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SUPPORT

OTHER FUNDS AND PROGRAMMES

UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION

Annual report of the Administrator for 1984

Addendum

Statistical data relating to the United Nations Revolving Fund for Natural Resources Exploration in 1984 are provided in annexes I-III contained in this document.

Annex I

UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION

Status of projects as of 31 December 1984

1. Minerals sector

A. Pre-investment follow-up

Country and project number	Principal target minerals	Expenditure (thousands of US dollars)	Status
<u>Argentina</u> ARG/NR/77/001	Copper, lead, zinc, gold, silver	3 297	Field work completed: 05/82 Following the discovery of high grade gold and silver values and the completion of preparatory feasibility study work, the Fund in 1984 assisted the Government in the preparation of bidding documentation. The Government has still to make a firm decision how to proceed to obtain investment.
<u>Benin</u> BEN/NR/80/001	Kaolin clay	264	Field work completed: 10/82 Following the discovery of white kaolin found suitable for the local ceramic industry, more complete laboratory testing is being undertaken to determine the extent to which the material can be up graded for the high-quality market. Arrangements were made towards the end of the year for a three tonne sample to be shipped from Benin to a specialized laboratory in the United Kingdom. If results are positive additional exploration may be considered for increasing the reserves.

Country and project number	Principal target minerals	Expenditure (thousands of US dollars)		Status
<u>Congo</u> PRC/NR/80/001	Offshore phosphate	970	Field work completed: 11/83	The indicated reserves of phosphorite alone do not appear sufficient for international marketing. The Fund is seeking the interest of the Government in examining the market for fertilizer in a raw or super-phosphate form. A bulk sample is in the process of being tested for maximizing the phosphate (P ₂ O ₅) separation and at the same time initial agronomy testing is under way. Additional exploration/feasibility work through co-financing remains a possibility.
<u>Ecuador</u> ECU/NR/76/001	Silver, gold, lead, zinc	2 070	Field work completed: 07/79	The potential end product, a silver concentrate, is being reappraised to promote investment interest in the San Bartolomé discovery. Present low commodity prices will not encourage investment.

B. Completed projects

Country and project number	Principal target minerals	Expenditure (thousands of US dollars)	Status	
<u>Burkina Faso</u> UPV/NR/78/001	Lateritic nickel and gold	1 614	Field work completed: 03/84	Although nickel-laterite and gold were found by the project, the mineralization is considered to be of insufficient grade and tonnage for a viable mining operation. A final report is in the final stages of preparation.
<u>Cyprus</u> CYP/NR/77/001	Copper, base metals and gold	1 112	Field work completed: 07/82	The final report was completed and submitted to the Government identifying the discovery of gold/copper deposits.
<u>Guyana</u> GUY/NR/78/001	Phosphate, rare earths, niobium, massive sulphides, gold	2 691	Field work completed: 12/83	The final report is nearing completion. Discovered gold mineralization contains insufficient tonnages of ore-grade material for economic exploitation. No Reported Mineral Deposit will be claimed.
<u>Liberia</u> LIR/NR/78/001	Precious metals	2 606	Field work completed: 08/83	The final report has been sent to the Government. Indicated grades and/or tonnages of discovered gold deposits considered insufficient to warrant further testing. No Reported Mineral Deposit was claimed.

Country and project number	Principal target minerals	Expenditure (thousands of US dollars)		Status
<u>Panama</u> PAN/NR/77/001	Porphyry-copper, gold	1 032	Field work completed: 12/80	The final report was completed and submitted to the Government in April 1983. A small gold deposit was claimed as a Reported Mineral Deposit.
<u>Philippines</u> PHI/NR/79/001	Copper, zinc, lead, precious metals	615	Field work terminated: 04/82	A work completed report was submitted to the Government.
<u>Sudan I</u> SUD/NR/75/001	Gold and base metals	217	Field work completed: 04/78	The final report was submitted to the Government. Only minor mineralization was discovered. No Reported Mineral Deposit was claimed.
<u>Sudan II</u> SUD/NR/78/001	Diamonds	454	Field work completed: 11/81	The final report was submitted to the Government. No indication of diamondiferous deposits or potential host rocks was found during Minimum Work. Additional work was not considered justified.
<u>Suriname</u> SUR/NR/76/001	Copper, zinc, gold, tungsten	1 423	Field work completed: 12/83	A final report is in publication and will be submitted to the Government in early 1985. A gold deposit has been identified which is considered to be of sufficient grade and tonnage to support a small mining operation. A Reported Mineral Deposit is being claimed.

C. Operational projects

Country and project number	Principal target minerals	Expenditure (thousands of US dollars)	Status	
<u>Haiti</u> HAI/NR/82/001	Copper, gold	MWa/1 000 SWc/1 500 <u>2 500</u>	GCb/approval:06/83 Signature: 10/82 Project effective: 01/83	The Minimum Work programme has so far defined two areas of interest. Detailed evaluation of the Faille and La Mine areas is under way.
<u>Kenya</u> KEN/NR/78/001	Copper, lead, zinc, gold, silver	MW 1 100 SW 1 500 <u>2 600</u>	GC approval:01/79 Signature: 10/79 Project effective: 08/80	Copper/silver mineralization has been discovered at the Wire Hill location in western Kenya which warrants further evaluation. Part I of the final report covering the remainder of the exploration area is being prepared.
<u>Mali</u> MAL/NR/80/001	Rare earths, niobium, tin, tungsten, tantalum	MW 1 300 SW 1 500 <u>2 800</u>	GC approval:06/81 Signature: 10/81 Project effective: 02/82	Major field work was completed at the end of December 1984. The results indicate that no additional work is warranted and that no Reported Mineral will be claimed.
<u>Peru</u> PER/NR/82/001	Gold, base metals	MW 1 700 SW 2 700 <u>4 400</u>	GC approval:06/83 Signature: 07/83 Project effective: 02/84	Field work is in progress and the placer gold drilling programme should begin in early 1985. Zinc exploration is also in progress in the second area. Complex sample processing facilities have been established.
<u>Sierra Leone</u> SIL/NR/82/001	Gold	MW 970 SW 1 750 <u>2 720</u>	MW approval:11/83 Signature: 11/83 Project effective: 02/84	The Minimum Work programme is still in the early stages; however, anomalous areas have been identified where initial detailed follow-up investigations are being carried out

D. Project development activities: requests/pipeline

Country	Principal objective	Status
Argentina (2)	Various	Considerable possibilities for a second project but Government and Fund agree that first priority is assistance towards development of Huemules.
Brazil	Gold, tin, tungsten, and other metals	Second mission planned to discuss more definitive project proposals.
Burundi	Gold	Evaluatory work carried out in 1984 was negative. The Fund now awaits identification of other exploration targets which would result from the work being carried out by a current UNDP/United Nations Department of Technical Co-operation for Development (UNDTCD) project.
Chile	Offshore and onshore phosphate	Two evaluatory missions were completed resulting in the design and approval of a project recommendation. The Project Agreement remains to be negotiated and will be carried out after better definition of one of the target areas has been achieved.
Colombia	Gold and base metals	No further progress has been made. Fund is awaiting acceptance of DP/142.

Country	Principal objective	Status
Cuba	Chromium, base metals	Fund is awaiting confirmation for an evaluatory mission.
Ecuador (2)	Copper, lead, zinc, silver	First priority given to investment follow-up for San Bartolomé (Ecuador I).
Ghana	Various	Two missions were carried out in 1984 resulting in an unofficial request for a gold project. Fund is awaiting an official request from Government.
Guatemala	Base metals (copper, lead, zinc), gold and silver	Two evaluatory missions carried out in 1984. Follow-up missions planned for early 1985 in order to prepare a project recommendation and eventual project implementation.
Honduras	Gold, copper, lead, silver	Positive evaluation and negotiation of Project Agreement carried out. Progress delayed due to withdrawal of one target area from exploration area. Government now offers several replacement areas for evaluation in early 1985. Project implementation expected in 1985.
Iraq	Various	No further progress made towards project development after identification mission carried out in early 1984.
Ivory Coast	Gold and base metals	Project recommendation approved internally. Project implementation may start in 1985.

Country	Principal objective	Status
Kenya (2)	Lead, zinc and precious metals	Following an evaluatory mission in 1984, Fund will initiate a more detailed evaluation of this new project request during project extension of Kenya 1.
Mali (2)	Gold	Fund received unofficial enquiries regarding a second project. Follow-up will be carried out during 1985.
Nigeria	Various	Fund initiated contact with Government to determine interest in Fund. Positive response received and follow-up is planned for 1985.
Pakistan	Various	No progress made following exploratory mission. Fund awaits official project request and acceptance of DP/142.
Philippines (2)	Gold	Initial discussions regarding forthcoming project proposals for the follow-up of the UN/UNDTCD project. Fund is awaiting receipt of additional information.
Rwanda	Gold	The Project Agreement will be signed in early 1985. Field-work expected to start soon after signature and ratification of the Agreement.
Thailand	Various	Fund still awaits project proposal and acceptance of DP/142.

Country	Principal objective	Status
Uganda	Base metals	No further progress made and Fund still awaits official request and acceptance of DP/142.
Yemen Arab Republic	Various	Government initiated follow-up discussions indicating their continued interest in the Revolving Fund. Contact will be maintained during 1985.
Zaire	Phosphate	Government indicated their interest in the Fund and requested evaluatory mission. Fund will follow-up in 1985.
Zambia	Base metals, precious metals	No progress made and Fund still awaits receipt of project proposal and acceptance of DP/142. Follow-up to take place in 1985.
Zimbabwe	Gold, tungsten, base metals, nickel	No further progress made in eliciting a project proposal and acceptance of DP/142.

2. Geothermal sector

Detailed project evaluations during 1984

Country	Area	Outcome
Mexico	Las Planillas, Jalisco	Positive evaluation and subsequent project development. Negotiations with Government in 1985 hopefully will take place.
St. Lucia	Qualibou Caldera	Positive evaluation completed. Fund continues dialogue with Government and United States Agency for International Development regarding a co-financed project.
Turkey	Cumali-Tuzla	Detailed mission was fielded in late 1984; the results are awaited.

Initial evaluation

Bolivia	2 areas	Detailed DTCD mission carried out in 1984 resulted in acceptance of Fund's principles by Government. Specialist evaluatory mission suggested for late 1985 when results from UNDP drilling project will be available.
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a/ MW: Minimum Work.
b/ GC: Governing Council.
c/ SW: Subsequent Work (maximum).

Annex II
 UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION

Status of contributions as of 31 December 1984
 (US dollars)

Country	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	Pledges for 1985	Total pledges	Payment received	Amount due
Bangladesh	-	-	-	-	-	-	-	-	1 000	1 000	1 100	1 210	4 310	3 097	1 213
Belgium	-	-	405 405	909 091	166 667	-	-	110 497	102 041	89 286	81 967	-	1 864 954	1 864 954	-
Canada	-	-	1 500 000	-	-	-	-	-	-	-	-	-	1 500 000	1 500 000	-
Chile	-	-	-	-	-	-	-	-	5 000	5 000	5 000	5 000	20 000	15 000	5 000
Dominican Republic	-	-	-	-	-	-	2 000	-	-	-	-	-	2 000	2 000	-
Indonesia	-	-	-	-	-	10 000	10 000	10 000	-	10 000	10 000	10 000	60 000	50 000	10 000
Iraq	-	-	10 000	-	-	-	-	-	11 290	-	-	-	21 290	-	21 290
Italy	-	-	-	-	-	-	840 336	-	-	-	-	-	840 336	840 336	-
Japan	1 500 000	3 500 000	3 500 000	3 500 000	3 000 000	3 000 000	-	2 000 000	2 000 000	2 000 000	2 000 000	a/	26 000 000	24 000 000	2 000 000
Mali	-	-	-	-	-	-	-	450	-	-	-	-	450	450	-
Netherlands	-	411 523	374 532	403 226	-	-	-	-	-	-	-	-	1 189 281	1 189 281	-
Norway	-	-	-	-	-	-	-	-	422 535	-	-	338 983	761 518	422 535	338 983
Panama	-	-	-	-	-	-	1 000	1 000	1 000	1 000	-	-	4 000	3 000	1 000
Sierra Leone	-	-	-	-	-	-	-	-	-	-	-	1 000	1 000	-	1 000
Uganda	-	-	-	-	-	-	-	51	-	-	-	-	51	51	-
United States of America	-	-	-	2 500 000	983 423	-	-	-	-	150 000	b/	-	3 633 423	3 633 423	-
Zambia	-	-	-	-	-	-	-	-	-	-	3 145	-	3 145	3 145	-
	1 500 000	3 911 523	5 789 937	7 312 317	4 150 090	3 010 000	853 336	2 121 998	2 542 866	2 256 286	2 101 212	356 193	35 905 758	33 527 272	2 378 486

a/ To be announced.
 b/ Co-financing

Annex III
UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION

Cumulative resources, commitments and additional programming availability
estimated as of 31 December 1984

	<u>(Millions of US dollars)</u>
I. <u>Cumulative resources</u>	
A. Contributions paid	33.5
B. Contributions pledged	2.4
C. Interest income (as of 31 December 1983)	14.5
D. Estimate of interest income for 1984-1985	<u>3.2</u>
E. Total	<u>53.6</u>
II. <u>Cumulative programme commitment</u>	
<u>Completed projects and projects for which field work completed:</u>	
F. Maximum approval by Governing Council	25.9
G. Actual expenditure	<u>20.8</u>
H. Unspent allocation (F minus G)	<u>5.1</u>
<u>Field operational projects:</u>	
I. Maximum approval by Governing Council	12.4
J. Indicative expenditure schedule <u>a/</u>	6.4
K. Maximum further work (I minus J)	6.0
L. Estimate of further work <u>b/</u>	3.5
M. Total indicative expenditure and estimate of further work (J plus L)	9.9
N. Cumulative pre-project development (including estimated 0.4 for 1985)	2.5
III. <u>Administrative costs</u>	
O. Cumulative administrative costs (through 1984)	7.4
P. Estimated administrative costs for 1985 (including overhead costs to UNDP)	1.4
IV. <u>Balance available for programming</u>	
(i) Cumulative resources total (E) minus the sum of the cumulative programme commitment (G+M+N) and administrative costs (O+P)	11.6
(ii) Project recommendations designed and positively assessed in 1984 and programmed for approval in 1985	10.1
(iii) Net additional programming availability for 1985	1.5
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a/ Cumulative actual and projected cost to complete present phase of work plans.

b/ Based on the assumption that approximately one third of all approved projects expend their total allocations, one third expend only the Minimum Work commitment and one third expend an amount equal to Minimum Work plus half of the remaining amount allocated. Based on an average duration of subsequent work of 1.5 years, these calculations include an estimated increase due to inflation of 10 per cent per annum.

