1. At its twenty-ninth session, the Administrator provided the Governing Council with a report on the progress made in developing guidelines for the procurement of equipment, supplies and services (DP/1982/56). At that session the Council in decision 82/34 took note of the Administrator's report and requested the Administrator to pursue his efforts with a view to preparing such guidelines in consultation with the executing agencies, and to provide the Governing Council with a further report on the subject at its thirtieth session.

2. The Administrator has continued his efforts to find a workable solution to this question and numerous consultations have been held within UNDP as well as between UNDP and the agencies in an attempt to overcome the difficulties described in the Administrator's report last year. Though these consultations have not yet resulted in the development of concrete proposals which could be submitted to the Council at the present session, a number of further steps are now being taken which, it is hoped, may lead to a satisfactory and practical resolution of the matter.

3. The Administrator expects to be in a better position to report on these matters at the time of the Council's thirtieth session and he therefore intends to submit an oral report at that session which would in more detail and on a more up-to-date basis describe what progress has been made.