otherwise specified by the Governing Council, trust funds shall be accepted only on a fully funded basis.</td>
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<tr>
<td>Regulation 5.3 Contributions or donations, other than those identified under Article IV, which are accepted for purposes specified by a donor shall be treated as trust funds.</td>
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<td>As in UNDP.</td>
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E. FINANCIAL PERIODS

Article VI - FINANCIAL PERIODS

Planning period

Regulation 6.1: For the purposes set forth in Article VII, UNFPA shall have a planning period consisting of four consecutive calendar years to be revised annually by dropping the current calendar year and adding a new calendar year. The plan covering the planning period shall be known as the UNFPA Work Plan as defined in Regulation 7.2.

Regulation 2.1: The financial year shall be the period 1 January to 31 December inclusive.

UNFPA's financial period differs from that of UNDP. Instead of a financial period of five years (IPF cycle), UNFPA has adopted a "rolling plan" concept covering four calendar years which was approved by the Governing Council at its sixteenth session (E/5365/Rev.1, para. 247(c)).

Regulation 6.2: The financial period for the purpose of establishing IPFs (hereinafter referred to as an IPF cycle) shall consist of five consecutive calendar years, which cycle shall coincide with the planning period referred to in Regulation 6.1 above.

UNFPA Regulation 6.2 relates to the five-year IPF cycle which is not applicable to UNFPA. This Regulation has therefore been eliminated.

Regulation 6.3: To provide for continuity in the planning, programming and implementation of UNFPA assistance

Editing changes. UNFPA for UNDP.
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<td>to projects, the financial period for the purpose of the proposed utilization of resources and of the entering into commitments in respect of programme activities, as defined in Regulation 2.2 (ii), shall be the duration of each project as specified in the project document.</td>
<td>to projects, the financial period for the purpose of the proposed utilization of resources and of the entering into commitments in respect of programme activities, as defined in Regulation 2.2 (iv), shall be the duration of each project as specified in the project document.</td>
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<td>Regulation 6.3: The financial period for the purpose of incurring and accounting for expenditures in respect of programme activities, including reimbursement of related agency support costs, shall consist of a single calendar year.</td>
<td>Regulation 6.4: The financial period for the purpose of incurring and accounting for expenditures in respect of programme activities, including reimbursement of related agency support costs, shall consist of a single calendar year.</td>
<td>As in UNDP.</td>
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<td>Period for the biennial budget</td>
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<td>Regulation 6.4: The financial period for the purpose of both the proposed utilization of resources and the incurring and accounting for expenditures in respect of the biennial budget shall consist of two consecutive calendar years (hereinafter referred to as a biennium), the first of which shall be an even year.</td>
<td>Regulation 6.5: The financial period for the purpose of both the proposed utilization of resources and the incurring and accounting for expenditures in respect of the biennial budget shall consist of two consecutive calendar years (hereinafter referred to as a biennium), the first of which shall be an even year.</td>
<td>As in UNDP.</td>
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<td><strong>F. PROPOSED UTILIZATION OF RESOURCES</strong></td>
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<td>Article VII - GENERAL FRAMEWORK</td>
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<td>Regulation 7.1: The Executive Director shall submit to the Governing Council for its approval at its first session following the coming into effect of these Regulations, and annually</td>
<td>Regulation 7.1: The overall target for voluntary contributions for each planning period shall be established by the Governing Council, normally</td>
<td>The planning for UNFPA resources differs from that of UNDP. Regulations 7.1 and 7.2 have therefore been</td>
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thereafter, a UNFPA Work Plan for the utilization of its expected resources during the forthcoming planning period. Each subsequent Work Plan shall contain such revisions of the plan as the Executive Director deems necessary. The Governing Council shall consider annually and approve the Work Plan with such amendments as it deems necessary.

Regulation 7.2: The UNFPA Work Plan shall set forth the objectives, programmes and projected financial requirements of UNFPA, together with full information as to the main directions of policy which UNFPA intends to pursue throughout the planning period. It shall include a multi-year estimate of resources, programme costs and programme activities sub-divided into appropriate functional and geographical categories.

Regulation 7.3: Subject only to the maintenance on a continuous basis of the Operational Reserve set forth under Article XII and for working capital, all resources available to UNFPA after provision has been made for the biennial budget, shall be available to the maximum extent possible for programme activities, including reimbursement of related agency support costs and expenditures of the UNFPA Deputy Representatives' Offices.

Regulation 11.1: All financial resources of the programme are to be available at all times to the maximum extent possible for programme purposes, subject only to the maintenance on a continuous basis of an Operational Reserve. After provision has been made annually for UNFPA programme support and administrative costs, all resources not otherwise committed

Regulation 7.3: Subject only to the maintenance on a continuous basis of the Reserves set forth under Article XII and for working capital, all resources of UNDP shall be available to the maximum extent possible for programme activities, including reimbursement of related agency support costs.

Regulation 7.2: At least one year prior to the beginning of a new planning period, the Administrator shall submit to the Governing Council for its consideration a plan for the utilization of expected resources formulated within the framework set forth in Regulation 7.1 above, and 7.3 and 7.4 below. In cases where it would seem that the objective had been overestimated, the Governing Council would take the necessary measures to revise the over-all target referred to in Regulation 7.1 above.

Comments: modified to the extent that they set forth the planning process for UNFPA resources under the "rolling plan" concept.

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<td>two years prior to the beginning of a new planning period.</td>
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<td>modified to the extent that they set forth the planning process for UNFPA resources under the &quot;rolling plan&quot; concept.</td>
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Regulation 7.4: In allocating the net resources available for programme activities as described in Regulation 7.3, the Executive Director shall be guided by the UNFPA Work Plan as approved by the Governing Council.

Regulation 7.5: Following consideration of the Work Plan, presented by the Executive Director, the Governing Council shall determine the distribution of resources available for programme activities as among country, regional, interregional and global programmes, and for such other purposes as the Governing Council shall decide.

Article VIII - PROGRAMME ACTIVITIES

Indicative Planning Figures

Regulation 8.1: In submitting his plan for resource utilization to the Governing Council, the Administrator shall propose for the Council's determination separate IPFs for each country and territory entitled to development assistance, for each region, for interregional and global programmes, and for each other category as may be entitled to an IPF under the decisions of the Governing Council. These IPFs shall be calculated using the criteria and methodology endorsed by the Governing Council.

Comments

Present Regulation 11.2 has been retained as proposed Regulation 7.4 because it gives the planning process of UNFPA. As in UNDP, but modified. "IPF" and "Special Programme Resources" in the UNDP Regulation have been eliminated because they are not applicable to UNFPA.
Financial Regulations

Regulation 8.2: The level of individual IPFs may only be changed by the Governing Council on the basis of principles it shall have established.

Regulation 8.3: To provide for continuity in programming and project implementation, subject to such guidelines as the Governing Council may set forth, the Administrator is authorized to take such measures as are necessary to ensure a smooth transition from one IPF cycle to the next.

Regulation 8.4: At the end of an IPF cycle, any unexpended balance of an individual IPF shall be available to the recipient of that IPF for expenditure in the next cycle; similarly, any over-expenditure in one cycle shall constitute a first charge against the respective IPF approved for the next IPF cycle.

Intercountry programmes and country programmes

Regulation 8.5: Within the respective amounts approved for individual intercountry IPFs, the Administrator shall prepare, on the basis of principles laid down by the Governing Council, intercountry programmes to be presented to the Governing Council.

Regulation 8.6: Within the respective amounts approved for individual country IPFs, country programmes shall be prepared by Governments and submitted by the Administrator to the Governing Council for approval. The approval of a country programme by the Governing Council signifies the
Regulation 8.1: Consistent with the objectives set forth in the UNFPA Work Plan as approved by the Governing Council, the Executive Director shall plan for the delivery of UNFPA assistance to projects at rates expected to achieve the approved levels in the UNFPA Work Plan, subject to resources reasonably expected to be available.

Regulation 8.2: Under such limits as the Governing Council may from time to time prescribe, the Executive Director is authorized to approve UNFPA assistance to country, regional, interregional and global projects.

Regulation 8.3: UNFPA assistance to projects approved under Regulation 8.2, above, whose duration is expected to extend beyond the current year shall be approved on a partially funded basis consistent with the provisions of Regulation 8.1 above.

ARTICLE XIII. IMPLEMENTING THE UNFPA PROGRAMME

Regulation 13.1: Arrangements for the execution of projects shall be subject to the approval, in writing, of the requesting Government or Governments.

Regulation 13.4: Detailed arrangements for the execution of each individual project shall be specified in a project document.

Regulation 10.10: UNDP assistance to projects approved under Regulations 8.6 and 8.9 above shall be approved on a partially funded basis consistent with the provisions of Regulation 8.7 above and shall be subject to the following arrangements for project implementation:

(a) Agreements shall be entered into between UNDP and

Regulation 8.8: The Governing Council shall have sole authority to approve UNDP assistance to global projects.

Regulation 8.7: Consistent with the objectives set forth in intercountry programmes and country programmes, as approved by the Governing Council, the Administrator shall plan for the delivery of UNDP assistance to projects at rates expected to achieve the approved levels of the individual IPFs subject to resources reasonably expected to be available.

Regulation 8.9: Under such limits as the Governing Council may from time to time prescribe, the Administrator is authorized to approve UNDP assistance to country, regional and interregional projects.

Regulation 8.10: UNDP assistance to projects approved under Regulations 8.8 and 8.9 above shall be approved on a partially funded basis consistent with the provisions of Regulation 8.7 above and shall be subject to the following arrangements for project implementation:

(a) Agreements shall be entered into between UNDP and

Editing changes, including UNFPA for UNDP and reference to the UNFPA Work Plan.

Editing changes. It should be noted that, subject to limits prescribed by the Governing Council, the Executive Director will be authorized to approve global projects. This is being carried out on a de facto basis at the present time.

UNFPA Regulations 8.3 and 8.4 correspond to UNDP Regulations 8.10 (a), (b) and (c) with necessary changes to conform to different UNFPA administrative procedures. Agreements with governments and executing agencies will be incorporated into the project document, where
Regulation 8.4: Arrangements for the establishment and financing of a country, regional or interregional project shall be subject to the written agreement of the requesting Government or Governments and UNFPA. Arrangements for project implementation shall be subject to the written agreement of the requesting Government or Governments, the executing agency where appropriate and UNFPA. Details of such arrangements shall be specified in the project document which shall also contain such provisions of a general nature as may be deemed necessary to ensure the satisfactory implementation of the project.

Regulation 8.5: Consistent with the overall management responsibility of Governments for their projects, the Executive Director shall consult the requesting Government or Governments concerning the implementation of UNFPA's assistance to a project. Keeping in mind the principle of Government execution, first consideration in the selection of an executing agency.

Regulation 13.2: The Executive Director shall arrange for projects to be executed by the Participating and Executing Agencies, by recipient Governments or by other agencies, private firms or individuals. Under conditions established by the Governing Council, the Executive Director shall be authorized to execute projects.

Comments:

(a) Agreements shall be entered into between UNFPA and executing agencies which are organizations of the United Nations system, specifying the general terms and conditions which are to govern UNFPA's assistance to projects for which that organization has been designated as an executing agency;

(b) Arrangements for the establishment and financing of a project shall be subject to the agreement of the requesting Government or Governments and UNFPA. Arrangements for project implementation shall be subject to the agreement of the requesting Government or Governments, the executing agency, when appropriate, and UNFPA and shall be specified in a project document;

(d) Consistent with the overall management responsibility of Governments for their projects, the Administrator shall consult the requesting Government or Governments concerning the implementation of UNDP's assistance to a project. Keeping in mind the principle of Government execution, first consideration in the selection of an executing agency.
### Proposed Financial Regulations

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<tr>
<td>8.6</td>
<td>Under conditions established by the Governing Council, the Executive Director is also authorized, subject to the agreement of the requesting Government or Governments, to contract for the services of other agencies, private firms or individual experts in the execution of projects and to assign projects to a governmental or intergovernmental institution or agency not part of the United Nations system, or to UNFPA itself for execution.</td>
<td>Editing changes. Executive Director for Administrator and UNFPA for UNDP. This authority is already vested in the Executive Director by present UNFPA Regulation 13.3.</td>
</tr>
<tr>
<td>8.7</td>
<td>Executing agencies authorized by the Governing Council may be reimbursed for their support costs up to levels determined by the Governing Council.</td>
<td>As in UNDP.</td>
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<tr>
<td>8.8</td>
<td>Approval of UNFPA's assistance to a project becomes effective upon signature of the project document by the Governing Council and UNFPA.</td>
<td>Editing changes. UNFPA for UNDP and numbering reference changes.</td>
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### Article IX - BIENNIAL BUDGET

**Proposed biennial budget**

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<th>Regulation</th>
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<tr>
<td>9.1</td>
<td>The proposed biennial budget shall cover programme support and administrative services. It shall be prepared by the Administrator.</td>
<td>As per existing practice.</td>
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the Work Plan submitted for the current planning period or, should the biennium span more than one planning period, the current and the following period.

Regulation 9.2: The biennial budget shall cover proposed expenditures and anticipated income related to the biennial budget and shall be presented in United States dollars.

Regulation 9.3: The Executive Director shall, at each session of the Governing Council immediately prior to the commencement of a biennium, submit his proposed biennial budget for the coming biennium. This proposed biennial budget shall be transmitted to all Members of the Governing Council at least six weeks prior to the opening of that session of the Governing Council.

Regulation 9.4: The Executive Director shall also transmit the proposed biennial budget to the Advisory Committee for examination and report at the same time as it is transmitted to Members of the Governing Council under Regulation 9.3 above.

Regulation 9.5: The report of the Advisory Committee shall be transmitted to all Members of the Governing Council as soon as it is available.

Regulation 9.6: The Governing Council shall, at the session immediately prior to the commencement of a biennium, adopt the biennial budget for the following biennium.

and shall be related to the plan submitted for the current planning period or, should the biennium span more than one planning period, the current and the following period.

Regulation 9.2: The biennial budget shall cover proposed expenditures and anticipated income related to the biennium and shall be presented in United States dollars.

Regulation 9.3: The Administrator shall, in the second year of a biennium, submit his proposed biennial budget for the following biennium to the Governing Council. This proposed biennial budget shall be transmitted to all Members of the Governing Council at least six weeks prior to the opening of that session of the Council.

Regulation 9.4: The Administrator shall also transmit the proposed biennial budget to the Advisory Committee for examination at the same time as it is transmitted to Members of the Governing Council under Regulation 9.3 above.

Regulation 9.5: The Advisory Committee is requested to prepare a report to the Governing Council on the proposed biennial budget. This report shall be transmitted to all Members of the Governing Council as soon as it is available.

Regulation 9.6: The Governing Council shall, in the second year of a biennium, adopt the biennial budget for the following biennium.

As in UNDP.

Editing changes. Executive Director for Administrator. Conforms to existing practice.

Editing changes. Executive Director for Administrator. Conforms to existing practice.

Editing changes. No change in meaning.

Editing changes. No change in meaning.
### Proposed

**Form of the proposed biennial budget**

Regulation 9.7: The proposed biennial budget shall be divided into programmes and programme components, and shall be accompanied by such information annexes and explanatory statements as may be requested by the Governing Council or as the Executive Director may deem necessary and useful.

**Supplementary biennial budget proposals**

Regulation 9.8: Supplementary proposals to amend the biennial budget may be submitted by the Executive Director whenever necessary.

Regulation 9.9: The Executive Director shall prepare supplementary proposals to amend the biennial budget in a form consistent with the approved biennial budget and shall submit such proposals to the Governing Council. They shall also be submitted to the Advisory Committee for examination and report thereon to the Governing Council.

### Present

**Financial Regulations**

**Form of the proposed biennial budget**

Regulation 9.7: The proposed biennial budget shall be divided into programmes and programme components, and shall be accompanied by such information annexes and explanatory statements as may be requested by the Governing Council or as the Administrator may deem necessary and useful.

**Supplementary biennial budget proposals**

Regulation 9.8: Supplementary proposals to amend the biennial budget may be submitted by the Administrator whenever necessary.

Regulation 9.9: The Administrator shall prepare supplementary proposals to amend the biennial budget in a form consistent with the approved biennial budget and shall submit such proposals to the Governing Council. They shall also be submitted to the Advisory Committee which is requested to review them and report thereon to the Governing Council.

### Comments

- Editing changes. Executive Director for Administrator.
- Conforms to present practice.

### G. APPROVED UTILIZATION OF RESOURCES

**Article X - ALLOCATIONS FOR PROGRAMME ACTIVITIES**

Regulation 10.1: The project budget covering UNFPA's assistance to a project, as contained in an approved project document, shall constitute the allocation of funds by the Executive Director to the executing agency to implement UNFPA’s assistance to the project. For the purposes of Regulation 10.2 below, the project budget shall be presented in annual segments.

**ARTICLE XII. ALLOCATION OF FUNDS BY THE EXECUTIVE DIRECTOR**

Regulation 12.1: Within limits determined and for purposes specified by the Governing Council, the Executive Director may allocate funds to carry out UNFPA activities.

**Article X - ALLOCATION FOR PROGRAMME ACTIVITIES**

Regulation 10.1: The project budget covering UNDP’s assistance to the project, as contained in an approved project document, shall constitute the allocation of funds by the Administrator to the executing agency to implement UNDP’s assistance to the project. For the purposes of Regulation 10.2 below, the project budget shall be presented in annual segments.

**Comments**

- Editing changes. Executive Director for Administrator.
- Conforms to present practice.

- Editing changes including Executive Director for Administrator. Conforms to present practice.
Regulation 10.2: An allocation by the Executive Director which authorizes the incurring of expenditures and the entering into of commitments, shall constitute a ceiling on expenditures for the current year and on commitments for future years in connexion with UNFPA's assistance to the project for which the allocation was made.

Regulation 10.3: An allocation shall be available for expenditure and for commitment for the duration of the project to which it relates. Following project completion, the project budget shall be revised to reflect actual expenditure incurred and shall constitute the final allocation for UNFPA's assistance to the project. The balance of the allocation shall revert to the UNFPA Account.

Regulation 10.4: The final allocation for UNFPA's assistance to a project made under the provisions of Regulation 10.3 above shall remain available for the period of time required to discharge any outstanding legal obligation of the project. When all legal obligations against the final allocation have been discharged, any balance shall revert to the UNFPA Account and shall be classed as miscellaneous income.

Article XI - APPROPRIATIONS FOR THE BIENNIAL BUDGET

Regulation 11.1: Appropriations for the biennial budget approved

Regulation 12.2: Allocations by the Executive Director shall constitute a ceiling on commitments to be incurred in connexion with UNFPA activities for which those allocations are issued.

Regulation 12.3: An allocation shall be available for expenditure and for commitment for the duration of the project to which it relates. Following project completion, the project budget shall be revised to reflect actual expenditure incurred and shall constitute the final allocation for UNFPA's assistance to the project. The balance of the allocation shall revert to the respective IPF.

Regulation 12.4: The final allocation for UNFPA's assistance to a project made under the provisions of Regulation 12.3 above shall remain available for the period of time required to discharge any outstanding legal obligation of the project. When all legal obligations against the final allocation have been discharged, any balance shall revert to the UNFPA Account and shall be classed as miscellaneous income.

Article XI - APPROPRIATIONS FOR THE BIENNIAL BUDGET

Regulation 11.1: Appropriations for the biennial budget approved

Regulation 12.2: Allocations by the Administrator, which authorizes the incurring of expenditures and the entering into of commitments, shall constitute a ceiling on expenditures for the current year and on commitments for future years in connexion with UNDP's assistance to the project for which the allocation was made.

Regulation 12.3: An allocation shall be available for expenditure and for commitment for the duration of the project to which it relates. Following project completion, the project budget shall be revised to reflect actual expenditure incurred and shall constitute the final allocation for UNDP's assistance to the project. The balance of the allocation shall revert to the respective IPF.

Regulation 12.4: The final allocation for UNDP's assistance to a project made under the provisions of Regulation 12.3 above shall remain available for the period of time required to discharge any outstanding legal obligation of the project. When all legal obligations against the final allocation have been discharged, any balance shall revert to the UNDP Account and shall be classed as miscellaneous income.

Article XI - APPROPRIATIONS FOR THE BIENNIAL BUDGET

Regulation 11.1: Appropriations for the biennial budget approved

Regulation 12.2: Appropriations for the biennial budget approved

Regulation 12.3: Appropriations for the biennial budget approved

Regulation 12.4: Appropriations for the biennial budget approved

Comments

Editing changes including Executive Director for Administrator and UNFPA for UNDP. Conforms to present practice.

Editing changes. Unspent allocations at project's completion will revert to the UNFPA Account as IPF is not applicable to UNFPA. UNFPA for UNDP.

Editing changes. UNFPA for UNDP.

Editing changes. Executive Director for Administrator.
by the Governing Council shall constitute an authorization to the Executive Director to incur obligations and to make payments for the purposes for which the appropriations were approved and up to the amounts so approved.

Regulation 11.2: Appropriations for the biennial budget shall be available for obligation during the biennium to which they relate.

Regulation 11.3: Appropriations shall remain available for 12 months following the end of the biennium to which they relate to the extent that they are required to discharge any outstanding obligation of the biennium. The balance of the appropriations shall revert to the UNFPA Account.

Regulation 11.4: At the end of the 12-month period provided in Regulation 11.3 above, the then remaining balance of any appropriation retained will revert to the UNFPA Account. Any unliquidated obligation of the biennium in question shall at that time be cancelled or, where the obligation remains a valid charge, transferred as an obligation against current appropriation.

Regulation 11.5: Transfers between the appropriation lines for the biennium may be made by the Executive Director with the concurrence of the Advisory Committee, subject to such limits as the Governing Council may specifically decide.

Conforms to present practice.

As in UNDP.

Editing changes. UNFPA for UNDP.

Editing changes. UNFPA for UNDP.

Editing changes. Executive Director for Administrator. Conforms to present practice.
Article XII - THE UNFPA ACCOUNT

Regulation 12.1: There shall be established a UNFPA Account to which all of the income derived from the sources specified in Article IV and receivable in cash shall be credited and against which all expenditures on behalf of UNFPA shall be charged, except for income and expenditures in respect of trust funds administered by UNFPA.

Regulation 12.2: Within the UNFPA Account, the following reserves shall be established at levels set by the Governing Council:

(a) An Operational Reserve, the purpose of which is to guarantee the financial viability and integrity of UNFPA. The Reserve shall be fully funded and held in irrevocable and promptly available liquid assets. The elements to be compensated for and covered by it shall be limited to:

(i) Downward fluctuations or shortfalls in resources;
(ii) Downward fluctuations or shortfalls in resources;
(iii) Increases in actual costs as compared to planning estimates or fluctuations in delivery; and
(iv) Increases in actual costs as compared to planning estimates or fluctuations in delivery.

(b) An Operational Reserve, the purpose of which is to guarantee the financial viability and integrity of UNFPA. The Reserve shall be fully funded and held in irrevocable and promptly available liquid assets. The elements to be compensated for and covered by it shall be limited to:

(i) Downward fluctuations or shortfalls in resources;
(ii) Downward fluctuations or shortfalls in resources;
(iii) Increases in actual costs as compared to planning estimates or fluctuations in delivery; and
(iv) Increases in actual costs as compared to planning estimates or fluctuations in delivery.

Comments

Editing changes. UNFPA for Editing changes. UNFPA for Editing changes. UNFPA.

H. ADMINISTRATION OF RESOURCES

Financial Regulations
(iv) Other contingencies which result in a loss of resources for which UNFPA has made commitments for programming.

The decision to make a drawdown from the Operational Reserve shall rest solely with the Executive Director, who will report all drawdowns to the Governing Council at its next regular session and between sessions, to Members of the Governing Council as may be prescribed by the Council or whenever the situation in the Executive Director's opinion so merits;

(b) Such other reserves as may be approved by the Council.

Regulation 12.3: Separate accounts shall be maintained for all reserves within the UNFPA Account and for each trust fund administered by UNFPA.

Regulation 3.2: Within the UNFPA Account, separate accounts shall be maintained for:

(a) An Operational Reserve;

(b) Any other reserves which the Governing Council may approve;

(c) Each Trust Fund established by the Governing Council.

United Nations Development Programme

Financial Regulations

(iv) Other contingencies which result in a loss of resources for which UNDP has made commitments for programming.

The decision to make a drawdown from the Operational Reserve shall rest solely with the Administrator, who will report all drawdowns to the Governing Council at its next regular session and between sessions, to Members of the Governing Council as may be prescribed by the Council or whenever the situation in the Administrator's opinion so merits;

(b) A fully funded Reserve for Construction Loans to Governments, for housing for internationally recruited, UNDP-financed field personnel and, exceptionally, for office accommodation. The terms and conditions under which the Administrator may agree to such loans shall be established by the Governing Council. The Administrator shall report annually to the Governing Council on the status of such loans;

(c) Such other reserves as may be approved by the Council.

Regulation 12.3: Separate accounts shall be maintained for all reserves within the UNDP Account and for each Fund, Programme, other accounting entity and trust fund administered by UNDP.

UNFPA for UNDP.

Executive Director for Administrator.

(b) has been eliminated as it is not applicable to UNFPA.

As in UNDP.

Editing changes including UNFPA for UNDP. References to "Fund, Programme and other accounting entity" are not applicable to UNFPA.
Proposed

Regulation 12.4: Working capital shall be provided from the cash resources of the UNFPA Account.

Article XIII - MANAGEMENT OF FUNDS

Custody of funds

Regulation 13.1: The Secretary-General shall act as custodian of UNFPA funds and shall designate the bank or banks in which such funds shall be kept.

Regulation 13.2: The Secretary-General may delegate to the Executive Director such authority with respect to custody of funds as would facilitate the efficient and effective management of UNFPA funds.

Management of currencies

Regulation 13.3: In consultation with the Executive Director, and, when necessary, with the contributing Government, the Secretary-General may exchange UNFPA currencies with other funds for which he is the custodian and, when required, utilize currencies in the UNFPA Account to purchase other currencies.

Regulation 13.4: The Executive Director and the Executing Agencies shall endeavour, consistent with the need for efficiency and economy of operations, to make the fullest

Present

Regulation 3.3: Working capital shall be provided from the cash resources of the UNFPA Account.

ARTICLE V. CUSTODY OF FUNDS

Custody of funds

Regulation 4.1: The Secretary-General shall act as custodian of the funds in the UNFPA Account and shall designate the bank or banks in which such funds shall be kept.

Regulation 4.2: In consultation with the Executive Director, and, when necessary, with the contributing Government, the Secretary-General may exchange UNFPA currencies with other funds for which he is the custodian and, when required, utilize currencies in the UNFPA Account to purchase other currencies.

Regulation 4.3: The Executive Director and the Participating and Executing Agencies shall endeavour, consistent with the need for efficiency and economy

United Nations Development Programme

Financial Regulations

Regulation 12.4: Working capital shall be provided from the cash resources of the UNDP Account.

Article XIII - MANAGEMENT OF FUNDS

Custody of funds

Regulation 13.1: The Secretary-General shall act as custodian of the UNDP funds and shall designate the bank or banks in which such funds shall be kept.

Regulation 13.2: The Secretary-General may delegate to the Administrator such authority with respect to custody of funds as would facilitate the efficient and effective management of UNDP funds and such delegated authority may be accepted by the Administrator in writing.

Management of currencies

Regulation 13.3: In agreement with the Administrator, the Secretary-General may, in the absence of restrictions imposed by contributing Governments, exchange UNDP currencies with other funds for which the Secretary-General is the custodian and, when required, utilize currencies in the UNDP Account to purchase other currencies.

Regulation 13.4: The Administrator and the Participating and Executing Agencies shall endeavour, consistent with the need for efficiency and economy of operations, to make the fullest

Comments

Editing changes. UNFPA for UNDP.

Editing changes. UNFPA for UNDP.

Editing changes. UNFPA for UNDP. Deletion of final phrase in UNDP Regulation.

UNDP Regulations 13.3 and 13.4 were proposed by the Administrator as Regulations 12.3 and 12.4 (DP/552/Add.1) at the twenty-eighth session. These were not approved by the Governing Council. Instead, the Governing Council decided that the old UNDP Regulations 4.2 and 4.3 should remain in effect. These two Regulations are to be further considered at the thirtieth session of
### United Nations Development Programme Financial Regulations

**ARTICLE V. INVESTMENT OF FUNDS**

**Regulation 5.1:** Account being taken of the objectives and policies of the UNDP and the special requirements of its operations, moneys not required immediately may be invested by the Secretary-General after consultation with the Executive Director, in a manner consistent with the financial regulations and policies of the United Nations.

**Regulation 13.5:** Account being taken of the objectives and policies of the UNFPA and the special requirements of its operations, moneys not required immediately may be placed mainly in short-term instruments by the Secretary-General, in consultation with the Executive Director.

**Regulation 13.6:** Notwithstanding the provisions of Regulation 13.5 above and within limits and under terms established by the Governing Council, funds may be placed in the form of participation in development loans by international or regional development banks.

**Placement of funds**

Regulation 13.5: Account being taken of the objectives and policies of the UNFPA and the special requirements of its operations including liquidity, moneys not required immediately may be placed mainly in short-term instruments by the Secretary-General, in consultation with the Executive Director.

Regulation 13.6: Notwithstanding the provisions of Regulation 13.5 above and within limits and under terms established by the Governing Council, funds may be placed in the form of participation in development loans by international or regional development banks or in loans provided under the terms and conditions of the Reserve for Construction Loans to Governments set forth in Regulation 12.2(b).

**Comments**

The Governing Council. Should the Governing Council, at its thirtieth session decide to include these in the UNDP Regulations, it may also wish to decide that they should at the same time, be included in the UNFPA Regulations. Until such time as the Governing Council decides on the Regulations in question, the present UNFPA Regulations 4.2 and 4.3 shall remain in effect as new Regulations 13.3 and 13.4.

Editing changes, including UNFPA for UNDP and Executive Director for Administrator. Conforms to present practice.

Editing changes, including UNFPA for UNDP. Investment in construction loans has been eliminated as it is not applicable to UNFPA.
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<tr>
<td><strong>Regulation 13.7:</strong> The specific advance approval of the Governing Council shall be required for any loan not clearly authorized under the provisions of these Regulations.</td>
<td><strong>Regulation 13.7:</strong> The specific advance approval of the Governing Council shall be required for any loan not clearly authorized under the provisions of these Regulations.</td>
<td>As in UNDP.</td>
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<td><strong>Regulation 13.8:</strong> Income derived from placement of funds other than Trust Funds shall be credited to miscellaneous income under the terms of Regulation 4.17. Income derived from investments of Trust Funds shall be credited in accordance with the terms and conditions of the Trust Funds concerned.</td>
<td><strong>Regulation 13.8:</strong> Income derived from placement of funds other than Trust Fund investments, shall be credited to the general resources of UNFPA. Income derived from investment of Trust Funds shall be credited in accordance with the terms and conditions of the Trust Funds concerned.</td>
<td>Editing changes. The purpose is to ensure that income derived from placement of Trust Funds accrues to the Trust Funds - not to miscellaneous income - except as may be specified otherwise in the terms and conditions under which the Trust Fund was established.</td>
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**Article XIV - INTERNAL CONTROL**

**Regulation 14.1:** The Executive Director, in consultation with the Administrator, shall:

(a) Establish detailed financial rules and procedures in order to ensure effective financial administration and the exercise of economy, and circulate the Financial Rules to Members of the Governing Council for information at least 30 days before they become effective;

**Regulation 14.1:** The Administrator shall:

(a) Establish detailed financial rules and procedures in order to ensure effective financial administration and the exercise of economy, and circulate the Financial Rules to Members of the Governing Council for information at least 30 days before they become effective;

**Regulation 14.1:** After consultation with the Governing Council on the policies involved, the Executive Director in consultation with the Secretary-General and the Administrator shall establish and, when necessary, amend financial rules to govern, within the framework of these Regulations, the financial administration of UNFPA activities. The Executive Director shall report such financial rules, and amendments thereto, to the Governing Council.

**UNFPA Regulation 1.5:** Exception to these Rules may only be made by specific decision of the Executive Director in consultation with the Administrator.

**UNFPA Regulation 1.5:** Exception to these Rules may only be made by specific decision of the Executive Director in consultation with the Administrator.
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<td>(b) Cause all payments to be made on the basis of supporting vouchers and other documents which ensure that the services or goods have been received, and that payments have not previously been made;</td>
<td>(b) Cause all payments to be made on the basis of supporting vouchers and other documents which ensure that the services or goods have been received, and that payments have not previously been made;</td>
<td>As in UNDP.</td>
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<tr>
<td>(c) Designate the officers who may receive moneys, incur obligations or commitments and make payments on behalf of UNFPA;</td>
<td>(c) Designate the officers who may receive moneys, incur obligations or commitments and make payments on behalf of UNFPA;</td>
<td>Editing changes. UNFPA for UNDP.</td>
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<tr>
<td>(d) Maintain an internal financial control which shall provide for an effective current examination and review of financial transactions in order to ensure:</td>
<td>(d) Maintain an internal financial control which shall provide for an effective current examination and review of financial transactions in order to ensure:</td>
<td>As in UNDP.</td>
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<td>(i) The regularity of the receipt, custody and disposal of all funds and other financial resources of UNFPA;</td>
<td>(i) The regularity of the receipt, custody and disposal of all funds and other financial resources of UNFPA;</td>
<td>UNFPA for UNDP.</td>
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<td>(ii) The conformity of expenditures and commitments with the allocations, appropriations or other financial provisions decided upon by the Governing Council;</td>
<td>(ii) The conformity of expenditures and commitments with the allocations, appropriations or other financial provisions decided upon by the Governing Council;</td>
<td>As in UNDP.</td>
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<td>(iii) The economic use of the resources of UNFPA.</td>
<td>(iii) The economic use of the resources of UNFPA.</td>
<td>UNFPA for UNDP.</td>
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<tr>
<td>Regulation 14.2: Expenditures for the current year and commitments for future years shall be incurred only after allocations for programme activities, allotments in respect of the biennial budget or other appropriate authorizations have been made in writing under the authority of the Executive Director.</td>
<td>Regulation 14.2: Expenditures for the current year and commitments for future years shall be incurred only after allocations for programme activities, allotments in respect of the biennial budget or other appropriate authorizations have been made in writing under the authority of the Administrator.</td>
<td>Editing changes. Executive Director for Administrator. Conforms to present practice.</td>
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<td><strong>Regulation 14.3:</strong> The Executive Director, may make such payments not exceeding $25,000 as he deems to be necessary in the interest of UNFPA, provided that a statement of such payments shall be submitted to the General Assembly and the Governing Council with the accounts. The Executive Director and the Administrator shall jointly consult with a view to ensuring the uniform application of this Regulation in any case involving an <em>ex gratia</em> payment to a staff member.</td>
<td><strong>Regulation 14.3:</strong> The Administrator may make such <em>ex gratia</em> payments not exceeding $20,000 as he deems to be necessary in the interest of UNDP, provided that a statement of such payments shall be submitted to the General Assembly and the Governing Council with the accounts.</td>
<td>Editing changes, including Executive Director for Administrator. A lower dollar limit for UNFPA is proposed. The last sentence of the proposed UNFPA regulation is designed to ensure uniformity of practice in cases involving staff. Under United Nations Rule 110.13, determination by the UN Legal Office of the absence of legal liability is a pre-condition to an <em>ex-gratia</em> payment.</td>
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<td><strong>Regulation 14.4:</strong> The Executive Director may, after full investigation, authorise the writing-off of losses of cash, stores and other assets, provided that a statement of all such amounts written off shall be submitted to the Board of Auditors with the accounts.</td>
<td><strong>Regulation 14.4:</strong> The Administrator may, after full investigation, authorise the writing-off of losses of cash, stores and other assets, provided that a statement of all such amounts written off shall be submitted to the Board of Auditors with the accounts.</td>
<td>Editing changes, including Executive Director for Administrator. Conforms to present practice.</td>
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<tr>
<td><strong>Regulation 14.5:</strong> In conformity with decisions taken by the General Assembly, in particular in resolution 2688 (XXV), annex, paragraphs 41, 42 and 44, and resolution 3405 (XXX), annex, and guidelines issued by the Governing Council, the Executive Director shall be responsible for the purchasing of equipment and supplies and the contracting of services where budgetary provision has been made in the UNFPA budget for programme support and administrative costs and in the budgets of projects which UNFPA itself executes.</td>
<td><strong>Regulation 14.5:</strong> In conformity with decisions taken by the General Assembly, in particular in resolution 2688 (XXV), annex, paragraphs 41, 42 and 44, and resolution 3405 (XXX), annex, and guidelines issued by the Governing Council, the Administrator shall be responsible for the purchasing of equipment and supplies and the contracting of services where budgetary provision has been made in the biennial budget and in the budgets of projects which UNFPA itself executes.</td>
<td>Editing changes. Executive Director for Administrator. Conforms to present practice. UNFPA for UNDP.</td>
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Article XV - EXECUTING AGENCIES

Regulation 15.1: The administration by executing agencies of funds obtained from or through UNFPA shall be carried out under their respective financial regulations, rules, practices and procedures to the extent that they are appropriate. Where the financial governance of an executing agency do not provide the required guidance, those of UNFPA shall apply.

Regulation 15.2: Each executing agency shall maintain such accounts and records as are necessary to enable it to report on the financial status of funds obtained from or through UNFPA, including in particular the balance of recorded allocations, expenditures and commitments.

Regulation 15.3: To ensure the uniformity and useability of data required for UNFPA management purposes, the Executive Director is authorized, after consultation with the executing agencies, to specify the basis, content and periodicity of reports on funds obtained from or through UNFPA which are to be submitted by executing agencies.

Regulation 15.4: Notwithstanding the provisions of Regulation 15.1, the Executive Director, in consultation with the Administrator, may issue guidelines regarding the procurement of equipment, supplies and services in

Regulation 1.6: The administration by Participating and Executing Agencies for UNFPA activities covered by allocations issued to them by the Executive Director shall be carried out under their respective financial regulations, rules, practices and procedures to the extent that they are appropriate.

Regulation 14.3: Each Participating and Executing Agency shall maintain such accounts and records as are necessary to enable it to report on the financial status of allocations issued by the Executive Director to cover UNFPA activities executed by it.

Regulation 15.2: Each executing agency shall maintain such accounts and records as are necessary to enable it to report on the financial status of funds obtained from or through UNDP, including in particular the balance of recorded allocations, expenditures and commitments.

Regulation 15.3: To ensure the uniformity and useability of data required for UNDP management purposes, the Administrator is authorized, after consultation with the executing agencies, to specify the basis, content and periodicity of reports on funds obtained from or through UNDP which are to be submitted by executing agencies.

Regulation 15.4: Notwithstanding the provisions of Regulation 15.1, the Administrator may issue guidelines regarding the procurement of equipment, supplies and services in accordance with principles approved by the General Assembly.

Editing changes. UNFPA for UNDP.

Editing changes. UNFPA for UNDP. Executive Director for Administrator. Conforms to present practice.

Editing changes. The provision "in consultation with the Administrator" has been included in this Regulation so as to ensure uniformity in the
accordance with principles approved by the General Assembly and in particular the Consensus of 1970, resolution 2688 (XXV), annex, paragraphs 41, 42 and 44, and resolution 3405 (XXX), annex. Such guidelines shall be drawn up in consultation with the executing agencies which are organizations of the United Nations system, and submitted to the Members of the Governing Council in accordance with Regulation 14.1.

Article XVI - THE ACCOUNTS

Regulation 16.1: The Executive Director shall submit financial statements annually in respect of the UNFPA Account and in respect of all other funds administered by UNFPA showing:

(a) The income and expenditures;
(b) The assets and liabilities;
(c) The status of allocations for programme activities and the amounts charged against those allocations;
(d) The status of appropriations approved by the Governing Council for the biennial budget and the amounts charged against those appropriations.

The Executive Director shall also give such other information as may be appropriate to indicate the current financial position and shall be responsible for the maintenance of such accounts and records as are necessary.

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and in particular the Consensus of 1970, resolution 2688 (XXV), annex, paragraphs 41, 42 and 44, and resolution 3405 (XXX), annex. Such guidelines shall be drawn up in consultation with the executing agencies which are organizations of the United Nations system, and submitted to the Members of the Governing Council in accordance with Regulation 14.1.

Article XVI - THE ACCOUNTS

Regulation 16.1: The Administrator shall submit accounts annually in respect of the UNDP Account and in respect of all other funds administered by UNDP showing:

(a) The income and expenditures;
(b) The assets and liabilities;
(c) The status of allocations for programme activities and the amounts charged against those allocations;
(d) The status of appropriations approved by the Governing Council for the biennial budget and the amounts charged against those appropriations.

The Administrator shall also give such other information as may be appropriate to indicate the current financial position and shall maintain such accounts and records as are necessary to

Executive Director for Administrator. However, no change is intended in existing arrangement by which UNDP supplies accounting services for
to report to the Governing Council and the General Assembly on the financial status of funds administered by UNFPA.

Regulation 16.2: The accounts shall be presented in United States dollars. Accounting records may, however, be kept in such currency or currencies as the Executive Director in consultation with the Administrator may deem necessary.

Regulation 16.3: The accounts shall be submitted by the Executive Director to the United Nations Board of Auditors not later than 30 April following the end of each calendar year.

I. EXTERNAL AUDIT

Article XVII - EXTERNAL AUDIT

Regulation 17.1: The External Audit provisions of Article XII of the United Nations Financial Regulations have been annexed for information to these Regulations and shall, mutatis mutandis, apply to UNFPA, except that:

(a) The reports of the Board of Auditors, together with the audited financial statement and the comments thereon of the Advisory Committee, shall also be transmitted to the Members of the Governing Council;

Article XV - AUDIT

Regulation 15.1: The annual accounts showing the financial status of the UNFPA Account, with audit certificate or audit opinion and report, if any, from the United Nations Board of Auditors, shall be transmitted by the Executive Director to the ACARQ for comments, and to the Governing Council and the General Assembly for approval.

Present

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Report to the Governing Council and the General Assembly on the financial status of funds administered by UNFPA.

Regulation 14.2: Financial reports on the UNFPA Account shall be presented in United States dollars. Accounting records may, however, be kept in such currency or currencies as the Executive Director may deem necessary.

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I. EXTERNAL AUDIT

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Regulation 17.1: The External Audit provisions of Article XII of the United Nations Financial Regulations have been annexed for information to these Regulations and shall, mutatis mutandis, apply to UNFPA, except that:

(a) The reports of the Board of Auditors, together with the audited financial statements and the comments thereon of the Advisory Committee, shall also be transmitted to the Members of the Governing Council;

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UNFPA on a service basis.

UNFPA on a service basis.

Editing changes. Executive Director for Administrator. Consultation is required in the interests of uniformity.

Editing changes. Executive Director for Administrator. Conforms to existing practice.

As in UNDP.
(b) Executing agencies which are organizations of the United Nations system shall transmit to the Executive Director for submission to the Governing Council annual accounts showing the status of funds allocated to them by the Executive Director for the execution of UNFPA activities. Such accounts shall bear audit certificates from the organizations' External Auditors and shall be accompanied by their reports, if any, and copies of any relevant resolutions adopted by their legislative or governing bodies;

(c) In submitting the above annual accounts to the Governing Council, the Executive Director shall comment on the Auditors' substantive observations and on their follow-up;

(d) Notwithstanding (b) and (c) above, executing agencies which are organizations of the United Nations system and which have adopted a biennial financial period but which do not receive audit certificates covering the accounts of the first year of biennium shall submit interim accounts for that year. Such interim accounts may be unaudited, provided that audited accounts are subsequently submitted covering both years of the biennial financial period.

(b) Executing agencies which are organizations of the United Nations system shall transmit to the Executive Director for submission to the Governing Council annual accounts showing the status of funds allocated to them by the Executive Director for the execution of UNFPA activities. Such accounts shall bear audit certificates from the organizations' External Auditors and shall be accompanied by their reports, if any, and copies of any relevant resolutions adopted by their legislative or governing bodies;

(c) In submitting the above annual accounts to the Governing Council, the Executive Director shall comment on the Auditors' substantive observations and on their follow-up;

(d) Notwithstanding (b) and (c) above, executing agencies which are organizations of the United Nations system and which have adopted a biennial financial period but which do not receive audit certificates covering the accounts of the first year of biennium shall submit interim accounts for that year. Such interim accounts may be unaudited, provided that audited accounts are subsequently submitted covering both years of the biennial financial period.

Regulation 15.2: The Participating and Executing Agencies shall transmit to the Executive Director for submission to the Governing Council annual accounts showing the status of funds allocated to them by the Executive Director for the execution of UNFPA activities. Such accounts shall bear audit certificates or audit opinions from the Participating and Executing Agencies' External Auditors and shall be accompanied by their reports, if any, and copies of any relevant resolutions adopted by the Participating and Executing Agencies' legislative or governing bodies;

Regulation 15.3: The annual accounts showing the consolidated financial position of the UNFPA account and supporting schedules with an audit opinion from the

Present

Proposed

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Financial Regulations

Comments

Regulation 15.2: The Participating and Executing Agencies shall transmit to the Executive Director for submission to the Governing Council annual accounts showing the status of funds allocated to them by the Executive Director for the execution of UNFPA activities. Such accounts shall bear audit certificates from the organizations' External Auditors and shall be accompanied by their reports, if any, and copies of any relevant resolutions adopted by their legislative or governing bodies;

(c) In submitting the above annual accounts to the Governing Council, the Executive Director shall comment on the Auditors' substantive observations and on their follow-up;

(d) Notwithstanding (b) and (c) above, executing agencies which are organizations of the United Nations system and which have adopted a biennial financial period but which do not receive audit certificates covering the accounts of the first year of biennium shall submit interim accounts for that year. Such interim accounts may be unaudited, provided that audited accounts are subsequently submitted covering both years of the biennial financial period.

(b) Executing agencies which are organizations of the United Nations system shall transmit to the Administrator for submission to the Governing Council annual accounts showing the status of funds allocated to them by the Administrator for the execution of UNDP activities. Such accounts shall bear audit certificates from the organizations' External Auditors and shall be accompanied by their reports, if any, and copies of any relevant resolutions adopted by their legislative or governing bodies;

(c) In submitting the above annual accounts to the Governing Council, the Administrator shall comment on the Auditors' substantive observations and on their follow-up;

(d) Notwithstanding (b) and (c) above, executing agencies which are organizations of the United Nations system and which have adopted a biennial financial period but which do not receive audit certificates covering the accounts of the first year of biennium shall submit interim accounts for that year. Such interim accounts may be unaudited, provided that audited accounts are subsequently submitted covering both years of the biennial financial period.

This Regulation is no longer required as the substance is covered by proposed Regulations 16.2, 16.3 and 17.1 (a).

Comments

Editing changes. Executive Director for Administrator. Conforms to existing practice.

Editing changes. Executive Director for Administrator. Conforms to existing practice.

As in UNDP.

This Regulation is no longer required as the substance is covered by proposed Regulations 16.2, 16.3 and 17.1 (a).
The Executive Director shall ensure that governments which are executing agencies, and parties selected for project implementation under Regulation 8.6, shall require their auditors to follow, to the extent feasible, the audit principles and procedures prescribed for the United Nations with respect to funds obtained from or through UNFPA and shall submit audit reports annually together with the reports specified in the project document and under Article XV of these Regulations.

Regulation 15.4: The planning of the audits required by Regulations 15.1, 15.2 and 15.3 above shall be the responsibility of the External Auditors of the organizations concerned and their co-ordination shall be exercised by the Panel of External Auditors of the United Nations and the Participating and Executing Agencies. The audits shall be conducted in accordance with the provisions of Article XII of the Financial Regulations and Rules of the United Nations pertaining to external audit; the annex to those Regulations (the "additional terms of reference governing the audit of the United Nations"); and, as appropriate, the Financial Regulations of the Participating and Executing Agencies.

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Regulation 17.2: The Administrator shall ensure that governments which are executing agencies, and other parties selected for project implementation under Regulation 8.10(e), shall require their auditors to follow, to the extent feasible, the audit principles and procedures prescribed for the United Nations with respect to funds obtained from or through UNDP and shall submit audit reports annually together with the reports specified in the project document and under Article XV of these Regulations.

Comments

This is covered under proposed Regulation 17.1.

Editing changes. Executive Director for Administrator. Conforms to present practice. Change in numbering references.