



**Governing Council
of the
United Nations
Development Programme**

Distr.
GENERAL

DP/1985/5
2 April 1985

ORIGINAL: ENGLISH

Thirty-second session
June 1985, New York
Item 4 (a) of the provisional agenda

P O L I C Y

A N N U A L R E P O R T
O F T H E A D M I N I S T R A T O R
F O R 1 9 8 4

I N T R O D U C T I O N B Y T H E A D M I N I S T R A T O R

/...

INTRODUCTION

1. The year 1984 witnessed a progressive clarification of issues in the development dialogue. Donors, recipients and development institutions focused sharply on the orientation and enhancement of current development assistance efforts. Technical co-operation benefited directly from this attention.
2. Not everything that was heard could be termed comforting, yet it is heartening that, over the year, UNDP's capabilities merited serious study in virtually every important intergovernmental forum for development matters. Even more notable was the outcome of these discussions: UNDP technical co-operation programmes continued to win recognition as key components of present aid flows with clear relevance to the changing requirements of developing countries.
3. It was especially gratifying, in relating UNDP's course in 1984 to these wider debates, to find that recent policies and priorities set by the Governing Council, and extensively examined in its high-level debate at the thirty-first session, were generally considered to be in line with these new requirements.
4. Three major issues in particular preoccupied the development community, which well illustrate the new technical co-operation requirements now claiming UNDP's attention: the problems developing countries face in coping with debt; their acute needs in shaping and implementing macro-economic policies most evident in the case of least developed countries; and the crisis of drought and famine in Africa. Linking these issues together was a widespread perception of the even greater importance of ensuring the overall quality and relevance of development assistance under existing global conditions.
5. In tracing our response to these issues in this Introduction, I shall attempt to focus on them under five general headings: the current policy environment for technical co-operation; UNDP actions for Africa; co-ordination in development; improving the quality of technical assistance; and preparations for the fourth programming cycle, 1987-1991.

I. THE POLICY ENVIRONMENT FOR TECHNICAL CO-OPERATION

6. As a corollary of recession, many developing countries have encountered severe difficulties in debt management and negotiation as well as in carrying out structural adjustments in their economies. UNDP has recently undertaken the reorientation of its efforts to assist with such problems through projects uniquely adapted to specific recipient constraints and through direct

management and administrative services to Governments. It has done so at the request of Governments and in the belief that our engagement with such issues is warranted to ensure the relevance of technical co-operation in countries where debt-related measures have become prime determinants of economic policy.

7. One example of these efforts, initiated as early as 1982, had by 1984 shown clear and positive results. Through a project in Costa Rica to support measures for stabilizing and reactivating the economy, UNDP has been providing the Government with intensive consultancy services on a broad range of financial issues arising from the country's recent debt crisis.

8. Stimulated in part by these advisory services, the Government has moved from a position in which it was deprived of access to new financial resources from abroad as a result of its inability to service its \$3.4 billion foreign debt, through an interim payment plan which helped win an International Monetary Fund (IMF) standby arrangement, to a reduced public sector deficit and more realistic exchange rates and pricing policies. Public budget monitoring systems designed through project activities are judged to have played a major role in supporting fiscal policies which helped bring Costa Rica's 1982 rate of inflation of 80 per cent down to around 10 per cent in 1984. The project, further, was instrumental in facilitating negotiations for loans subsequently extended by four country members of the Organization for Economic Co-operation and Development (OECD), the World Bank and the Inter-American Development Bank (IDB).

9. I cite this case because it illustrates the range of debt-related issues which technical co-operation will increasingly need to address and to which UNDP, in collaboration with agencies of the United Nations system, has already started to respond. I could mention others, such as our support to the African Centre for Monetary Studies, which provides independent and impartial advice on monetary and banking matters to Governments of the region; our assistance to the Office of Debt Management in Zaire, executed by the World Bank, which has helped to marshal data on the country's debt sources in an integrated information system; or our support services in Panama, linked to a World Bank adjustment loan, through which means we are helping the Government to carry out price and trade policy studies in the agricultural sector and an audit of its social security system.

10. These cases, as I have stated, show how UNDP today is associated with activities which only five years ago would have been thought to lie beyond traditional technical co-operation. We need, of course, to be fully mindful of the relationships between Governments and financial institutions in these areas, and to assess our role accordingly in order to complement such joint efforts. Nevertheless, it is quite clear that the impact of technical co-operation in many countries is closely linked to the vast array of measures Governments must deploy to manage their indebtedness; equally clear are the

consequences for UNDP of not playing a proper support role in this regard. An international institution concerned solely with improving the welfare and technical capabilities of developing countries and not involved in these important issues would simply become peripheral to this major episode in the development processes of the countries it serves.

11. This is particularly true in the case of our assistance to the many developing countries now embarked on exacting adjustment programmes where, I believe, UNDP assumes a special importance. For, as a result of severe imbalances on both domestic and external budget fronts, many developing countries have made stringent expenditure reductions in recent years, which have taken various forms. For some, retrenchment has meant cuts in such essential public services as health, education and community development with harsh consequences for social equity. For others, it has entailed economies in the supply of external inputs to the productive sector, jeopardizing tomorrow's growth opportunities for today's foreign exchange. Most countries, in fact, exhibit mixed policies where, for lack of sustained central analytical capacities and in response to manifold urgencies, the decisive strategies frequently address the short term.

12. I believe that UNDP faces one of its greatest challenges in attempting to support such Governments in their efforts to build up their capabilities in development management. For the successful accomplishment of adjustment calls for considerable skills in the selection and management of social and economic priorities. Human resources utilization, technology acquisition, the development of basic infrastructure and the identification of other elements of integrated planning strategies are key areas where UNDP could contribute directly to the creation of new capacity to manage the adjustment in order to ensure that the best use is made of reduced resources and that the most vulnerable groups in society are preserved from further deterioration in standards already unacceptable. UNDP is already collaborating with UNICEF in this latter regard. Of course, the effort to win options from constraints, to assist in identifying opportunities for systematic investment in development potential, is not itself new to UNDP. It is, I believe, the reason why developing countries have attached value to our services all these years.

13. What is new is the requirement that this be done as a conscious part of macro-policy in a given country situation so that precious human, technical and capital resources can be optimally applied to the overriding need for recovery. If development and adjustment are for many countries now linked, UNDP must be equipped to help Governments assess and manage that linkage for the sake of development, most markedly in the reinforcement of their human resources on which all policy implementation finally rests; and we have indeed begun to review our programmes and services with this requirement in mind.

14. What I wish to remark here is that the international community appears to be entering a new and constructive policy environment stimulated largely by evidence of the substantial efforts being made by developing countries to manage their economic difficulties in these demanding times.

15. If the global economy itself remains turbulent, this emerging policy environment could be characterized as "business-like". Major development partners are moving towards greater lucidity and broader agreement on the concrete steps to be taken to lend stability and momentum to such developing country efforts. No single or simple prescription for achieving such results is likely to ensue. But what is most encouraging to note is the hard thought now being given to plural and integrated measures requiring greater concentration of available resources and even firmer partnerships among development institutions and between them and the Governments they serve.

II. ACTIONS FOR AFRICA

16. While individual Governing Council members may be aware of the fact, I take this opportunity formally to notify the Council of the Secretary-General's December 1984 decision to appoint me in my personal capacity as Director of the United Nations Office for Emergency Operations in Africa, recently established under his authority. I consider myself deeply privileged to be given these responsibilities, the more so as they enhance and extend my ability to make my contribution to a cause of primary concern to this Council and humanity. I wish to reaffirm my full and devoted commitment to the activities of UNDP whose oversight I retain as my first obligation, and whose daily management is now more extensively shared with my most trusted colleague, the Associate Administrator.

17. I will be reporting to the Secretary-General on a continuing basis regarding my activities as Director of the Office for Emergency Operations in Africa including the results of the conference of donors and recipients held at Geneva on 11 and 12 March 1985. In my opening statement to the Council in June 1985, I will provide a summary report of these activities.

18. Indeed, sub-Saharan Africa's worsening condition greatly occupied international policy attention in 1984, placing urgent demands on UNDP's resources and underscoring the need for renewed programming efforts throughout the United Nations system. The severity of the situation requires no elaboration here. Its basic implications are there for all to grasp. UNDP offices in the region and our agency partners are playing their full part in assisting immediate relief efforts, often acting as centres for logistical

support and co-ordination as well as for important country information. But, as I informed delegates to the Second Committee of the General Assembly last November:

"The regrettable fact, of course, is that we have watched this and other crises in Africa build and develop for 10 years or more, applying sporadic, patchwork remedies with resources wholly inadequate to the dimensions of the problem. The lesson by now is unmistakably clear: the only way to deal effectively with these kinds of emergencies is to anticipate them and address the underlying development issues before they reach crisis proportions. Longer-term solutions are required, or these crises will recur."

19. UNDP recognizes the close link between emergency assistance and the medium-term and longer-term programmes of development which are the only foundation for avoiding emergencies in the future. UNDP field offices in the affected countries have been reorganized so as to ensure that work on the emergency does not pre-empt the continuation of development activities by temporarily enlarging their capacity to cope with these pressures. Within our available resources, steps towards those longer-term solutions are already being taken through our current and planned programmes for Africa. Core indicative planning figure (IPF) inputs to sub-Saharan Africa for the period 1982-1986 will total nearly \$1 billion of which \$200 million was budgeted in 1984. Supplementary inputs provided through the year from the Special Measures Fund for the Least Developed Countries, the liquidated United Nations Emergency Operation Trust Fund, from our Special Programme Resources and from the United Nations Sudano-Sahelian Office (UNSO) and the United Nations Capital Development Fund (UNCDF) bring the total up to \$255 million. These figures do not include a \$27 million Italian Government contribution to the UNDP Trust Fund to Combat Poverty and Hunger in Africa that I established last December, and which will go towards rehabilitation measures in Ethiopia, nor do they include resources from cost-sharing and parallel financing, on the increase since 1983, when UNDP projects attracted nearly \$17 million in third-party support.

20. Nevertheless, Africa's long-term rehabilitation needs will require further efforts by UNDP, the agencies of the United Nations system and the international community. The present momentum must not be lost when new rains reach the continent or new claims command our attention. On the contrary, it must be expanded to ensure that fresh initiatives under way to increase our effectiveness in Africa indeed have their due chance of success, and that the fundamental task of reactivating affected African economies can be carried forward.

21. In this connection, I can mention UNDP's redoubled support for the round-table process which has assumed critical importance in the context of

Africa. Following a systematic evaluation of some 20 meetings conducted in the last three years, we are now implementing a number of careful reforms in the total process. The object of these reforms is to base such consultations on thorough sectoral surveys of country requirements, conditions and resources and to place findings within a macro-economic analysis of the country's situation. It is hoped that these modifications will provide donors and recipients with a more rigorous framework for identifying programmes for support; and early observations of this enhanced process in action confirm its greater effectiveness.

22. With regard to our main programme thrust in Africa, we have drawn up a threefold plan of action to be carried out in co-operation with our agency partners. Existing programmes are also being re-examined critically in the light of these new plans. Briefly summarized, our programme elements, in collaboration with agencies of the United Nations system are the following:

(a) The focusing of existing regular and supplementary resources on projects in agricultural development and food production, processing and storage, in forestry development, meteorology and drought management, and in development planning and public administration. Where justified, resources are being reallocated to these priority sectors;

(b) The redirection of inputs towards production-oriented activities involving grass-roots communities and aimed at stimulating their income-generating potential. United Nations volunteers are being deployed to particular effect in this area;

(c) The reinforcement of macro-economic policy formulation capabilities, and the strengthening of planning mechanisms in Governments. Co-ordinated with World Bank and bilateral measures, this long-range effort offers the most vital hope for enduring results.

23. These and related actions are reviewed in greater detail in the main programme section of this report, while budgetary proposals for strengthening our field offices in Africa are the subject of a separate paper 1/ this year.

III. CO-ORDINATING DEVELOPMENT

24. A significant phenomenon in 1984 was the deepening resolve of major donors to support, and utilize more fully, existing and new mechanisms for aid co-ordination. At its twenty-third high-level meeting last December, which I was privileged to attend, the Development Assistance Committee (DAC) of OECD devoted careful attention to this item of its agenda. Specific time was

allotted to reviewing progress in fulfilling proposals from UNDP and the World Bank for ensuring mutually reinforcing efforts at the interface of technical and capital assistance. DAC noted that:

"There is now a general understanding within the development community of the purposes and basic requirements of co-ordination ... Emerging as a major objective is the development of means to strengthen the recipient countries' own capacity for managing development and development assistance activities." ^{2/}

25. This objective, of course, is one which we in UNDP have shared and advocated for many years, but there are clear and propitious signs that new elements now favour its fulfilment. It is clear that many developing countries would not only welcome greater assistance in putting scarce resources to more efficient use in their economies but would also benefit substantially from reduced administrative burdens as a result of more co-ordinated donor approaches. In the case of Africa, some 15 countries have already asked us to take a lead role in helping them strengthen their technical assistance management machinery, and these arrangements enjoy the full support of the World Bank and DAC member countries. Equally notable is the call ^{3/} from the General Assembly itself for new measures to support the co-ordination process at the request of host Governments.

26. UNDP's experience with, and commentary on, the different aspects of co-ordination in its present work are contained in our policy paper on co-ordinating external technical co-operation ^{4/} submitted as a discussion text for the Council's high-level debate at its thirty-second session. I also draw attention to our report on the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries ^{5/} which refers to the round-table process we assist in many countries and which we now seek to enhance in the light of the knowledge and insights we have acquired. More concretely, the section of my annual report which deals with project results (Add. 2) contains several illustrations of cases at the country level where projects have sought to rationalize and focus UNDP and other external inputs as a feature of their operational activities.

27. It is acknowledged that UNDP has a long record of providing services which have a direct impact on co-ordination. Our 115 field offices, in their day-to-day relations with host Governments, enjoy a unique opportunity to interact constructively with their planning processes in a spirit of mutual collaboration. I believe it is also felt that a number of our specific activities such as emergency aid co-ordination, the provision of management and administrative services, trust fund management, the preparation of cross-sectoral feasibility studies and the like offer a useful basis for any expanded co-ordinating role which the development community may accord us.

28. To the extent that this new attention to co-ordination leads to improved strategies for national self-reliance, to more considered and viable programmes and projects capable of attracting greater support from both international and domestic funds, UNDP's work would, indeed, be greatly facilitated by developments in this direction. I have on past occasions reflected on the essential link between the perceived viability of UNDP's resource position and its efficacy as a co-ordinating body of real consequence; and that connection remains one which some Governments will continue to make. Others, however, feel that UNDP is appropriately situated and adequately endowed to help them ensure a closer fit between their external and domestic inputs. Certainly, there is a pervasive recognition among many developing countries that, following their individual agreements with the World Bank and IMF, they still require help in translating such macro-economic strategies into coherent domestic initiatives with well ordered sectoral and budgetary priorities.

29. Where such feelings prevail, UNDP should be able to respond with qualified and sympathetic advice aimed at helping recipient Governments to develop an accurate picture of the available options for action. This will require, among other things, a reorientation of our training programmes, some adjustments in job descriptions and the progressive introduction of macro-economic analytical tools at the country level. We should not hesitate to adopt such measures where their relevance becomes clear and, indeed, the World Bank's undertaking to afford UNDP greater access to its economic and statistical data services is to be welcomed as a meaningful illustration of our promising new relationship.

30. That many developing countries do, in fact, feel they can trust UNDP to carry out such complex and sensitive functions is evidenced by their growing confidence in the closely related activity of the round-table process as previously mentioned. Over the past five years, UNDP has acquired valuable experience of this process, not only in Africa and a number of Asian countries, but also throughout involvement in co-ordinating the regional technical assistance activities of the Caribbean Group for Co-operation in Economic Development. Our evaluation of current efforts has shown where there is scope for improvements in the format, venue and work methods of such consultations. Nevertheless, we already have distinctive indications of the benefits of joint and mutual consultations between development partners equipped and willing to undertake a thorough review of policy choices before a particular country, and to proceed from there to the identification of balanced sectoral programmes and corresponding financial support.

31. I need not stress that, for the Governments which are prepared to undergo what could often seem a rigorous appraisal of sensitive priorities and which show themselves willing to discuss their total requirements in a more

structured and searching format, the significance of this exercise is likely to be directly proportional to the solidity of the commitments it engenders. The point is widely appreciated, and if I mention it here, it is because the success of earnest reforms in the round-table process now under way depends not a little on regular and sustained follow-up measures.

IV. IMPROVING THE QUALITY OF TECHNICAL ASSISTANCE

32. The impact of co-ordination as an instrument of aid efficiency will continue to reside in the extent to which its disciplines can be accepted by donors and recipients alike. Improved co-ordination offers one of the most vital prospects for more effective development co-operation, an issue of surpassing importance to UNDP in assessing the developmental quality of the technical assistance it will be asked to provide in the future. This is not simply a matter of concern to UNDP. It is generally acknowledged that the performance of the productive systems of many developing countries in recent years has not matched expectations generated by capital inflows. The reasons for this, while complex, point to the central importance of creating the requisite infrastructural and human capacities for effective capital utilization. They point, that is to say, to a major facet of UNDP's technical co-operation activities; and one can wonder whether the disappointments of recent years might not, to some appreciable degree, have been reversed had those same years not also seen multilateral technical assistance flows stagnate. The determination of donors, increasingly perceptible in 1984, to sustain our latest initiatives therefore holds considerable promise for the renewal of this crucial effort; and UNDP is fully conscious of the need to ensure qualitatively sound programmes deserving of this reinvestment.

33. The question of quality extends from formal managerial and administrative disciplines - matters of efficiency - to the actual impact of our assistance - which is a matter of efficacy closely woven into the developmental realities of a given country context.

34. Regarding the first, the Council is aware from my report last year of our ongoing measures for attaining new management and administrative efficiencies, measures which I consider in part responsible for bringing us through the exigencies of the third programming cycle and to which we remain firmly committed. Our updated and consolidated financial management guidelines for field personnel are helping to expedite key decision-making, accounting and reporting functions, as are our recently introduced control systems for budget management and data processing. The standardization of procedures and agreements for cost-sharing, trust funds and related financial modalities has accelerated our ability to conclude arrangements which play a major part in our programmes and services. The streamlining of project

processing techniques at the country level, together with the systematic use of more objective and comprehensive project appraisal and selection criteria, point the way to more balanced and efficient programme development.

35. No less important are our continuing measures at the organizational level to rationalize the diverse efforts of the associated funds we administer, to collaborate with agency partners in joint programming exercises and to harmonize our numerous special mandates with our central programmes. I can cite here the close complementarity achieved through 1984 between UNDP's response to the crisis in Africa and activities of UNSO and UNCDF; the progress made with the United Nations Fund for Population Activities (UNFPA), UNICEF and the World Food Programme (WFP) in identifying substantive areas in the health and nutrition sector for collaborative project design efforts under our Joint Consultative Group on Policy; our country-level support for integrated activities sponsored through the IMPACT programme to combat avoidable disabilities, and the creation within our Regional Bureau for Africa of a special unit focused on the development dimension of refugee assistance to that region following the Second International Conference on Assistance to Refugees in Africa (ICARA II) last July.

36. It is, however, the matter of effectiveness which demands our fullest energies and attention at a time of rapidly changing technical co-operation priorities. In line with the Council's expressed preoccupations, I have issued clear instructions to heads of every operational unit in UNDP and to each of our field offices that all other considerations must yield to this dimension of our work. Our senior management has renewed UNDP's emphasis on the observance of strict disciplines at all stages of the programme and project cycle. I refer to the appropriate budgeting of our programme personnel's time and thought between hard-headed appraisal methods keyed to the dynamics of national development policies, and vigilant monitoring. Neglect of either aspect, we have made it clear, constitutes an insensitivity to the legitimate requirements of the Programme and will not be tolerated.

37. We have, furthermore, insisted on a significantly greater degree of substantive reporting from our staff in the belief that analytical insights gained through our field presence have clear relevance to programme policy formulation and should be an organic part of our institutional thinking. The Council is aware of the recent establishment and activities of our Central Evaluation Office (CEO). With a reinforced evaluation system being progressively introduced throughout this year under which some 400 project evaluations have so far been conducted by regional bureaux and associated

programmes, and with a full thematic programme scheduled in 1985, CEO is fulfilling its promise as an in-house analytical tool with a firm place in our drive toward greater effectiveness. We have initiated these and related measures, conscious of the many dedicated and gifted individuals in our organization whose exemplary professionalism over the years has sustained its evolution, and whose sacrifices for and engagement with development have set a standard which must not be compromised; and there are unmistakable indications that enhanced performance is within our grasp, that the revitalized energies flowing from technical co-operation's new purposefulness are having their effect.

38. To take one example, in December 1983, the General Assembly transferred remaining funds from the United Nations Emergency Operation Trust Fund to a UNDP trust fund for developing countries affected by drought and related catastrophes. As of January this year, a little more than one year later, 98 per cent of a total of \$33.9 million had been committed to over 95 new, high-impact projects in affected countries, with about \$26 million going to sub-Saharan Africa. Many partners made this record performance possible. Our headquarters staff moved promptly to establish the requisite guidelines for project development and financial disbursements. Our field personnel, working closely with concerned United Nations agencies, notably the Food and Agriculture Organization of the United Nations (FAO), assisted Governments to define and formulate priority projects in such key areas as improved water supply, livestock management and high-yield seed substitution. Associated funds with related programmes meshed their efforts with ours in an appraisal and monitoring vigil maintained throughout the year; a year, I should add, of unrelieved demands on personnel engaged with our central programming response to the Africa crisis. In the final analysis, such achievements are only possible through the committed energies of selfless men and women, not through institutional directives or mechanisms.

39. I may, perhaps, be permitted the straightforward observation that each year's yield of new and renewed special mandates and each year's managerial and practical measures for their fulfilment pose distinct, sometimes exceptional, challenges to organizational efficiency; and while such expressions of governmental confidence in UNDP's capacities are, properly, occasions for pride, their felt obligations are also factors influencing overall performance in times of constraint. It is no derogation of the importance of each such new mandate to make this observation in the context of the present topic, and, indeed, I wish to share with the Council my confidence in the enhanced prospects for co-operative programming at the country level as a result of the closer association with UNDP this year of the Voluntary Fund for the United Nations Decade for Women.

40. I have tried in these pages to indicate our collective resolve to ensure that the overall performance of the United Nations development system conforms to the highest possible standards. We are not in doubt that this remains our sworn duty, and I look to see in 1985 additional new measures, now being carefully studied, for further improvements in project design as we move to incorporate feedback from evaluations, training workshops and intensified progress reporting.

41. I have furthermore distinguished between efficiency measures to which we are fully committed on a continuous basis, and the wider matter of effectiveness which embraces country-level specifics, including the performances of individually mandated multilateral and bilateral agencies and sovereign Governments. Both aspects of this relationship command our attention in our search for better ways to provide the services countries rightly expect from us.

42. The single most powerful means to this end at our disposal remains the instrument we call the country programme which is the result of a collaborative effort between the Government, UNDP and the United Nations agencies and organizations. Properly utilized, it is a tool without parallel in the United Nations system for achieving a close-knit fabric of workable development opportunities, inputs and partnerships in a particular country. Continuing work is being done to improve the content and scope of the country programme, the better identification and formulation of projects thereunder and their efficient implementation. At a time when the full resources needed for a nation's development will continue to be assembled from multiple sources present within its borders, many of the UNDP country programmes offer proven examples of the informed, cohesive and sympathetic structuring of priorities. It therefore has to be said that when, as a result of grave resource constraints, these carefully wrought programmes cannot be fully implemented, what is jeopardized is not only confidence or existing investment or development momentum; what has laboriously and tactfully to be salvaged over months of reconstitution is, in fact, overall quality - an outcome neither efficient nor particularly efficacious.

V. PREPARATIONS FOR THE FOURTH PROGRAMMING CYCLE

43. I have indicated UNDP's determination to continue to merit its important place in today's global development environment. It goes without saying that resources commensurate with the new expectations we intend to meet will continue to be needed through the fourth programming cycle. Last year, the Council asked me to take particular measures to organize detailed informal consultations with all participating Governments to discuss the size of resources so required. Between September 1984 and January 1985, UNDP arranged

and participated substantively in three such consultations aimed at achieving the widest possible understanding of fourth-cycle needs. In an effort to establish clear parameters for identifying resource prospects, we described specific alternative scenarios based on different possible assumptions at each consultation. Four alternative scenarios were presented to the special meeting of the Council in February 1985.

44. A number of issues arise from these four alternative scenarios, but two are common to all. The question of the quantum of resources to be made available for the fourth cycle has to be resolved first. Given the sharp constraints of today's global economic environment, it has been decidedly encouraging to note the recent upturn in terms of national currency support to UNDP. Many countries have succeeded in obtaining parliamentary approval for increased contributions to UNDP as evidenced by their commitments at the United Nations Pledging Conference for Development Activities held in November 1984. At the same time, it has to be observed that the continuing advance of the United States dollar has substantially eroded the gains resulting from these strenuous efforts by individual countries.

45. At the time of writing, negotiations are proceeding, and it is my earnest hope that sufficient resources will be provided in the fourth cycle to enable UNDP, at a minimum, to maintain programme levels not less in real terms than those achieved in the third programming cycle. Sustained levels of this order, however, would clearly not account for the resource implications of many of the additional activities I have previously described.

46. The Council also faces issues relating to the distribution of UNDP's resources between countries, as well as between national and interregional programmes. I urge all members to give both these matters their full attention and to work for an early completion of negotiations by June 1985 in order to permit well-founded preparations for the next cycle to proceed without loss of precious time.

47. With the support of this Council, for which I now appeal with no less fervour than before and which has brought us through the hardest years behind, UNDP will prevail in these demanding new circumstances as an increasingly effective resource for development.



Bradford Morse
Administrator

Notes

1/ Strengthening field offices in Africa, Report of the Administrator (DP/85/16).

2/ Improving Aid Co-ordination - a DAC Review, (DAC (84) 24, 1st Revision, p. 3, paras. 4-5.

3/ Declaration on the Critical Economic Situation in Africa, (General Assembly resolution 39/29, annex).

4/ Co-ordinating external technical co-operation, Report of the Administrator (DP/1985/4).

5/ Implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, Report of the Administrator (DP/1985/11).

