



United Nations
Development Programme

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DP/1983/BFC/L.3
10 June 1983

ORIGINAL: ENGLISH

GOVERNING COUNCIL
Budgetary and Finance Committee
Thirtieth session
June 1983
Agenda item 7 (f)

FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Sectoral support

Draft decision

The Governing Council,

Recalling its decisions 80/30 of 26 June 1980, 81/39 of 30 June 1981, and 82/38 of 18 June 1982,

1. Takes note of the report by the Administrator on sectoral support contained in document DP/1983/56 and of the views and comments of members thereon;
2. Endorses the proposals of the Administrator contained in paragraphs 7 and 12 of his report;
3. Approves an allocation of \$5.885 million, subject to resource availability, together with any savings arising in previous years, to be used as follows:
 - (a) \$1.824 million for the biennium 1984-1985 to be used at the discretion of the Administrator for the smaller agencies;
 - (b) \$4.061 million to cover the net costs to UNDP for the services of Senior Industrial Development Field Advisers (SIDFAs) during the biennium 1984-1985;
4. Authorizes the Administrator to finance the maximum number of SIDFAs possible within existing resources, while continuing the consultations with countries drawing upon the services of a SIDFA so that some part of the total net

cost of those services shall be financed from national IPFs and/or other national sources, as requested in its decision 82/38;

5. Requests the Administrator to ensure, in assigning SIDFAs, that priority be given to those countries which have agreements as specified in paragraph 4 above, while taking into account the particular situation of the least developed countries;

6. Takes note of General Assembly resolution 37/212 by which the General Assembly decided that adequate resources should be provided in the budget of the United Nations Industrial Development Organization (UNIDO) to finance up to 10 individual SIDFA posts;

7. Again invites the attention of the Economic and Social Council and the General Assembly, at their forthcoming regular sessions, to the urgent need for UNIDO to bear an increased share of the cost of the SIDFA programme;

8. Decides to review the entire question of sectoral support at its thirty-first session, including its history, rationale and needs, as well as to examine proposals for the future financing of the SIDFA programme, bearing in mind the future status of UNIDO as a specialized agency with a budget of its own; and

9. Requests the Administrator to prepare a report on these issues, in consultation with the Executive Director of UNIDO, to be presented to its thirty-first session.



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16 June 1983

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GOVERNING COUNCIL
BUDGETARY AND FINANCE COMMITTEE
Thirtieth session
June 1983
Agenda item 6 (a)

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Draft decision

Budgetary and Finance

II

Having considered the biennial budget estimates for the administrative and programme support services of the United Nations Fund for Population Activities for the biennium 1984-1985 (DP/1983/23 and Corr.1 and 2), the proposed UNFPA financial regulations (DP/1983/24 and Add.1 and Corr.1 and Add.2 and Corr.1), the report of the Executive Director on his review of the headquarters and field staffing pattern and manpower requirements of UNFPA (DP/1983/25), together with the report of the Advisory Committee on Administrative and Budgetary Questions (DP/1983/26), the report of the Executive Director on the joint review by UNDP and UNFPA on various components of the support services provided by UNDP to UNFPA on a subvention basis (DP/1983/INF/3), and the note of the Executive Director transmitting the audit reports of the participating and executing agencies relating to funds allocated to them by UNFPA (DP/1983/27), and having taken into account the views and comments of members of the Council thereon,

Approves appropriations in the amount of \$24,577,523 net as submitted in document DP/1983/23 and Corr.1 and 2 for the biennium 1984-1985, to be allocated from the resources of UNFPA to finance the 1984-1985 administrative and programme support services, as follows:

<u>Programme</u>	<u>United States dollars</u>
Executive direction and management	\$ 3,109,342
Administrative and information support services	8,255,972
Programme planning, appraisal and monitoring	<u>13,212,209</u>
Total net	\$24,577,523

Requests the Executive Director during the biennium 1984-1985 to continue to keep the administrative and programme support services costs to a minimum, with the intention of holding down the ratio between administrative costs and total costs as far as possible, particularly in light of the resource situation and projected income for this period.

Approves the UNFPA financial regulations (DP/1983/24 and Add.1 and Corr.1 and Add.2 and Corr.1), as amended and shown in the annex to the present decision, and decides that the new financial regulations will supersede and replace the present UNFPA financial regulations and come into force at the beginning of the 1984-1985 biennium on 1 January 1984 and further decides that Regulations 4.5 and 4.6 and 13.3 and 13.4 will be modified in the light of proposed changes in corresponding UNDP financial regulations which are currently under consideration by the Governing Council.

Takes note of the report of the Executive Director (DP/1983/INF/3) on payments made by the UNFPA to the United Nations Development Programme in respect of services rendered by the latter organization, and requests the Executive Director to continue to keep the Governing Council informed on any new developments.

Takes note of the report of the Executive Director on his review of the staffing pattern and manpower requirements of UNFPA (DP/1983/25), and taking into account the comments of the Advisory Committee on Administrative and Budgetary Questions (contained in DP/1983/26) as well as the views of the members of the Governing Council, requests the Executive Director to submit to the Governing Council at its thirty-first session, for its consideration, a comprehensive report in order to enable the Council to discuss in-depth the inclusion of the UNFPA Deputy Representatives and limited local core staff into the regular manning table, with a view to initiating and encouraging rotation between headquarters and field professional staff; and further requests the Executive Director to submit to the Governing Council at its thirty-second session a report on its basic manpower requirements.

Takes note of the budget estimates in DP/1983/23 and requests the Executive Director to give increased emphasis to the programme objectives in the technical and planning and the policy and evaluation areas.

Agrees that the Executive Director shall be authorized to transfer credits between programmes within reasonable limits, with the concurrence of the Advisory Committee on Administrative and Budgetary Questions.

Further takes note of the audit reports of the participating and executing agencies relating to funds allocated to them, by UNFPA as at 31 December 1981 (DP/1983/27).

Annex

The following amendments were made to the UNFPA financial regulations (DP/1983/24 and Add.1 and Corr.1 and Add.2 and Corr.2):

B. Article II.

Regulation 2.1

Add: (v) a non-governmental organization

Regulation 2.2

Section P

Substitute: (v) "project" shall mean a separately identified undertaking relating to population matters assisted by UNFPA;

Article VII.

Regulation 7.5 Delete.

Article VIII.

Regulation 8.4

Delete: "regional or interregional" and delete "or Governments" in both places

Article XIII

Regulation 13.6. Delete.

Regulation 13.7. Delete.

Where deletions occur, renumbering of the regulations will be undertaken.



**United Nations
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DP/1983/BFC/L.5

22 June 1983

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GOVERNING COUNCIL
BUDGETARY AND FINANCE COMMITTEE
Thirtieth session
June 1983
Agenda item 8

ADOPTION OF THE REPORT OF THE COMMITTEE

DRAFT REPORT OF THE BUDGETARY AND FINANCE COMMITTEE

Rapporteur: Mr. Achyut Bhandari (Bhutan)

Amendments to the draft report which were approved by the Committee

DP/1983/BFC/L.2

1. Page 2, CONTENTS

Delete IX. OTHER MATTERS

2. Page 3, INTRODUCTION, paragraph 1, line 3

Replace period with a comma, and insert:

until 15 June 1983, when Mr. Franz Schmidt (Austria) acted
in his place as Chairman of the Committee

DP/1983/BFC/L.2/Add.1

3. Page 2, paragraph 6:

The last sentence should begin: One member, speaking on
behalf of a group of countries, queried . . .

4. At end of paragraph 6, insert:

One member drew attention to the fact that each year only
a limited number of agencies were reported on by external
auditors and suggested expanding this work, if possible
without additional expense. He was not in favour of the
audit arrangements proposed for the World Bank.

5. Paragraph 9, operative paragraph (b), last line:

For arrangement read management

DP/1983/BFC/L.2/Add.2

6. Page 2, paragraph 3

Add following:

Some members stressed the necessity to minimize the support costs paid by the agencies from their regular budgets in connection with the implementation of UNDP-financed projects and, at the same time, to pursue with agencies the need for more effective use of the support costs reimbursement made to them by UNDP at the basic rate of 13 per cent.

DP/1983/BFC/L.2/Add.3

7. Page 2, paragraph 3, line 5

For decreasing read inadequate

8. Paragraph 4, fourth sentence

Delete These members, supported by

and insert new sentence to read:

Some of these members considered that these interests could best be served through continued adherence to the principle of international competitive bidding. Others pointed out . . .

9. At the end of paragraph 4, add:

One member stated that the principles of equitable geographical distribution and the interests of recipient countries should be of prime consideration.

10. At the end of paragraph 5, add:

The importance of information was stressed. One observer enquired whether executing agencies would be willing to make available on request their internal guidelines on procurement and their evaluation of bids and proposals. A recipient country also emphasized the importance of the adaption of technologies.

11. At the end of paragraph 6, add:

With regard to the enquiry as to the availability from executing agencies of information on their procurement procedures, the Assistant Administrator stated that he would consult with them in order to determine whether this information would be available on request.

12. Page 4, operative paragraph (d), line 1

Delete oral

DP/1983/BFC/L.2/Add.4

13. Page 2, paragraph 6, fifth and sixth lines

For still represented its essential ingredients read were still important

14. Paragraph 6, last sentence

For suggested that a further report should be submitted read expressed the hope that they would lead to concrete proposals

15. Page 3, paragraph 9, operative paragraph (d) should read:

(d) Requests the Administrator to keep the matter under review with the agencies and to report to the Council whenever any significant developments occur.

DP/1983/BFC/L.2/Add.5

16. Page 2, paragraph 4, line 7

For IPFs for Africa read IPF for Africa and delete and the Arab States

17. Paragraph 4, line 9

Before the additional amount insert with the regional IPF for the Arab States

18. At the end of paragraph 5, add:

One member expressed reservations over making a commitment to this joint venture which exceeded the resources available from the regional IPF concerned.



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23 June 1983

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GOVERNING COUNCIL
BUDGETARY AND FINANCE COMMITTEE
Thirtieth session
June 1983
Agenda item 8

ADOPTION OF THE REPORT OF THE COMMITTEE

DRAFT REPORT OF THE BUDGETARY AND FINANCE COMMITTEE

Rapporteur: Mr. Achyut BHANDARI (Bhutan)

Amendments to the draft report which were approved by the Committee

Addendum

DP/1983/BFC/L.2/Add.7

1. Page 4, paragraph 4

At the end of paragraph 4, delete period and insert:

and that this situation should be gradually reversed.

2. Paragraph 5

Insert following new first sentence:

Some members considered that UNDP's financial difficulties were largely the result of the narrow base of UNDP's financial support, and expressed disappointment at the continued failure of one group of industrialized countries to contribute on a scale commensurate with their economic strength, and in convertible currencies.

3. Paragraph 5

The fourth sentence should read:

Another member pointed out that the balance of these currencies had not been increasing in recent years and new contributions since 1975 had been fully utilized.

4. Paragraph 5

The fifth sentence should read:

He stated that the accumulated balances were a legacy of contributions to the former Special Fund and had not been used by its administration.

5. Paragraph 5

The eighth sentence should read:

He said during a period of resource constraints, the UNDP administration should be able to utilize these funds by procuring equipment and services for the interested developing countries and referred to the decision taken at the twenty-third session of the Governing Council which urges the Administrator to make effective use of all currencies, including non-convertible currencies, contributed to UNDP.

6. Paragraph 5

Insert following new penultimate sentence:

A few delegations pointed out that certain agencies which received contributions in non-convertible currencies had been able to fully utilize them.

7. Paragraph 6

First sentence should read:

Some members considered that it was not the responsibility of UNDP to take exceptional measures to spend non-convertible currencies and sought clarification on the restrictions placed on the use of these currencies to obtain air travel services and/or to procure goods and services in that country.

8. Paragraph 6, fifth sentence

For not to buy commodities read not for such kind of transactions.

9. Paragraph 9

The third sentence should read:

The Assistant Administrator confirmed that the current balance was at a level similar to that in 1975 and that at this time the annual usage was equivalent to contributions.

10. Page 5, paragraph 14, operative paragraph (a) should read:

(a) Notes with concern the actual and projected decline in programme delivery due to the stagnation of contributions to the programme;

DP/1983/BFC/L.2/Add.9

11. Paragraph 8, operative paragraph (b) should read:

(b) Further notes that with the application of these guidelines the provision of management and other support services would not entail any financial implications for the United Nations Development Programme.

DP/1983/BFC/L.2/Add.11

12. Paragraph 17, line 2

For Deputy Executive Director read Assistant Executive Director

13. Paragraph 19

Both references to Deputy Executive Director should read Assistant Executive Director

DP/1983/BFC/L.4

14. Page 2, fourth operative paragraph, line 7:

Following the words "in-depth the" insert:

advantages and disadvantages of the phased inclusion.

15. Page 2, bottom line

Following the words "evaluation areas" insert and divisions

DP/1983/BFC/L.2/Add.12

16. Page 2, paragraph 3

The second sentence should read: Noting the status of the relatively lower contributions to UNV, the same delegate assumed this represented the priority assigned by Governments to the UNV Special Fund.

17. Paragraph 3, line 13

For national Government volunteer read national volunteer

DP/1983/BFC/L.2/Add.13

18. Paragraph 3, following fourth sentence insert:

He further stressed that the Deputy Administrator had confirmed that seminars were not subject to normal procurement procedures, including international competitive bidding, but were initiated by recipient countries. The delegate believed, therefore, that this Trust Fund had nothing to do with the question of tied procurement.

19. Paragraph 6

Insert following new penultimate sentence:

Another delegation asked that the report to the Council on Trust Funds established by the Administrator should as far as possible include information on the lines of that requested by the Committee on Trust Funds conditioned on procurement from a donor country.

20. Paragraph 7

Delete penultimate sentence.
