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POLICY

FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

TRUST FUNDS

Trust funds conditioned on procurement from a donor country

Report of the Administrator

Summary

This document contains the comprehensive report, requested by decision 83/32, on the results of the exercise by the Administrator of the authority granted to him by decision 82/5, and extended to 30 April 1984 by decision 83/32, to accept trust funds conditioned on procurement from a donor country in respect of the operations of UNSO, UNCDF and UNFSSTD. The document, which also contains the Administrator's recommendations in the light of the experience gained during the experimental period, incorporates all relevant information available as of 5 February 1984. Any further information which becomes available relating to the experimental period ending 30 April 1984 will be provided in an addendum to this document.

CONTENTS

		<u>Page</u>
	Introduction	3
<u>Chapter</u>		
I.	APPLICATION OF AUTHORITY GRANTED TO THE ADMINITRATOR	3
II.	PROJECT AGREEMENTS	
	A. United Nations Capital Development Fund	4
	B. United Nations Sudano-Sahelian Office	6
	C. United Nations Financing System for Science and Technology for Development	7
III.	EVALUATION OF EXPERIENCE 1982-1984	10
IV.	RECOMMENDATION OF THE ADMINISTRATOR	13
<u>Annex</u>		
Table 1.	<u>Summary of projects financed by contributions conditioned on procurement in a donor country</u>	
	A. <u>UNCDF</u>	
	B. <u>UNSO</u>	
	C. <u>UNFSSTD</u>	
Table 2.	<u>Relationship between voluntary contributions and contributions conditioned on procurement in a donor country - by Fund and by donor</u>	
	A. <u>UNSO and UNCDF</u>	
	B. <u>UNFSSTD</u>	
Table 3.	<u>Geographical distribution of resources conditioned on procurement in a donor country</u>	
Table 4.	<u>Sectoral distribution of resources conditioned on procurement in a donor country</u>	

Introduction

1. At its twenty-ninth session in 1982, the Governing Council adopted decision 82/5 authorizing the Administrator to accept trust funds conditioned on procurement from a donor country in respect of the operations of the United Nations Sudano-Sahelian Office (UNSO), the United Nations Capital Development Fund (UNCDF) and the United Nations Financing System for Science and Technology for Development (UNFSSTD). This authority was limited to a period of one year.

2. At its thirtieth session in 1983, the Governing Council adopted decision 83/32 which extended the authority of the Administrator to accept such trust funds until 30 April 1984. The Council prescribed that, in exercising this authority, the Administrator bear in mind the comments made by the members of the Budgetary and Finance Committee (BFC) during their discussion of this subject. The decision requested the Administrator to submit a comprehensive report on the results of the experimental period, together with his recommendations, to the thirty-first session of the Council.

3. This report covers information available and agreements reached as of 5 February 1984. Should further information become available, or other agreements be concluded before the expiration of the authority on 30 April 1984, this will be communicated to the Council in an addendum to this document.

I. APPLICATION OF THE AUTHORITY GRANTED TO THE ADMINISTRATOR

4. In the course of the discussion of this matter in the Budgetary and Finance Committee at the thirtieth session, the Administration committed itself to respecting the tenor of the debate and the spirit of the consensus in the implementation of the authority granted. Accordingly, in exercising this authority, the Administrator has, in his judgement, applied operational guidelines in conformity with the commitment that was given to the Committee.

5. As regards UNSO and UNCDF, these guidelines were that the donor must also contribute to the general resources of the organization to which a contribution conditioned on procurement in the donor country was provided; that the annual contribution of the donor to UNDP's general resources, expressed in the national currency, must not be less than the amount of its contribution for the immediately prior year; and that its total annual contributions to each of the organizations mentioned above which are conditioned on procurement in the donor country may not exceed 20 per cent of the combined amount of the donor's contributions to the general resources of UNDP and to the respective organizations for the same year.

6. As regards UNFSSTD, the donor must be a contributor to the general resources of UNFSSTD and its total contributions to UNFSSTD conditioned on procurement in a donor country may not exceed the level of untied contributions of that donor country to UNFSSTD during the interim and

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transitional periods. The ceiling established for accepting tied contributions from a particular donor represents the same ratio as that established for the Financing System between its core and non-core resources. Given the fact that pledges to UNFSSTD have been given on a multi-year basis and with wide variations from year to year, the total untied contribution has been established as the base for comparison.

7. Annex table 2.A (for UNSO and UNCDF) and annex table 2.B (for UNFSSTD) demonstrate that the Administrator has complied with the operational guidelines proposed. A number of clarifications may be useful. Two countries appear on annex table 2.A as contributors of "tied aid" which have not fulfilled the conditions required. In both cases, negotiations had already been entered into prior to decision 83/32 and had in fact been reported to the Council in document DP/1983/50. It was the Administrator's understanding that he should not go back on understandings entered into with Governments prior to June 1983 and reported to the Council at that time, but that he should apply the guidelines thereafter.

8. With respect to all three funds, the amounts shown as contributions conditioned on procurement represent that part of the total contribution which is to be used for procurement in the donor country. With respect to UNSO and UNCDF, contributions for multi-year projects conditioned on procurement in the donor country have been annualized on the basis of project budgets so as to be compatible with ceilings established on the basis of the present level of the annual voluntary contribution made by the donor. In establishing ceilings for future years, the Administrator has not assumed any increases in future contributions to UNDP or to the respective fund. The method of annualizing project costs financed from donor-tied contributions automatically limits to the same extent the possibilities of accepting such contributions in future years. With respect to UNSO, the majority of contributions have traditionally been earmarked for specific projects. This is the consequence of the modus operandi of UNSO which in most cases entails first the elaboration of a project and then the mobilization of the necessary funds for the project from recipient and donor countries. The Administrator has taken account of this in establishing the ceilings for UNSO.

II. PROJECT AGREEMENTS

A. United Nations Capital Development Fund

9. As of 5 February 1984, UNCDF had signed trust fund agreements with the Governments of Austria, Belgium and Italy. In each case, the donors have not reached their respective established annual ceilings (see annex table 2.A). Financial information on each project is provided in annex table 1.

10. A project to construct regional slaughterhouses in Mali will establish one at Segou and one at Sikasso. Both are important livestock-producing centres which, however, lack adequate processing facilities. The only

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operational facilities in Mali are a slaughterhouse at Kayes, financed by UNCDF, and slaughterhouses at Bamako and Mopti, financed by the European Development Fund and USAID respectively. Each of the proposed slaughterhouses will have a full range of processing facilities and equipment, as well as an independent water supply, generator, waste treatment plant and access road. The meat-vending section of the main markets at Segou and Sikasso will also be rebuilt and equipped. Detailed engineering designs and construction will be financed by UNCDF general resources. Topographical surveys, borehole drilling and power hook-ups will be carried out by the Government. UNDP will finance technical assistance costs. The trust fund contribution is to finance the procurement of slaughterhouse equipment.

11. A project for the construction and maintenance of secondary roads is part of the road construction programme of the Government of Niger initiated in 1980 with the assistance of UNCDF, UNSO and the Government of the Netherlands. This programme is aimed at constructing and maintaining some 800 kilometres of secondary roads in the Sahelian zone. The financing of the brigade to implement this project was assured by a project-tied contribution from the Netherlands of \$4,000,000, an UNSO contribution of \$29,000 and a UNCDF contribution of \$2,250,000. At the expiration of this initial financing in June 1983, a total of 184 kilometres of priority secondary roads had been completed. An evaluation of the programme in late 1981 concluded that it was necessary to create and equip a second construction brigade in order to double output so as to complete 615 kilometres by the end of 1985. Over a period of 32 months, the second construction brigade will build 224 kilometres of secondary roads in an isolated region in the northern part of Niger where the population is engaged in subsistence agriculture and is presently without access to basic social services or markets. UNCDF will finance from its general resources additional equipment needed by the brigade (e.g. trailers, liaison vehicles and laboratory materials), while the UNSO contribution will finance technical assistance, fuel and labour costs and construction materials. The trust fund will finance necessary heavy road construction equipment. Regarding the first brigade, agreements with the African Development Bank (ADB), in collaboration with the Government of Norway, and with the African Development Fund (ADF) will enable the brigade to complete the road already under construction, bringing it to the Malian border, to other feeder roads and thus providing vital supply routes and important markets.

12. A project for the rehabilitation of rural water supplies in the Lower Shebelli and Bay Regions of Somalia is designed to rehabilitate 33 rural water reservoirs which were constructed in 1970-1976 in order to collect and provide water for the livestock of the nomads during the dry season, and to provide the National Range Agency with essential equipment, materials and know-how for rehabilitation and maintenance works. The aim of the project is to contribute towards improving the living conditions of about 700,000 nomads and to increase livestock exports and the foreign exchange earnings of the country. UNDP will finance technical assistance costs. The trust fund contribution

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will be used for the procurement of heavy construction equipment and materials, as well as for the construction costs. UNDP, UNSO, and the Food and Agriculture Organization (FAO) will extend technical assistance to the project over a period of two years.

13. A project for rice irrigation in the Timbouctou Region in Mali will reclaim some 600 hectares of rice field through the introduction of pump irrigation. These fields were abandoned several years ago because of periodic droughts and floods. The project extends over some 40 kilometres along the Niger River and comprises 9 plains with some 6,000 inhabitants. The land is cultivated on a communal basis and is, by tradition, considered to belong to the village in each plain. Rice and sorghum are the main crops. The introduction of pump irrigation requires some land clearing and leveling, digging of canals, construction of basins for reception and distribution of water, and building of earth dikes for flood protection. This work will be done by village self-help labour, who will receive food aid from the World Food Programme. Supporting technical assistance is being financed by UNDP, consisting of two United Nations volunteers: a mechanic to train selected villagers in the operation and basic repair and maintenance of the pumps; and an accountant to assist local authorities in establishing and administering a revolving fund from which participating farmers may obtain certain inputs on credit (e.g. diesel fuel and lubricants for the pumps, as well as such production inputs as seeds, fertilizers and insecticides). UNCDF will be financing transportation equipment and operational costs. The trust fund contribution is to enable the purchase of irrigation equipment essential to the success of the project.

B. United Nations Sudano-Sahelian Office

14. As of 5 February 1984, UNSO had secured the firm commitment of three donor Governments for five projects. The three Governments concerned, those of Canada, Finland and Italy, have not reached their respective established annual ceilings (see annex table 2.A). Financial information on each project is available in annex table 1.

15. Two projects concern the programme for the construction and maintenance of secondary roads, in Senegal and Niger respectively. The project in Senegal will enable the construction of some 181 kilometres of road. The trust fund contribution will finance technical assistance, the equipment needed by the brigade, construction materials, and labour and fuel costs. The project in Niger has already been described in paragraph 11 above.

16. A project for the establishment of fuelwood plantations in Ethiopia has three principal objectives: to provide an expert to assist in forestry administration and finance; to establish 200 hectares of fuelwood plantations as an initial step towards a full-scale plantation programme; and to strengthen the existing nursery in Dese to an annual seedling production

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capability of 3.5 million. The trust fund contribution is to finance the technical assistance component and certain local labour, equipment and operating costs.

17. A project to finance cartography and pedological studies in Senegal is critical to enable the implementation of a reafforestation programme to control salinization in the region of Sine-Salloum. The trust fund contribution will finance the aerial photography required, the interpretation of the results, the pedological study and certain local costs.

18. A project to finance a programme of action to control desertification in Northern Cameroon aims to protect the environment and the natural resources of the region through better planning mechanisms and the establishment of appropriate programmes. Support is to be provided to the Provincial Committee for the Struggle against Desertification in the North to assist it in the preparation of its programme and in the elaboration of specific projects. The trust fund contribution is to finance four experts in planning and forestry, a number of scholarships and training schemes, and the purchase of some heavy equipment (tractors, trucks and vehicles).

C. United Nations Financing System for
Science and Technology for Development

19. As of 5 February 1984, UNFSSTD had accepted three trust fund contributions from the Governments of Italy and Norway for three projects. UNFSSTD has secured the firm commitment of the Government of Italy for eight further projects. Neither donor has reached its respective established annual ceiling (see annex table 2.B). Financial information on each project is available in annex table 1.

20. A project to establish the Beijing Institute for Computer Software has three related objectives: to provide research and training facilities for software engineers, systems designers and technicians; to broaden the area of computer applications in the economy; and to develop a software development teaching curriculum based on national end-user requirements. The trust fund contribution is to finance the provision of expert and training services and computer facilities.

21. A project to establish a technological information pilot system will explore the technical and economic feasibility of a scientific and technological information exchange system among a limited number of developing countries. The promotion of Economic Co-operation among Developing Countries (ECDC) and Technical Co-operation among Developing Countries (TCDC) is a major objective of this project. The output of the preparatory phase will be the complete design of the pilot system. The trust fund is to finance experts and appropriate surveys in each of the participating countries for identification of user needs.

22. A project to strengthen the national capacity for mineral prospection and development in Costa Rica is designed to train local personnel in modern techniques of different phases of the exploration of uranium and other minerals (reconnaissance and semi-detailed level of surveys), to survey a selected project area of 6,000 square kilometres and to assess the actual resources of uranium and other minerals in a preliminary way. The inputs provided by the trust fund include 51 work-months of expert and consultant services, 20 work-months of training, a subcontract for the analysis of samples in external laboratories, and laboratory and field equipment.

23. The purpose of an interregional project for project formulation and design is to co-finance the cost of joint technical missions to Sudan, Lesotho, the Sahel region, Malaysia, Indonesia and Latin America (Andean Pact countries). The purpose of each mission is to finalize specific projects, requested by Governments, which will enhance the scientific and technological capabilities of the countries/regions concerned and which will be considered for implementation through trust fund arrangements between UNFSSD and the donor Government. Most of the missions have now taken place and have resulted in the finalization of the project documents in respect of the projects described below in Indonesia, Malaysia, Mali, Mauritania and Niger.

24. The first phase of the project for the application of technologies appropriate for rural areas in Indonesia assessed the suitability for widespread dissemination of 12 available and new rural technologies for improving village water supplies, reducing post-harvest food losses and generating cheaper energy yields from renewable sources. The second phase of the project will use the results obtained from the first phase to implement technologies at the village level through a programme for manufacturing, adapting and applying technologies in a representative variety of disadvantaged rural communities. The trust fund will finance technical assistance and the purchase of workshop equipment, laboratory instrumentation, processing and packaging equipment and measuring apparatus.

25. The project in Malaysia concerns an integrated programme for the derivation and rural application of energy from agro-animal waste source. Heavy pollution hazards caused by effluents and by-products from Malaysia's palm oil and agricultural industries could be reduced through the large-scale exploitation of such waste material for energy. The project aims to establish two energy-producing pilot plants utilizing palm oil and agro-animal wastes, to be located in affected areas, in order to demonstrate the feasibility of these fuel sources for rural development programmes. The trust fund will finance pilot plant equipment (digesters, electrical conversion systems) and 48 work-months of training. Funds will also be allocated for a research sub-project.

26. The project to strengthen the national capacity for technology planning and promotion in Mali is designed to initiate a technology planning process involving all existing science and technology institutions, both private and

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public, as well as to establish a focal point within the Government to co-ordinate these activities. The project will prepare recommendations aimed at identifying priorities and strengthening national scientific and technological capacities. Attention will be given in particular to the adaptation and transfer of technology, to the exchange of technological information and to the financing and promotion of scientific and technological activities. The trust fund will finance principally an expert and 10 work-months of consultant services, and provide training.

27. The project to assess and plan energy technologies in Mauritania will strengthen the technical capacity of the Centre for Alternative Energy Studies to identify, select and evaluate ongoing and future activities in renewable energy. The project aims to make recommendations for inclusion as part of the national strategy for the development and utilization of renewable energy. The trust fund will principally finance the cost of an expert for two years and the services of a United Nations volunteer and will also provide training.

28. The project to establish a National Centre for Agricultural Machinery in Niger seeks to establish this centre at an operational level. Research and development will be oriented towards improving the existing machinery, adapting the machinery for particular soil characteristics, and disseminating the results, as appropriate. There will be a particular emphasis in this project on the improvement and adaptation of animal-drawn implements. The trust fund will principally finance technical assistance and provide the equipment for a mechanical workshop and equipment for general testing.

29. The project to assist in the assessment and planning of rural energy technologies in Niger will provide support to the relatively new ministry responsible for energy matters. The project will assess present policies and practices regarding the application of rural energy technologies at the village level and make recommendations to be included in the national energy policy. The trust fund will finance the costs of an expert and will also provide training.

30. The project on applied farming research in different ecological zones in Niger aims to optimize farming in each of Niger's four major ecological zones. Research in the country's major crops (millet, sorghum, niébé and groundnuts) will be conducted on farms so as to define basic technological packages (variety, inputs application, cultivation methods, pest control) suited to each ecological zone. The research is intended to contribute to increased food production in Niger. The trust fund will finance the costs of an agronomist and a United Nations volunteer and will also provide for technical assistance and training through a subcontract.

III. EVALUATION OF EXPERIENCE 1982-1984

31. An evaluation of the experience with respect to the impact of contributions conditioned on procurement in the donor country comprises two elements. The first consideration refers to the concerns expressed in the BFC during the thirtieth session of the Governing Council with regard to the potential impact of this mandate on UNDP. The second element concerns the nature and significance in programming terms of the resources made available by this mandate to developing countries.

32. Before offering an evaluation in regard to either of these elements, it is important to reconfirm what was already evident at the thirtieth session of the Governing Council: namely, that such new modalities require a considerable lapse of time to be implemented. One reason for this is that the funds in question (UNFSSTD, UNCDF, UNSO) are often dealing with new segments of national donor administrations. Another reason has been the need to elaborate certain new procedures with donor Governments and within the UNDP administration.

33. A major thrust of the concern expressed in the BFC at the Council's thirtieth session was that a renewal of the mandate challenged certain fundamental principles of multilateral co-operation. Furthermore, there could be a negative impact on funding for the general resources of UNDP.

34. The Administrator wishes to emphasize that tied procurement was not applied to UNDP itself. At stake are three funds, each with very particular characteristics. The role of UNCDF is to provide capital assistance to smaller-scale projects, first and foremost in the least developed countries. UNSO has been given the specific mandate to assist the countries of the Sudano-Sahelian region which suffer from protracted drought and advancing desertification. It is important to note that the mobilization of resources to the Sudano-Sahelian region is in itself a critical part of UNSO's mandate. This has traditionally been effected through a very close collaboration with bilateral funding.

35. UNFSSTD has from its very inception been conceived with financing arrangements different from those traditional in the United Nations system. All negotiations concerning financial arrangements have been predicated on the separate character of core and non-core resources: the former being traditional untied contributions to general resources; the latter being, for example, loans, and contributions tied to procurement from the donor country.

36. The Administrator concludes that the three funds have very specific mandates, UNCDF and UNSO being, to a significant extent, capital-oriented. The mobilization of resources by these three funds to implement their mandates, which traditionally has included attracting bilateral sources of financing, puts **the use of the modality** of contributions conditioned on procurement in the donor country in a specific and limited context. The

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Administrator considers the use of this modality by these three funds as complementary to UNDP's activities. Rather than endangering or weakening UNDP's central role, the channelling of funds through its machinery can serve to strengthen UNDP's co-ordinating role. Closer association with UNDP's role at the country level may increase a donor's confidence in UNDP and in this way lead to increased contributions to general resources.

37. A further serious concern has been expressed: that is, the risk that the acceptance of tied contributions may detract from contributions to central resources. With this in mind, as discussed above, a member proposed at the BFC in 1983 a number of conditions that should be attached to the acceptance of such contributions. Annex table 2 summarizes the performance of all the donors concerned in this respect. It is evident that the conditions imposed preclude resources being diverted from general resources. The Administrator notes that the conditions have been respected as of commitments entered into after the adoption of decision 83/32.

38. Given the long lead-times required to establish the trust funds and to initiate project activities, it is particularly difficult to provide at this stage a substantive evaluation in programming terms of the resources made available by decisions 82/5 and 83/32. Regarding operative paragraph 3(e) of decision 83/32, which requests information on the estimated cost of goods and services purchased with "tied funds" in relation to that which would have prevailed had normal UNDP practices been applied, the Administrator notes that to date a very limited number of contracts have been signed. Bids in connection with tied procurement have to date not differed in any significant way from bids received under international competitive bidding procedures.

39. It is possible to draw certain conclusions with respect to the geographical and sectoral distribution of the additional resources (see annex tables 3 and 4). All of the resources mobilized by UNSO and UNCDF have been to the benefit of countries hardest hit by drought and desertification. Commitments have been secured for 10 projects in 6 countries: Cameroon, Ethiopia, Mali, Niger, Senegal and Somalia. The resources mobilized by UNFSSTD naturally cover a broader range of countries: three in Asia, one in Latin America, five in Africa, as well as two interregional projects. Even here, however, it is noteworthy that the five projects in Africa are for three countries suffering from drought and desertification: Mali, Mauritania and Niger. The Administrator concludes that the use of this modality by UNSO and UNCDF has served to reinforce the least developed country orientation of the indicative planning figure (IPF) system, and to strengthen the efforts of the international community to concentrate aid to those countries suffering from drought and desertification.

40. The sectoral distribution of the resources reflects the large element that is being channelled to respond to drought and desertification. All of the UNSO and UNCDF projects are designed in response to these problems. They relate to reafforestation, agricultural production, water supply and

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irrigation, specific desertification programmes and road construction. Five out of 10 UNFSSTD projects also display a focus on the rural application of technologies, specifically in the food and energy sectors. More generally, UNFSSTD has concentrated on the twin objectives of building up national technological capacities and of introducing a TCDC/ECDC element to ensure that experience gained with specific technologies in a particular country are available for optimal utilization elsewhere. Consequently, UNFSSTD ensures a substantial training and dissemination component in all of its projects. Dissemination is achieved through publications, workshops and fellowships.

41. Experience with the actual implementation of projects financed from tied trust funds remains much too limited to draw any firm conclusions. The Administrator only offers observations concerning two programmes. The trust fund for the establishment of the Beijing Institute for Computer Software was signed in February 1983. One year has elapsed on which to assess progress on implementation to date. The Administrator notes that the project has been implemented to the full satisfaction of the Chinese authorities, of the donor and of UNFSSTD. The computers were delivered within a very short period after signature of the trust fund agreement; training curricula and materials were prepared; and the Institute was officially opened in October 1983.

42. The Administrator also wishes to draw the attention of the Council to the programme for the construction and maintenance of secondary roads in the Sudano-Sahelian region. UNSO and UNCDF had ongoing programmes prior to the mandates established by decisions 82/5 and 83/32. These special trust fund agreements have enabled the two funds to pursue their activities in Niger and Senegal in close collaboration with each other.

43. Since the beginning of construction operations in 1978, more than 1,700 kilometres of modern, all-weather gravel roads have been built in six Sahelian countries at very competitive costs. Due to strict construction standards, and with a minimum of yearly maintenance, they have been kept, so far, in excellent condition.

44. The benefits to the populations in the areas of influence of these roads are evident. Exchanges and communications have developed where, due to practically impassable terrain, almost none existed before; village markets have been given new impetus; and new income-generating activities have been created or expanded (fishing and salt ponds in the coastal villages of Sine Salloum in Senegal, goats and cattle in the areas of Nara in Mali, Kao Tchin Tabaraden in Niger, and lime kilns using sea shells in Casamance). The town of Nara in northern Mali is now a few hours drive from Bamako; before, it took at least two days for a four-wheel drive vehicle. In such places, the price of such commodities as rice has greatly decreased, while the villagers can now sell their goats and cattle at better prices. In the lower Casamance of Senegal, large trucks and even semi-trailers come to collect the mangoes which the region produces in abundance but had no way to take to market. On all these new roads, taxi services have developed, providing fast access to

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hospital and other social services. In brief, the roads built in the Sahel by the feeder roads programme are providing access to populations which were previously isolated during at least the three-month rainy season; some were isolated year-round by vast, practically impassable expanses of fine sand. In periods of famine, it was sometimes impossible to transport relief food to these populations. A minimum transport infrastructure was a primary condition for survival and development.

45. The problem of ensuring that these roads do not deteriorate is a priority concern of the recipient countries and of the managements of UNSO and UNCDF. The Administrator is convinced that a renewed mandate to accept tied trust fund contributions could play a critical role in ensuring that the feeder road network is completed and in sustaining the necessary maintenance programme. In order to assess the socio-economic benefits from these roads, an "ex post" impact study is being prepared by OPE for UNSO. The Administrator hopes to be able to report orally on the findings of that study to the BFC at the thirty-first session.

46. It is the opinion of the managements of all three funds that the projects agreed upon could not have become operational had it not been for the use of the authority granted under decisions 82/5 and 83/32.

47. Finally, the Administrator wishes to emphasize that the selection of individual projects resulted in the first place from consultations between UNDP and the recipient Government concerned. No distortions were imposed by donors, and the procedures applied, priorities, and project appraisals and approvals were identical, whether projects were conditioned on procurement from a donor country or funded from the general resources of each fund.

IV. RECOMMENDATION OF THE ADMINISTRATOR

48. The Administrator concludes that the authority granted under decisions 82/5 and 83/32 in his opinion has not distorted the basic principles of multilateralism of UNDP, but has enabled the three funds to provide additional assistance of significant importance, mainly for the basic needs of populations most affected by drought and desertification in the least developed countries. The Administrator is firmly convinced that it would be detrimental, in particular to those populations most in need, if the mandate were not extended. Since a final assessment requires further experience, the Administrator proposes that the mandate be extended for a further two years until 30 April 1986. The Administrator will in 1985 be reporting on all trust funds established in 1984, including those conditioned on procurement in the donor country. The Administrator proposes to prepare a further comprehensive report for the Governing Council in 1986 on all trust funds conditioned on procurement in the donor country.

Annex

Table 1. Summary of projects financed by contributions conditioned on procurement in the donor country

A. UNCDF

Recipient	Donor	Project title	Date of agreement ^{a/}	Duration	Total project	UNCDF Trust Fund		Other UNCDF financing	Other sources
						Tied	Untied		
(Millions of \$US)									
Mali MLI/82/C04	Belgium	Construction of Regional Abattoirs in Ségou and Sikasso	30 June 1983 ^{b/}	3 years	2.15	0.28	0.03	1.60	0.13 UNDP 0.11 Govt.
Niger NER/82/C06	Italy	Construction and Maintenance of Priority Feeder Roads	7 Sept. 1983 ^{b/}	2.6 years	10.24	1.88	0.21	2.40	3.97 UNSO 1.78 ADF loan to Niger
Somalia SOM/81/C03	Italy	Rehabilitation of Rural Water Reservoirs	7 Sept. 1983 ^{b/}	4 years	4.96	1.14	1.86	-	0.53 UNDP 1.43 Govt.
Mali MLI/83/C06	Austria	Rice Irrigation in Timbuctou Province	12 Oct. 1983 ^{b/}	2 years	0.945	0.45	0.05	0.15	0.14 UNDP 0.155 Govt.

^{a/} Unless otherwise indicated, the date given represents the date on which the donor Government's written commitment to contribute to the project was received.

^{b/} Date of signature of trust fund agreement.

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Table 1. (Cont'd.) Summary of projects financed by contributions conditioned on procurement in the donor country

B. UNSO

Recipient	Donor	Project title	Date of agreement ^a /	Duration	Total project	UNSO Trust Fund		Other UNSO financing	Other sources
						Tied	Untied		
(Millions of \$US)									
Senegal UNSO/SEN/83/S01	Italy	Feeder Road Construction and Maintenance Programme (Second Brigade)	3 June 1983	4 years	8.49	5.21	3.04	-	0.24 Govt.
Niger UNSO/NER/83/S01	Italy	Feeder Road Construction and Maintenance Programme (Second Brigade)	3 June 1983	3 years	10.24	1.79	2.18	-	4.49 UNCDF 1.78 ADF loan to Niger
Niger UNSO/CILSS/NER/401	Norway/ ADB	Feeder Road Construction and Maintenance Programme (First Brigade)	8 June 1983	2 years	4.68	1.1	1.4	-	1.4 Govt. 0.78 ADB loan to Niger
Ethiopia UNSO/ETH/83/X01	Finland	National Institutional Support and Fuelwood Plantation Establishment in Dese	11 May 1983	3 years	0.77	0.24	0.26	-	0.27 Govt.
Senegal UNSO/SEN/83/X02	Canada	Cartography and Pedalogical Studies for the Project "Reafforestation to Control Salinization in Sine-Saloum"	21 Nov. 1983	1 year	0.15	0.12	-	.03	-
Cameroon UNSO/CMR/83/X01	Italy	Programme of Action to Control Desertification in North Cameroon	21 Dec. 1983	3 years	3.98	0.66	1.95	-	1.37 Govt.

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Table 1 (Cont'd.)

Table 1. (Cont'd.) Summary of projects financed by contributions conditioned on procurement in the donor country

C. UNFSSTD

Recipient	Donor	Project title	Date of agreement ^a /	Duration	Total project	UNFSSTD Trust Fund		Other UNFSSTD financing	Other sources
						Tied	Untied		
(Millions of \$US)									
China CPR/82/T03	Norway	Establishment of the Beijing Institute for Computer Software	1 Feb. 1983 ^b /	2 years	1.31	1.0	0.31	-	-
Interregional INT/83/T01	Italy	Technological Information Pilot System, Preparatory Phase	2 Feb. 1984 ^b /	15 months	1.47	0.68	0.79	-	-
Interregional	Italy	Project Formulation and Design	8 April 1983	1 year	0.13	0.13	-	-	-
Indonesia INS/80/T01	Italy	Application of Technologies Appropriate for Rural Areas	21 Dec. 1983	4 years	2.19	1.55	0.64	-	-
Costa Rica COS/81/T01	Italy	Strengthening National Capacity in Mineral Exploration	21 Dec. 1983	1.5 years	0.65	0.38	0.27	-	-
Malaysia MAL/83/T01	Italy	Agricultural Wastes Utilization for Production of Energy and Chemical Products	21 Dec. 1983	5 years	2.60	2.18	0.42	-	-
Mali MLI/83/T01	Italy	Strengthening National Capacity for Technology Planning and Promotion	25 Oct. 1983	2 years	0.42	0.20	0.22	-	-
Mauritania MAU/83/T01	Italy	Assessment and Planning of Energy Technologies	25 Oct. 1983	2.5 years	0.53	0.28	0.25	-	-
Niger NER/83/T02	Italy	Establishment of a National Centre of Agricultural Machinery	25 Oct. 1983	2.5 years	0.66	0.34	0.32	-	-
Niger NER/83/T03	Italy	Assessment and Planning of Rural Energy Technologies	25 Oct. 1983	2 years	0.42	0.28	0.14	-	-
Niger NER/83/T04	Italy	Applied Farming Research to Different Ethnological Zones	25 Oct. 1983	3 years	0.47	0.25	0.22	-	-

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Table 2. Relationship between voluntary contributions and contributions conditioned on procurement in a donor country - by Fund and by donor
(Millions of \$US or of local currency)

A. UNSO and UNCDF

I. Voluntary Contributions, not conditioned on procurement in a donor country

	Austria	Belgium	Canada	Finland	Italy	Norway
<u>To UNDP</u>						
1982 - \$	6.0	13.8	41.8	7.7	23.4	49.5
Local Currency	-	650.0	51.0	36.5	33 000.0	310.0 ^{a/}
1983 - \$	6.8	12.1	49.6	8.0	27.1	46.6
Local Currency	-	600.0	54.0 ^{a/}	43.7	40 970.0	335.0 ^{a/}
1984 - \$	7.1	10.9	48.0	8.6	26.4	48.4
Local Currency	134.7	600.0	59.0	50.0	43 000.0	363.0

To UNSO

1983 - \$					0.43	0.53
1984 - \$			0.03		0.48	

To UNCDF

1983 - \$	0.02			0.65	1.9	4.1
1984 - \$	0.02			1.0	2.1	2.9

II. Contributions conditioned on procurement in a donor country

	\$	\$	\$	\$	\$	\$
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UNSO

1983 - Commitments					4.25	0.25
Ceiling					5.51	9.43
1984 - Commitments			0.12	0.15	1.56	0.50
Ceiling			9.61	-	5.38	-

UNCDF

1983 - Commitments	0.45	0.28			2.98	
Ceiling	1.36	-			5.8	
1984 - Commitments	-				-	
Ceiling	1.42				5.7	

^{a/} Based on amounts originally pledged for the year in question.

Table 2. (Cont'd.) Relationship between voluntary contributions and contributions conditioned on procurement in a donor country - by Fund and by donor
(Millions of \$US)

B. UNFSSTD

	<u>Italy</u>	<u>Norway</u>
Total contributions to general resources (ceiling)	9.88	2.25
Commitments conditioned on procurement in a donor country	6.27	1.0

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Table 3. Geographical distribution of resources conditioned on procurement in a donor country
(Millions of \$)

Recipient	IPF and cost sharing		General resources						Conditioned resources					
	Preliminary expenditure 1983	Approximate budgets ^{a/} 1984	UNCDF		UNSO		UNFSSTD		UNCDF		UNSO		UNFSSTD	
			1983	1984	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984
Cameroon	4.6	3.8	-	-	-	-	-	-	-	-	-	0.58	-	-
Cape Verde	1.2	1.5	1.8	0.7	-	-	0.08	0.01	-	-	-	-	-	-
China	16.0	17.5	-	-	-	-	0.49	0.38	-	-	-	-	0.81	0.19
Costa Rica	1.1	1.4	-	-	-	-	0.33	0.18	-	-	-	-	-	0.20
Ethiopia	7.8	16.1	0.2	3.0	1.6	0.83	0.12	-	-	-	-	0.15	-	-
Indonesia	16.1	15.9	-	-	-	-	0.02	0.33	-	-	-	-	-	0.68
Interregional	9.8	9.3	-	-	-	-	0.77	0.10	-	-	-	-	-	0.52
Malaysia	2.3	2.8	-	-	-	-	-	0.09	-	-	-	-	-	0.33
Mali	6.5	9.0	2.3	3.5	1.78	0.47	-	0.14	0.73	-	-	-	-	0.11
Mauritania	2.2	2.8	1.2	0.9	1.96	1.14	-	0.09	-	-	-	-	-	0.13
Niger	4.4	6.6	1.6	1.9	2.69	0.43	-	0.35	1.88	-	0.74	1.02	-	0.43
Senegal	3.2	4.0	0.1	2.5	1.68	0.40	0.50	0.28	-	-	3.76	0.58	-	-
Somalia	5.9	6.0	0.1	0.5	1.19	0.85	0.46	0.55	1.10	-	-	-	-	-

^{a/} Consists of 1984 authorized budget levels and cost-sharing budgets approved as at 31 January 1984.

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Table 4

Sectoral distribution of resources conditioned on
procurement in a donor country
(millions of \$)

<u>Sector</u>	<u>Conditioned resources</u>			
	<u>UNCDF</u>		<u>UNSO</u>	
	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>
02 Planning	-	-	-	0.58
03 Natural Resources	1.55	-	-	-
04 Agriculture, Forestry and Fisheries	0.28	-	-	0.19
06 Transport and Communications	1.88	-	4.50	1.56

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