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POLICY

PROGRAMME IMPLEMENTATION

IMPLEMENTATION OF DECISIONS ADOPTED BY THE  
GOVERNING COUNCIL AT PREVIOUS SESSIONS

Government contributions to local office costs

Report of the Administrator

Summary

This progress report is submitted in accordance with paragraph 4 of Governing Council decision 82/18 dealing with host government contributions towards local office costs. The report provides details of the waiver formula established by the Administrator. In accordance with the above-mentioned decision, it also provides details on the results of negotiations with host Governments and the current status of host government contributions towards local office costs. The report then offers proposals for additional follow-up with Governments which have not as yet pledged contributions in accordance with the target. It also proposes, for countries not meeting the established minimum target, an accounting linkage of voluntary contributions and contributions to local office costs as well as charges to country IPFs in those cases where per capita GNP was in excess of \$1500. It further explains a different methodology, which the Administrator proposes to apply for calculating interest income on cost-sharing projects in certain cases. The report concludes with recommendations for the Council's consideration included in paragraph 19.

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### Background

1. The magnitude of host government contributions provided to meet UNDP local office costs has varied widely from country to country and from year to year. Over time, UNDP has engaged in numerous negotiations with host Governments for the purpose of securing increased contributions towards local office costs. While these negotiations have been partly successful, in most cases they have not resulted in substantial increases in such contributions. In view of this and other factors related to this issue which are described below, the question was submitted to the Governing Council for its review at its twenty-ninth session in June 1982. Documents DP/1982/21/Add.1 and Add. 3 described the main factors relating to this issue, and these were further amplified by the Assistant Administrator, Bureau for Finance and Administration, in his introduction of the subject to the Budget and Finance Committee. The documentation and the Assistant Administrator's introduction highlighted the fact that over several years host government contributions had declined as a percentage of total field office costs. The legal obligations of the recipient countries to meet all local office costs, except those of international staff and international travel, as required by the Standard Basic Agreement signed by them, was emphasized in the documents. The submission to the Council gave equal consideration and recognition to such factors as the adverse economic conditions of individual countries and the need to apply a flexible payment formula based on their ability to pay. Finally, the possibility of considering contributions of countries to local office costs (both in cash and in kind) and to UNDP's general resources in a combined manner was presented to the Council as a relevant topic for consideration.

2. Following a detailed review of the subject, the Governing Council adopted decision 82/18 which, inter alia:

"Authorize[d] the Administrator to undertake negotiations with Governments with a view to reaching agreement on the amounts and modalities of their contributions so that, commencing on 1 January 1984, such contributions, except as provided in paragraph 2 below of the present decision will be in accordance with the agreements signed by them, taking into account in such negotiations the need to ensure that the standards of accommodation, facilities and other contributions in kind to be made by Governments are appropriate to the country concerned (operative paragraph 1);

"Also authorize[d] the Administrator to waive in part the contribution towards local office costs when the economic conditions of the countries concerned so warrant (operative paragraph 2); and

"Request[ed] the Administrator to report on these issues, including the waivers authorized in paragraph 2 of the present decision, to the Governing Council at its thirty-first and subsequent sessions" (operative paragraph 4).

3. In accordance with operative paragraph 1 of this decision, the Administrator, through the regional bureaux and the resident representatives' offices, has engaged in intensive negotiations with recipient Governments with a view to reaching agreement on the level of their contributions to UNDP field offices from 1 January 1984 as mandated by the Governing Council. With regard to the authority granted to the Administrator in operative paragraph 2, i.e. to waive in part a Government's contribution towards local office costs, the Administrator has applied, for the purpose of these negotiations, the following formula:

- (a) Countries with 1978 GNP of over \$3000 per capita - no waiver;
- (b) Countries with 1978 GNP of \$1501 to \$3000 per capita - 25 per cent waiver;
- (c) Countries with 1978 GNP of \$500 to \$1500 per capita - 50 per cent waiver; and
- (d) Countries with 1978 GNP of less than \$500 per capita - 75 per cent waiver.

In advising Governments of the additional amounts expected from them over and above their current contributions towards local office costs, due account was also taken of contributions in kind made by them.

#### Results of negotiations and income estimates

4. At the time of preparing this report, a significant number of negotiations were still in progress. The results of negotiations which have been concluded to date may be summarized as follows: out of a total of 113 host Governments, 35 are either currently contributing towards local office costs in excess of the minimum required or have pledged to meet the 1984 target; 24 have agreed to provide some increase or maintain the current level of their contributions; 8 have specifically requested special consideration due to particular conditions prevailing in their countries; and 46 are still expected to provide official confirmation of their anticipated contributions.

5. In this connection, the Administrator would like to bring to the Council's attention the method by which income from this source has been included in the 1984-1985 biennial budget. The target for government contributions towards local office costs in accordance with the formula referred to in paragraph 3 above would have resulted in a total of \$36.6 million for the biennium. However, the Administrator considered it prudent not to include this total amount in the biennial budget until all negotiations had been completed and appropriate commitments made. Accordingly, the amount included as estimated income from Governments in the 1984-1985 biennial budget estimates submitted to the Council at its thirtieth session was \$30.0 million. Based on confirmed commitments made for 1984 and the current level

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of contributions by countries which have not yet given a firm commitment, the Administrator now estimates income from this source in 1984-1985 at \$23.5 million, representing an anticipated shortfall of \$6.5 million compared with the original 1984-1985 budget estimates, or \$13.1 million less than the target.

6. Table 1 in the annex to this report contains detailed information on anticipated contributions of Governments compared with the amounts which might be expected from each of them after applying the waiver formula described in paragraph 3 above. The information in the table is expressed in the local currency of each country, except for those countries whose local office costs are dollar based. At the time of finalizing this paper, all the information needed for calculating the target contributions from countries with field offices serving more than one country was not available and a supplementary table in respect of such countries will be made available at the Council's thirty-first session. In providing this information, the Administrator would like to emphasize that, even though in some cases the level of anticipated contributions is not commensurate with the amount required in accordance with the formula, some Governments have in fact been increasing their local currency contributions quite substantially. In some of these cases, however, the increased contributions have not always kept pace with increased local currency costs. It should also be noted that in certain cases the amount of a Government's contribution towards local office costs is in excess of the amount called for in accordance with the waiver formula explained in paragraph 3 above. These contributions, however, are not in excess of the actual total cost of running the office. The Administrator wishes to express his deep satisfaction and appreciation to the Governments who are fully meeting their obligations in this respect. Table 2 translates the information on estimated pledges into US dollars at the exchange rate prevailing at 1 December 1983.

#### Issues raised during negotiations

7. The Administrator noted that certain issues were repeatedly raised during the negotiations with some Governments who did not favor an increase in their contributions towards local office costs. These included the suggestion that at a time of reduced programme activities, it was not appropriate to request an increase in contributions to meet administrative costs; that the increases requested were too large compared with the amounts they had been paying in recent years; that the anticipated increase in contributions was too steep considering the time allowed for the introduction of the payment formula; and that contributions towards local office costs were purely voluntary in character and therefore host Governments had no formal obligation in this respect. In responding to these issues, the Administrator's representatives emphasized to the respective Governments that the current levels of resources available to UNDP made it all the more important to increase contributions towards local office costs, thus freeing additional resources for programme purposes. As to the obligation to meet such costs, the Administrator's

representatives pointed out that the existing legal agreements with Governments did specify their obligation to meet such costs. The Administrator further emphasized that, as a result of improved costing methods, the cost of supporting extrabudgetary activities in field offices was now being identified and charged to the originators of such activities. This process would help to ensure that government contributions to local office costs would be used primarily to meet the cost of supporting core activities.

8. In addition to the arguments presented above, numerous Governments, either formally or informally, indicated that the particular conditions which they faced would not permit them, at least at this time, to respond positively to the decision of the Council nor to the contribution formula promulgated by the Administrator. The conditions they referred to included domestic economic difficulties, severe droughts and famine situations, as well as internal or external security problems.

9. With regard to the issue of the legal status of government commitments towards local office costs, the Administrator obtained in 1982 the opinion of the Office of Legal Affairs of the United Nations and some relevant passages are quoted here below:

"The obligation of a recipient Government to pay UNDP for such expenses emanates from either the Standard Basic Assistance Agreement (SBAA) or the Office Agreement concluded between UNDP and the Government.

"Both the SBAA and the Office Agreement under the Special Fund régime provide that Governments receiving UNDP assistance are obliged to pay their share of the expense of maintaining UNDP missions in their respective countries by meeting enumerated costs. The SBAA provides that 'the Government shall also contribute towards the expenses of maintaining UNDP mission in the country by paying annually to UNDP a lump sum mutually agreed...' and the office Agreement provides that 'the Government, for its part, shall pay annually a lump sum mutually agreed....'. The legal effect in both cases is the same. The legal obligation of the Government to meet the enumerated expenses - or to provide the premises and services - is not a 'voluntary contribution' or subject to agreement, but rather only the amount and nature of payments necessary to cover those expenditures are subject to mutual agreement. The wording of the provisions clearly implies the obligation on the Government's part to negotiate on the amount. The provisions do not envisage that UNDP can unilaterally determine the actual costs to be met by the Government; but they similarly do not permit an interpretation leaving it open to the Government to refrain from co-operating with UNDP in establishing and paying the amount properly attributable to the enumerated costs."

### Summary of results

10. The Administrator appreciates the positive and forthcoming response made by many Governments and the increased contributions pledged by them towards local office costs. In a few cases, the Administrator noted that certain Governments were unable to meet the target in a short period of time but accepted the obligation to do so over the next several years. The Administrator is, in principle, ready to accept such an arrangement, especially when the increase sought is substantial and a practical formulation can be agreed upon with the Governments concerned, taking into account the particular conditions existing in each case.

11. Overall, however, the Administrator remains concerned that the results obtained so far may create the following conditions:

(a) General resources will continue to be used to finance some of the costs of the administration of local offices which, by virtue of agreements signed by recipient Governments, should be their responsibility;

(b) The prevailing inequity in host government contributions towards local office costs will continue, i.e., the share of such costs met by Governments will not be equal, even after taking into account the waiver formula; and

(c) Additional lengthy negotiations may be required to bring about more positive results, which under existing conditions, cannot even be guaranteed.

### Matters for further consideration

12. During the process of negotiations referred to above, the Administrator encountered a further issue which he wishes to highlight. A few Governments have suggested that the balance of the contributions due from them towards local office costs could be charged to their respective IPF as they were unable to meet the costs from their own resources. In reviewing this proposal the Administrator attempted to identify the pros and cons of such a proposal to assist the Council in its consideration of the issue: (a) its application would result in different recipient countries sharing, by and large, a similar proportion of local office administrative costs from the resources available to each Government; (b) it would eliminate the need for additional lengthy negotiations; and (c) it would give recognition to the difficult conditions existing in certain countries, particularly the least developed countries, and the inability of some Governments to make additional cash or in kind contributions from domestic sources. On the other hand, such charges to IPFs will have the following results: (i) the diversion of resources intended for programme purposes to administration would affect mainly those countries with the greatest need for assistance, such as LDCs; and (ii) it would set a precedent whereby resources available under the IPF would become a source of financing for charges other than programme costs.

13. In considering the arguments listed above, the Administrator is of the opinion that a distinction can be made between countries which by virtue of their development status, such as LDCs, are unable to meet the target in a relatively short period of time and other countries where such considerations would not have the same weight. On balance, the Administrator recommends that for countries whose per capita GNP, at the base year, is \$1501 and above, a charge to the respective IPF would be in order on the basis indicated in paragraph 15 below. As to countries whose per capital GNP, at the base year, is \$1500 or below, no charges to IPFs would be made.

14. The relationship between the voluntary contributions of host Governments to UNDP's general resources and their contributions to local office costs was raised at the Council's twenty-ninth session. No particular relationship between the levels of these two types of contributions by Governments seems to exist. Some Governments contribute generously to UNDP general resources with only minimal contributions towards local office costs, whereas others provide a substantial part of local office costs with only modest contributions to UNDP general resources. This is one of the reasons which led the Administrator's representative to indicate to the Council at its twenty-ninth session a proposal by which amounts due from a Government as contributions to local office costs could be considered to constitute a first charge against contributions of that Government to UNDP's general resources. The effect of such accounting treatment was demonstrated in table 2 contained in DP/1982/21/Add.3. This table with some modifications is reproduced for illustrative purposes as table 3 annexed to this document.

#### Conclusion and recommendation

15. In conclusion and based on all the factors enumerated in this report, the Administrator considers that additional negotiations with Governments would be helpful and would probably yield some positive results. However, in order to be effective, the call for additional negotiations should be coupled with the establishment of a deadline following which additional action should be taken in order to ensure that the amounts needed as government contributions towards local office costs are obtained. The Administrator recommends that effective 1 January 1985, an accounting linkage be established between individual government contributions to local office costs and their contributions to general resources of UNDP. Accordingly, the Administrator should have the authority to treat from an accounting standpoint contributions to UNDP's general resources as payments required to meet any outstanding balance of a Government's obligation towards local office costs, in accordance with the formula indicated in paragraph 3 above. The Administrator further recommends that the accounting treatment of contributions proposed in this paragraph should be applied as the first option to provide for any outstanding contributions towards local office costs. Should amounts available not be sufficient to meet required commitments in countries with per capita income above \$1500, then charges to the respective IPFs as indicated in paragraph 13 above would be made by means of project budgets effective 1 January 1985.

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Interest on cost-sharing

16. Another issue dealt with by the Council at its twenty-ninth session, though not directly related to the financing of field office core activities, deals with the utilization of interest on cost-sharing balances to help finance extrabudgetary activities. This is reflected in decision 82/18 (operative paragraph 3), as follows:

"Takes note of the intention of the Administrator to make available to the cost-sharing programmes the interest earned on cost-sharing balances for the purposes of financing non-core support costs relating to the respective programmes."

Based on the authorization granted by the Council, the Administrator has applied a formula of crediting certain interest income to those countries contributing to their programme activities by means of cost-sharing. The formula applied in respect of the first two years has resulted in relatively modest amounts (approximately \$600,000-\$700,000 per year) of interest income being credited to countries. This is due to the strict requirement that the totality of cost-sharing amounts required for any given year should be paid by Governments before the end of the previous year. However, only a few countries comply with this formula and only these countries currently benefit from the apportionment of interest income on the cost-sharing balances held by UNDP on their behalf. An alternative formulation would result in substantially larger interest income being credited to countries in connection with cost-sharing activities and this interest would be available to finance their extrabudgetary activities. In accordance with this formulation, balances of cost-sharing funds held by UNDP would be calculated on a monthly basis. According to estimates prepared by UNDP, this would result in substantially larger amounts (currently around \$3 million to \$4 million) of interest earned being distributed to countries financing activities through cost-sharing contributions and who pay in advance.

17. On the other hand, such a procedure is likely to result in negative interest for countries whose cost-sharing payments on specific projects are occasionally delayed. Therefore, in order to ensure that cost-sharing activities are not subsidized for countries which occasionally pay their contributions in arrears, the Administrator intends to charge, should the Council have no objection, such negative interest to the respective cost-sharing activities. On balance, however, the Administrator believes that the application of the revised formulation would be equitable to countries which pay their cost-sharing contributions prior to implementation of the planned activities.

18. While this formulation, if applied, would ease the financing of extrabudgetary activities in certain countries, the procedure would not resolve the issue of paying amounts due to UNDP as local office costs.



Recommendation

19. The Administrator recommends that:

The Governing Council,

(a) Take note of DP/1984/12 containing a progress report on host government contributions towards local office costs and a summary of legal opinion of host government obligations in this respect;

(b) Express appreciation to Governments that have met the target or have agreed to increase their contributions to local office costs;

(c) Reconfirm that host government contributions toward local office costs should be at least in the amount calculated by the Administrator in accordance with the formula described in paragraph 3 of DP/1984/12;

(d) Call on Governments which have not done so to announce the increase in their contributions to the minimum target;

(e) Request the Administrator to pursue vigorously negotiations with host Governments that have not yet agreed to increase their contributions towards local office costs to the minimum target, with the aim of concluding such negotiations before the end of 1984;

(f) Authorize the Administrator to establish from 1 January 1985, an accounting linkage of voluntary contributions and contributions towards local office costs as described in paragraph 15 of DP/1984/12, in respect of countries whose contributions towards local office costs will not be in accordance with the minimum target set by the waiver formula;

(g) Further authorize the Administrator, should measures described in paragraph 6 above not be sufficient to meet government obligations to local office costs to charge, from 1 January 1985 the respective IPFs of such countries whose GNP was \$1501 and above at the base year (used for calculation of the 1982-1986 IPFs) for any outstanding amount to local office costs;

(h) Take note of the Administrator's method of calculating interest on cost-sharing balances as described in paragraphs 16 and 17 of DP/1984/12 and authorize the use of the net interest income for the purpose of financing non-core support activities relating to the respective programmes; and

(i) Request the Administrator to report on progress achieved on these matters to the Governing Council at its thirty-second session.



Annex

Annex Table 1. Target Governments' contributions towards local office costs for 1984  
(Thousands of local currency units)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges <u>a/</u>			Comments
		Cash	Kind	Total	Cash	Kind	Total	
<u>Region: Africa</u>								
Angola	75	3 689	41	3 730	2 518	41	2 559	Will maintain current level
Benin	75	22 724	3 675	26 399	-	3 675	3 675	Requested exceptional additional waiver
Botswana	50	105	-	105	130	-	130	Pledged amount above target
Burundi	75	10 951	9 572	20 523	-	9 572	9 572	Reply pending <u>b/</u>
Cameroon	75	20 707	14 622	35 329	18 843	14 622	33 465	Reply re incr contribn pending
Cape Verde	75	2 569	-	2 569	-	-	-	Proposed charge IPF
Central African Republic	75	36 990	257	37 247	-	257	257	Reply pending <u>b/</u>
Chad	75	43 806	-	43 806	-	-	-	Unable to pay due to war situation
Comoros	75	8 237	6 371	14 608	-	6 371	6 371	Reply re incr contribn pending
Congo	50	41 319	10 967	52 286	16 000	10 967	26 967	Will increase contribution but not meet target
Equatorial Guinea <u>c/</u>	75	20	17	37	-	17	17	Reply pending <u>b/</u>
Ethiopia	75	413	-	413	60	-	60	Reply re incr contribn pending
Gabon	NIL	127 541	-	127 541	70 300	-	70 300	Reply re incr contribn pending
Gambia	75	57	54	111	18	54	72	Reply re incr contribn pending
Ghana <u>c/</u>	75	117	2	119	65	2	67	Reply re incr contribn pending

Annex table 1. (cont'd.) Target Governments' contributions towards local office costs for 1984  
(Thousands of local currency units)

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Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges <u>a/</u>			Comments
		Cash	Kind	Total	Cash	Kind	Total	
Guinea	75	2 061	231	2 292	5 843	231	6 074	Current level above target
Guinea-Bissau	75	541	2 750	3 291	2 750	2 750	5 500	Pledged amount above target
Ivory Coast	50	63 155	11 540	74 695	25 200	11 540	36 740	Reply re incr contribn pending
Kenya	75	2 427	-	2 427	240	-	240	Reply re incr contribn pending
Lesotho	75	78	-	78	95	-	95	Pledged amount above target
Liberia	75	35	56	91	-	56	56	Unable pay any GLOC due to economic difficulty
Madagascar	75	29 745	-	29 745	31 144	-	31 144	Pledged amount above target
Malawi	75	55	31	86	15	31	46	Agreed increase contribn but not meet target
Mali	75	65 023	-	65 023	15 000	-	15 000	Reply re incr contribn pending
Mauritania	75	5 340	-	5 340	-	-	-	Reply pending <u>b/</u>
Mauritius	75	759	-	759	650	-	650	Represents max. contribn unable meet target.
Mozambique	75	3 353	-	3 353	3 353	-	3 353	Agreed to meet target
Niger	75	17 639	13 018	30 657	8 000	13 018	21 018	Reply re incr contribn pending
Nigeria	50	337	141	478	150	141	291	Reply re incr contrib pending
Rwanda	75	6 635	-	6 635	-	-	-	Proposed charge IPF/SMF
Sao Tome and Principe	75	557	-	557	636	-	636	Pledged amount above target
Senegal	75	32 569	18 911	51 480	-	18 911	18 911	Reply pending <u>b/</u>
Sierra Leone <u>c/</u>	75	73	20	93	7	20	27	Will maintain current level

Annex table 1 (cont'd.) Target Governments' contributions towards local office costs for 1984  
(Thousands of local currency units)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges <sup>a/</sup>			Comments
		Cash	Kind	Total	Cash	Kind	Total	
Swaziland	50	139	-	139	139	-	139	Agreed to meet target
Togo	75	18 772	8 045	26 817	12 500	8 045	20 545	Reply re incr contrib pending
United Republic of Tanzania	75	639	1 728	2 367	140	1 728	1 868	Reply re incr contribn pending
Uganda <u>c/</u>	75	63	-	63	63	-	63	Agreed to meet target
Upper Volta	75	33 220	-	33 220	3 775	-	3 775	Will maintain current level
Zaire <u>c/</u>	75	97	-	97	124	-	124	Current payment above target
Zambia	75	180	-	180	36	-	36	Reply re incr contribn pending
Zimbabwe	75	63	-	63	87	-	87	Pledged amount above target
<u>Region: Europe</u>								
Cyprus	25	55	7	62	55	7	62	Agreed meet target
Greece	NIL	17 945	-	17 945	18 792	-	18 792	Pledged amount above target
Romania	25	665	283	948	425	283	708	Will maintain current level
Turkey <u>c/</u>	50	183	-	183	334	-	334	Current payment above target
Yugoslavia <u>c/</u>	25	99	-	99	71	-	71	Pledged amount below target
<u>Region: Asia and Pacific</u>								
Afghanistan <u>c/</u>	75	127	-	127	114	-	114	Pledged amount below target
Bangladesh	75	3 408	-	3 408	715	-	715	Will maintain current level and unable meet target
Bhutan	75	232	301	533	103	301	404	Pledged amount below target

Annex table 1 (cont'd.) Target Governments' contributions towards local office costs for 1984  
(Thousands of local currency units)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges <sup>a/</sup>			Comments
		Cash	Kind	Total	Cash	Kind	Total	
Burma	75	461	-	461	420	-	420	Pledged amount below target
China	75	155	-	155	420	-	420	Current payment above target and will maintain same level
Democratic People's Republic of Korea	50	102	-	102	150	-	150	Current payment above target
Fiji	50	179	-	179	15	-	15	Reply re incr contribn pending
India	75	947	1 765	2 712	2 200	1 765	3 965	Current payment above target and will maintain same level
Indonesia <sup>c/</sup>	75	47	129	176	141	129	270	Current payment above target.
Iran (Islamic Republic of)	25	69 860	-	69 860	37 230	-	37 230	50% waiver requested.
Lao People's Democratic Republic	75	1 937	733	2 670	-	733	733	Reply pending <sup>b/</sup>
Malaysia (incl. Singapore)	50	513	111	624	150	111	261	Will maintain current level
Maldives	75	188	-	188	30	-	30	Will maintain current level
Mongolia	50	231	-	231	155	-	155	Will maintain current level.
Nepal	75	1 578	-	1 578	1 627	-	1 627	Pledged amount above target
Pakistan	75	1 060	752	1 812	1 000	752	1 752	Will maintain current level
Papua New Guinea	50	103	-	103	28	-	28	Will maintain current level.
Philippines <sup>c/</sup>	50	193	52	245	391	52	443	Current payment above target and will maintain same level
Republic of Korea	50	128 511	169 255	297 766	168 000	169 255	337 255	Current payment above target and agreed to increase contribn

Annex table 1 (cont'd.) Target Governments' contributions towards local office costs for 1984  
(Thousands of local currency units)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges <u>a/</u>			Comments
		Cash	Kind	Total	Cash	Kind	Total	
Samoa	75	62	-	62	94	-	94	Pledged amount above target
Sri Lanka	75	N.A.	4 944	4 944	63	4 944	5 007	Current payment above target No further increase expected
Thailand	75	4 160	-	4 160	15 462	-	15 462	Current payment above target
Viet Nam	75	247	313	560	-	313	313	Reply pending <u>b/</u>
<u>Region: Arab States</u>								
Algeria	50	1 149	319	1 468	1 000	319	1 319	Reply re increased contribn pending
Bahrain	NIL	83	23	106	14	23	37	Will maintain current level
Democratic Yemen	75	5	37	42	-	37	37	Will increase contribn in kind but pay no cash contribn.
Djibouti	75	10 497	-	10 497	-	-	-	Reply pending <u>b/</u>
Egypt	75	140	-	140	154	-	154	Pledged amount above target
Iraq	25	167	-	167	150	-	150	Reply re incr contribn pending
Jordan	50	80	-	80	25	-	25	Will maintain current level
Kuwait	NIL	16	26	42	16	26	42	Govt. reimburses all costs with exception costs of Res. Rep. and 2 local posts.
Lebanon	50	1 752	-	1 752	-	-	-	Govt. accepted commitment in principle. No payment expected due to current civil strife
Libyan Arab Jamahiriya	NIL	125	-	125	93	-	93	Reply re incr contribn pending

Annex table 1 (cont'd.) Target Governments' contributions towards local office costs for 1984  
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Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges <u>a/</u>			Comments
		Cash	Kind	Total	Cash	Kind	Total	
Morocco	50	1 419	-	1 419	1 447	-	1 447	Pledged amount above target
Oman	25	74	11	85	74	11	85	Agreed meet target
Qatar	NIL	202		202	202	-	202	Govt. reimburses all costs with exception costs of Res. Rep. and 2 local posts
Saudi Arabia	NIL	3 365	2 400	5 765	3 365	2 400	5 765	Agreed meet target
Somalia	75	1 651	-	1 651	226	-	226	Will maintain current level
Sudan	75	186	49	235	-	49	49	Reply pending <u>b/</u> .
Syrian Arab Republic	50	1 370	-	1 370	300	-	300	Will maintain current level
Tunisia	50	95	45	140	134	45	179	Current payment above target
United Arab Emirates	NIL	346	373	719	346	373	719	Govt. reimburses all costs with exception of costs of RR and 3 local posts
Yemen	75	1 398	5	1 403	-	5	5	Reply pending <u>b/</u>
<u>Region: Latin America</u>								
Argentina <u>c/</u>	25	400	8	408	885	8	893	Current payment above target
Barbados	25	482	31	513	50	31	81	Reply re incr contribn pending
Bolivia <u>c/</u>	75	52	-	52	46	-	46	Reply re incr contribn pending
Brazil <u>c/</u>	25	465	-	465	-	-	-	Reply pending <u>b/</u>
Chile	50	27 649	14 689	42 338	12 900	14 689	27 589	Reply re incr contribn pending



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(Thousands of local currency units)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges <u>a/</u>			Comments
		Cash	Kind	Total	Cash	Kind	Total	
Colombia	50	19 794	-	19 794	1 993	-	1 993	Reply re incr contribn pending
Costa Rica	25	11 119	-	11 119	421	-	421	Will maintain current level and no increase expected.
Cuba	50	90	29	119	104	29	133	Pledged amount above target
Dominican Republic	50	246	41	287	60	41	101	Agreed make increase over current contr. but unable meet target
Ecuador	50	11 114	-	11 114	1 328	-	1 328	Reply re incr contribn pending
El Salvador	50	316	-	316	213	-	213	Agreed increase but unable meet target
Guatemala	50	359	-	359	30	-	30	Reply re incr. contribn pending
Guyana	50	185	79	264	-	79	79	Reply pending <u>b/</u>
Haiti	75	754	9	763	104	9	113	Reply re incr. contribn. pending
Honduras	75	127	16	143	150	16	166	Pledged amount above target
Jamaica	50	276	165	441	40	165	205	Reply re incr. contribn. pending
Mexico	50	31 524	-	31 524	-	-	-	Reply pending <u>b/</u>
Nicaragua <u>c/</u>	50	155	13	168	-	13	13	Reply pending <u>b/</u>
Panama	50	207	7	214	182	7	189	Reply re incr.contribn. pending
Paraguay	50	28 847	26 730	55 577	-	26 730	26 730	Reply pending <u>b/</u>
Peru <u>c/</u>	50	222	-	222	-	-	-	Reply pending <u>b/</u>

Annex table 1 (cont'd.) Target Governments' contributions towards local office costs for 1984  
(Thousands of local currency units)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges <u>a/</u>			Comments
		Cash	Kind	Total	Cash	Kind	Total	
Trinidad and Tobago	25	938	-	938	70	-	70	Reply for incr. contr pending
Uruguay <u>c/</u>	25	142	-	142	14	-	14	Reply for incr contr pending
Venezuela <u>c/</u>	25	420	-	420	58	-	58	Reply for incr contr pending

a/ For countries with pending replies the current level of contribution is shown.

b/ This remark refers to countries with no recent cash contribution towards local office costs.

c/ Refers to countries with "dollar budget".

Annex

**Annex Table 2. Target Governments' contributions towards local office costs for 1984**  
(Thousands of US dollars)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges		
		Cash	Kind	Total	Cash	Kind	Total
<b>Region: Africa</b>							
Angola	75	124.5	1.4	125.9	85.0	1.4	86.4
Benin	75	55.0	8.9	63.9	-	9.9	8.9
Botswana	50	96.3	-	96.3	119.3	-	119.3
Burundi	75	94.2	82.3	176.5	-	82.3	82.3
Cameroon	75	50.1	35.4	85.5	45.6	35.4	81.0
Cape Verde	75	33.8	-	33.8	-	-	-
Central African Republic	75	89.6	0.6	90.2	-	0.6	0.6
Chad	75	106.1	-	106.1	-	-	-
Comoros	75	19.9	15.4	35.3	-	15.4	15.4
Congo	50	100.0	26.6	126.6	38.7	26.6	65.3
Equatorial Guinea	75	20.0	17.0	37.0	-	17.0	17.0
Ethiopia	75	201.5	-	201.5	29.3	-	29.3
Gabon	NIL	308.8	-	308.8	170.2	-	170.2
Gambia	75	21.5	20.4	41.9	6.8	20.4	27.2
Ghana	75	117.0	2.0	119.0	65.0	2.0	67.0

Annex table 2 (cont'd) Target Governments' contributions towards local office costs for 1984  
(Thousands of US dollars)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges		
		Cash	Kind	Total	Cash	Kind	Total
Guinea	75	94.9	10.6	105.5	269.0	10.6	279.6
Guinea-Bissau	75	13.0	66.0	79.0	66.0	66.0	132.0
Ivory Coast	50	152.9	27.9	180.8	61.0	27.9	88.9
Kenya	75	178.5	-	178.5	17.6	-	17.6
Lesotho	75	65.5	-	65.5	79.8	-	79.8
Liberia	75	35.0	56.0	91.0	-	56.0	56.0
Madagascar	75	62.2	-	62.2	65.2	-	65.2
Malawi	75	43.0	23.8	66.8	11.7	23.8	35.5
Mali	75	78.7	-	78.7	18.2	-	18.2
Mauritania	75	96.1	-	96.1	-	-	-
Mauritius	75	60.7	-	60.7	52.0	-	52.0
Mozambique	75	82.6	-	82.6	82.6	-	82.6
Niger	75	42.7	31.5	74.2	19.4	31.5	50.9
Nigeria	50	452.3	189.3	641.6	201.3	189.3	390.6
Rwanda	75	68.9	-	68.9	-	-	-
Sao Tome and Principe	75	13.1	-	13.1	14.9	-	14.9
Senegal	75	78.9	45.8	124.7	-	45.8	45.8
Sierra Leone	75	73.0	10.0	83.0	7.0	10.0	17.0
Swaziland	50	116.8	-	116.8	116.8	-	116.8
Togo	75	45.5	19.5	65.0	30.3	19.5	49.8

Annex table 2 (cont'd) Target Governments' contributions towards local office costs for 1984  
(Thousands of US dollars)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges		
		Cash	Kind	Total	Cash	Kind	Total
United Republic of Tanzania	75	52.5	142.0	194.5	11.5	142.0	153.5
Uganda	75	63.0	-	63.0	63.0	-	63.0
Upper Volta	75	80.4	-	80.4	9.1	-	9.1
Zaire	75	97.0	-	97.0	124.0	-	124.0
Zambia	75	134.3	-	134.3	26.9	-	26.9
Zimbabwe	75	58.3	-	58.3	80.6	-	80.6
Subtotal Africa		3 778.1	832.4	4 610.5	1 987.8	832.4	2 820.2
<u>Region: Arab States</u>							
Algeria	50	249.2	69.2	318.4	216.9	69.2	286.1
Bahrain	NIL	218.4	60.5	278.9	36.8	60.5	97.3
Democratic Yemen	75	14.6	107.9	122.5	-	107.9	107.9
Djibouti	75	59.3	-	59.3	-	-	-
Egypt	75	170.4	-	170.4	187.4	-	187.4
Iraq	25	538.7	-	538.7	483.9	-	483.9
Jordan	50	217.4	-	217.4	67.9	-	67.9
Kuwait	NIL	55.0	89.3	144.3	55.0	89.3	144.3
Lebanon	50	338.9	-	338.9	-	-	-
Libyan Arab Jamahiriya	NIL	422.3	-	422.3	314.2	-	314.2

Annex table 2 (cont'd) Target Governments' contributions towards local office costs for 1984  
(Thousands of US dollars)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges		
		Cash	Kind	Total	Cash	Kind	Total
Morocco	50	179.8	-	179.8	183.4	-	183.4
Oman	25	214.5	31.9	246.4	214.5	31.9	246.4
Qatar	NIL	55.6	-	55.6	55.6	-	55.6
Saudi Arabia	NIL	967.0	689.7	1 656.7	967.0	689.7	1 656.7
Somalia	75	95.0	-	95.0	13.0	-	13.0
Sudan	75	103.9	38.3	142.2	-	38.3	38.3
Syrian Arab Republic	50	351.3	-	351.3	76.9	-	76.9
Tunisia	50	137.7	65.2	202.9	194.2	65.2	259.4
United Arab Emirates	NIL	94.8	102.2	197.0	94.8	102.2	197.0
Yemen	75	305.2	1.1	306.3	-	1.1	1.1
Subtotal Arab States		4 829.8	1 255.3	6 085.1	3 161.5	1 255.3	4 416.8
<u>Region: Asia and Pacific</u>							
Afghanistan	75	127.0	-	127.0	114.0	-	114.0
Bangladesh	75	140.4	-	140.4	29.5	-	29.5
Bhutan	75	23.2	30.1	53.3	10.3	30.1	40.4
Burma	75	56.9	-	56.9	51.9	-	51.9

Annex table 2 (cont'd) Target Governments' contributions towards local office costs for 1984  
(Thousands of US dollars)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges		
		Cash	Kind	Total	Cash	Kind	Total
China	75	78.3	-	78.3	212.1	-	212.1
Democratic People's Republic of Korea	50	46.6	-	46.6	68.5	-	68.5
Fiji	50	175.5	-	175.5	14.7	-	14.7
India	75	94.1	175.4	269.5	218.7	175.4	394.1
Indonesia	75	47.0	129.0	176.0	141.0	129.0	270.0
Iran (Islamic Republic of)	25	797.6	-	797.6	425.0	-	425.0
Lao People's Democratic Republic	75	55.9	21.2	77.1	-	21.2	21.2
Malaysia (incl. Singapore)	50	219.2	47.4	266.6	64.1	47.4	111.5
Maldives	75	26.9	-	26.9	4.3	-	4.3
Mongolia	50	68.1	-	68.1	45.7	-	45.7
Nepal	75	106.6	-	106.6	109.9	-	109.9
Pakistan	75	79.5	56.4	135.9	75.0	56.4	131.4
Papua New Guinea	50	121.2	-	121.2	32.9	-	32.9
Philippines	50	193.0	52.0	245.0	391.0	52.0	443.0
Republic of Korea	50	163.7	215.6	379.3	214.0	215.6	429.6

Annex table 2 (cont'd) Target Governments' contributions towards local office costs for 1984  
(Thousands of US dollars)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges		
		Cash	Kind	Total	Cash	Kind	Total
Samoa	75	38.8	-	38.8	58.8	-	58.8
Sri Lanka	75	-	202.5	202.5	2.6	202.5	205.1
Thailand	75	181.2	-	181.2	673.4	-	673.4
Vietnam	75	20.7	26.2	46.9	-	26.2	26.2
Subtotal Asia and the Pacific		2 861.4	955.8	3 817.2	2 957.4	955.8	3 913.2
<u>Region: Latin America</u>							
Argentina	25	400.0	8.0	408.0	885.0	8.0	893.0
Barbados	25	241.0	15.5	256.5	25.0	15.5	40.5
Bolivia	75	52.0	-	52.0	46.0	-	46.0
Brazil	25	465.0	-	465.0	-	-	-
Chile	50	321.5	170.8	492.3	150.0	170.8	320.8
Colombia	50	229.3	-	229.3	23.1	-	23.1
Costa Rica	25	264.1	-	264.1	10.0	-	10.0
Cuba	50	103.7	33.4	137.1	119.9	33.4	153.3
Dominican Republic	50	246.0	41.0	287.0	60.0	41.0	101.0



Annex table 2 (cont'd) Target Governments' contributions towards local office costs for 1984  
(Thousands of US dollars)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges		
		Cash	Kind	Total	Cash	Kind	Total
Ecuador	50	133.9	-	133.9	16.0	-	16.0
El Salvador	50	80.0	-	80.0	53.9	-	53.9
Guatemala	50	359.0	-	359.0	30.0	-	30.0
Guyana	50	61.7	26.3	88.0	-	26.3	26.3
Haiti	75	150.8	1.8	152.6	20.8	1.8	22.6
Honduras	75	63.5	8.0	71.5	75.0	8.0	83.0
Jamaica	50	89.0	53.2	142.2	12.9	53.2	66.1
Mexico	50	198.7	-	198.7	-	-	-
Nicaragua	50	155.0	130.0	168.0	-	13.0	13.0
Panama	50	207.0	7.0	214.0	182.0	7.0	189.0
Paraguay	50	180.3	167.1	347.4	-	167.1	167.1
Peru	50	222.0	-	222.0	-	-	-
Trinidad and Tobago	25	390.8	-	390.8	29.2	-	29.2
Uruguay	25	142.0	-	142.0	14.0	-	14.0
Venezuela	25	420.0	-	420.0	58.0	-	58.0
Subtotal Latin America		5 176.3	545.1	5 721.4	1 810.8	545.1	2 355.9

Annex table 2 (cont'd) Target Governments' contributions towards local office costs for 1984  
(Thousands of US dollars)

Country	Waivers %	Target GLOC based on 1984/85 budget estimates			Governments' pledges		
		Cash	Kind	Total	Cash	Kind	Total
<u>Region: Europe</u>							
Cyprus	25	101.9	13.0	114.9	101.9	13.0	114.9
Greece	NIL	183.1	-	183.1	191.8	-	191.8
Romania	25	48.1	20.5	68.6	30.7	20.5	51.2
Turkey	50	183.0	-	183.0	334.0	-	334.0
Yugoslavia	25	99.0	-	99.0	71.0	-	71.0
Subtotal Europe		615.1	33.5	648.6	729.4	33.5	762.9
Grand Total All Regions		17 260.7	3 622.1	20 882.8	10 646.9	3 622.1	14 269.0

Annex

Annex Table 3.<sup>a/</sup> Voluntary contributions adjusted by shortfall in contributions to Local Office Costs  
(Thousands of US dollars)

Country	Local cost <sup>b/</sup> component of total field office costs	Target for Contribution to Local Office Costs		Government contribution to field office cost (in cash and in kind)	Excess/shortfall of actual contribution over target (col.5 minus col.4)	Voluntary contributions to UNDP	Adjusted voluntary <sup>c/</sup> contribution (col.7 as adjusted by col.6)
		Waiver (%)	Target contribution (\$)				
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8
A	620	75	155	20	- 135	70	-
B	360	75	90	-	- 90	-	-
C	1 300	50	650	170	- 480	760	280
D	630	25	470	250	- 220	760	540
E	440	50	220	200	- 20	50	30
F	1 200	0	1 200	1 200	- 0	2 500	2 500
G	1 150	75	290	180	- 110	7 900	7 790
H	670	50	335	600	+ 265	700	700
I	460	75	115	30	- 85	200	115
J	1 280	25	965	860	- 105	2 200	2 095
K	1 550	0	1 550	180	- 1 370	3 000	1 630
L	380	50	190	140	- 50	800	750

<sup>a/</sup> Reproduced from DP/1982/21/Add.3 with some modifications.

<sup>b/</sup> As distinct from total office costs which include international staff cost and international travel.

<sup>c/</sup> Does not show negative voluntary contribution if amount insufficient to meet shortfall, nor does it show increase of voluntary contribution in case of excess above minimum target.

