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POLICY

OTHER FUNDS AND PROGRAMMES

UNITED NATIONS DEVELOPMENT FUND FOR WOMEN*

Report of the Administrator

Summary

The General Assembly, in its resolution 39/125, decided that the Voluntary Fund for the United Nations Decade for Women shall continue its activities through the establishment of a separate and identifiable entity in autonomous association with UNDP, and that the Administrator shall submit to the Governing Council an annual report on the operations, management and budget of the Fund. This report provides a brief overview of the mandate and activities of the Fund. Management matters, including provision for core staffing as recommended by the Fund's intergovernmental Consultative Committee at its seventeenth session, 25-29 March 1985, are included. In view of ACABQ's full agenda for its current session, the biennial budget for administrative costs of the Fund will be submitted to its September 1985 session. The Administrator therefore requests the Governing Council to decide that he may act upon the recommendations of the ACABQ adopted at its September session in the interim before the thirty third session of the Council.

* Formerly the Voluntary Fund for the United Nations Decade for Women.

I. INTRODUCTION

1. The Voluntary Fund established for the International Women's Year in 1975 was extended by the General Assembly at its thirtieth session to cover the period of the United Nations Decade for Women: Equality, Development and Peace. At its thirty-first session, in its resolution 31/133, established the criteria and arrangements for the management of the Voluntary Fund for the United Nations Decade for Women, including the establishment of a Consultative Committee composed of five Member States selected by the President of the General Assembly. In creating the Fund, the General Assembly recognized that the critical contributions of women to their economies and societies had not been adequately taken into account in development co-operation programmes. Stressing economic activities, the Fund was to complement the support other funds and programmes provided for women in such areas as child bearing and care, nutrition and family health.

2. By its resolution 39/125, the General Assembly decided that the Fund -- formerly managed within the United Nations Department of International Economic and Social Affairs (DIESA) -- should continue through the establishment of a separate and identifiable entity in autonomous association with UNDP. It also reaffirmed the original criteria set forth in its resolution 31/133: i.e., giving priority to the least developed countries, the land locked and island developing countries and special consideration to rural and poor urban women.

3. Under the arrangements for the management of the Fund, set forth in Resolution 39/125, its resources shall be used mainly in two ways: first, as a catalyst with the goal of ensuring the appropriate involvement of women in mainstream development activities, as often as possible at pre-investment stages; and second to support innovative and experimental activities in line with national and regional priorities. The Administrator of UNDP is required to delegate the management of the Fund and its administration, including responsibility for the mobilization of resources, to the Fund's Director, who has authority to conduct all matters related to its mandate and who is accountable directly to the Administrator. Taking into account the advice of the Consultative Committee, the Administrator will submit to the Governing Council of UNDP an annual report on the operations, management and budget of the Fund. A similar report will be submitted annually to the General Assembly and be made available to the Commission on the Status of Women.

II. OPERATIONS OF THE FUND

4. Since becoming operational in 1978, the Fund has supported nearly 400 activities in 91 developing countries. As of 1 January 1985, 68 percent of these activities were ongoing. They may be divided into two areas: (a) programming development resources; and (b) direct assistance to projects benefitting women, their families and societies.

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A. Programming development resources

5. Based on a 1981 agreement, the Fund, with UNDP special programming missions, had undertaken to augment women's participation in operational projects. The results of experimental missions to four countries (two of which had follow-up missions for technical formulation of projects), led to the decision that, while the missions had useful aspects, the Fund might more effectively intervene at stages earlier than mid-cycle: that is, the stages of country programming of indicative planning figure (IPF) resources and of project design. At this time, therefore, the Fund sponsors members of programming and project development teams within the framework of the UNDP-assisted donor round table meetings for least developed countries and of the country programming exercises. For these purposes and for those of technical design of projects, the Fund has planned some 40 missions over the past three years.

6. A further refinement of these missions takes the form of including in their terms of reference the establishment of base-line data and monitoring instruments through the Fund's community situation analysis and participants profile formats (see para.11, below), or other instruments identified by the United Nations specialized agencies. As regards missions for the technical design of programmes and projects, all terms of reference now include the review of planned IPF-assisted activities to determine whether the direction of resources to women is proportionate to their economic responsibilities: i.e., farm management, provision of family income, energy, water supplies, etc.

B. Direct Assistance to Projects

7. As noted above, the second priority of the Fund is for operational programmes with direct immediate benefits. Working with national planning bodies, technical ministries, national machineries on women and development and non-governmental organizations, the Fund emphasizes grass roots initiatives, in particular those of women's and community groups at local levels. Financial inputs of the Fund range from \$2,000 to \$330,000, with an average of \$95,000.

8. Special features of the Fund's operational activities include:

(a) Executing agencies for Fund financed projects are mainly Governments and national non-governmental organizations (73 percent); the remainder are United Nations organizations;

(b) Just 10 percent of Fund-assisted projects employ international "experts" on a full-time basis; most rely on national expertise, with periodic technical inputs - usually from within the country or region - as deemed necessary.

9. In order to ensure the technical viability of projects and their relationship with ongoing development activities in the concerned country or region, the Fund involves many organs, organizations and bodies of Governments and the United Nations system in its project cycle activities, from appraisal through final evaluation.

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C. Monitoring and evaluation activities and instruments

1. Forward-looking Assessment

10. During 1984, a Forward-looking Assessment of one third of the Fund's 1978-1983 portfolio, including analysis of several sectoral areas, was completed with the collaboration of 25 external evaluators and 5 consultants. This in-depth evaluation aimed to assess the extent to which the Fund had implemented its mandate; examine the impact of assistance to women on development as a whole; and determine the Fund's future orientations, priorities and directions. Both the complete report on the Assessment, entitled "Development Co-operation with Women: the Experience and Future Directions of the Fund", and a Summary are available as United Nations publications.

2. Knowledge Bank

11. Responding to the need for a computerized memory to facilitate the systematic storage and retrieval of both country information and the results of past development co-operation experience, the Fund in 1983 sponsored the development of a prototype Knowledge Bank on its activities. This facility is unique in that it stores information not only on "what has been done" but on "what has been learned" which makes it both an institutional memory and a guide for designing and assessing future development projects. The Knowledge Bank is tied in with UNDP's Project Institutional Memory (PIM) to facilitate the Fund's access to information on other development projects and at the same time to open up possibilities for sharing the Fund's experiences and expertise with others through the facilities of the United Nations mainframe computer.

D. Special Initiatives

1. Africa Investment Plan

12. The profound economic and social crisis that Africa is experiencing is of deep concern to the Fund, as it is to the whole international community. While not engaged in the emergency food supply operations, the Fund is committing its resources to recognition and support of African small-scale farmers, the bulk of whom are women. While the United Nations Economic Commission for Africa estimates that women produce, process, store and market up to 80 percent of Africa's domestic food, their access to agricultural credit, extension services and related support systems has been minimal.

13. The Fund's Africa Investment Plan was designed early in 1984 to give focus to those activities the Fund will finance and encourage others to support in the region. It features food policy (research strategies and improved agricultural and food technologies); energy (improved fuel-saving stoves, reforestation and other energy conservation); credit support systems (providing women access to credit and training in credit management); linkages (priority support for activities linked with major development projects); and strengthening management capabilities (training of both project managers and those in relevant government ministries and non-governmental organizations).

2. Food Cycle Technologies

14. Companion and supplementary to the Africa Investment Plan is the Fund's Food Cycle Technologies project, also established in 1984, which, originating in the Fund's experience, promotes the widespread dissemination of tested food-cycle technologies. While global in scope, this five-year project is initially being implemented in Africa. Included are technologies for food production, processing, storage, transportation and marketing such as improved ploughs and digging implements, grain mills, solar dryers, oil presses, nut shellers, storage bins and low-cost transportation equipment.

15. The project is first identifying prototype technologies; locating on-going or planned projects in which these might be incorporated; consulting national, regional and global technology centres; and seeking donors to provide needed technical and financial inputs, estimated at \$4.2 million for the five-year period. Technology "packages" will then be offered. These will include technical experts to adapt prototypes to local conditions and provide necessary training; community education and information materials; study visits for potential users to consult with groups which have used the technology successfully; and advice and assistance on technology commercialization. Undertaken in co-operation with FAO, UNICEF, ILO and UNDP, the programme is based upon the Fund's successful experiences in the dissemination of improved fish-smokers in several West African countries, fuel-saving cooking stoves in the Sahel, the extraction of salt by solar energy and the introduction of grain-processing technologies.

3. Credit systems

16. Lacking collateral, poor women in developing countries find it almost impossible to obtain the credit they require for augmenting productivity or starting up income-earning activities. Many Fund-supported projects, therefore, include a revolving loan fund (RLF). RLFs provide women's groups with access to capital for specific income-producing activities; help individual women learn about credit and how to obtain it; and familiarize women with financial management. The Fund introduced this concept when it began operational activities, and by the end of 1983 had assisted 30 projects with RLF components ranging from \$5,000 to \$125,000. The Fund's RLF allocations are typically used as either community or institutional loan funds. When banks handle administration, the Fund's contributions are sometimes used as collateral for much larger loans, increasing credit availability. A credit specialization, similar to that on food technologies, is in the planning stages.

III. SOURCES OF INITIAL AND FOLLOW-UP FINANCING

17. The bulk of the Fund's financial resources have been contributed by more than 90 Member States of the United Nations. In line with donor trends toward specific purpose contributions, the Fund also benefits from contributions over and above annual pledges. In 1984 these included Norway (\$557,000 additional) and Italy (\$203,000 additional). Despite generous contributions, however, due to a shortfall in resource availability, it has been necessary for the Fund to reject about one half of the requests submitted to it.

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18. Many international and non-governmental organizations (NGOs) also contribute to the Fund. A group of 20 NGOs has formed the Advisory Group on the Fund through which they encourage national chapters to publicize and contribute to activities. In developing countries these chapters may also benefit from Fund support. In several countries -- Belgium, Denmark, Finland, the United Kingdom and the United States -- national committees have been organized to promote the goals and work of the Fund directly. Purposes of the national committees are three-fold: (a) to augment understanding of the critical contributions of women to their economies and societies; (b) to encourage government pledges to the Fund; and (c) to raise monies from the private sector, including individuals. As a group, NGOs and individuals became the Fund's sixth largest contributor in 1984.

19. Evidence of the Fund's catalytic role may be found in the follow-up financing of activities initiated from its resources. In 1983 and 1984, for example, a total of \$1.08 million is known to have been attracted from UNDP alone to second phases of six projects which drew their phase one assistance from the Fund. Other sources of follow-up funding which became visible in the process of carrying out the Forward-looking Assessment also totalled approximately \$1 million. The Fund is seeking further detailed information in this area.

IV. MANAGEMENT MATTERS

20. The Consultative Committee on the Fund, at its seventeenth session in 1985, reviewed progress made in negotiations with UNDP on the transfer of the Fund to its autonomous association pursuant to General Assembly resolution 39/125, operative paragraph 9. The target date for completion of the transfer of the Fund to UNDP had been set for 30 June 1985. In reviewing the proposed arrangements, the view widely expressed in the General Assembly was reiterated by the Committee: i.e., that the Fund in its future arrangements should be accorded full autonomy in its day to day operations and high visibility in the United Nations system as a separate and distinct Fund for development assistance to women.

21. UNDP's Resource Mobilization Unit and its Division of Information will assist fund-raising activities. Investment of contributions will be the concern of the UNDP Treasury Section, although the Fund may be expected to advise on cash out-flows.

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22. As regards the central services of UNDP, in financial matters - while designated officers of the Fund will have certifying functions and responsibilities for administrative budget formulation - UNDP Division of Finance will have overall approval responsibility under UNDP Financial Regulations and Rules. The Fund will continue to pay its own staff and office expenditures, and, in lieu of the 13 percent overhead costs on these items paid previously to the United Nations, will pay office rental. In this regard, since the conversion of the proposed "FF" building on 45th Street is necessary, the Fund, based on its share of floor space, is expected to pay conversion costs as an element of rental costs to be paid in advance and to be written off over a period of five years. Pending the move to its new location, expected to take place around October 1985, DIESA has agreed that the Fund may remain in its present offices.

23. It will be recalled that the Fund, under the Memorandum of Understanding between the United Nations and UNDP, 1980, pays 1.5 percent of project value to UNDP as reimbursement for administrative costs. This amount is to be maintained for a period of 18 months. After the first year of this period a study will be carried out regarding actual costs. Should the review indicate that different reimbursement levels would be appropriate, these will go into effect from 1 January 1987.

24. The biennial budget for administrative costs of the Fund was reviewed by the intergovernmental Consultative Committee on the Fund at its seventeenth session, prior to its submission to the Council. However, in view of ACABQ's already full agenda for its current session, its Chairman has advised that Fund budgetary matters will come before its continuing fortieth session, September - December 1985. The Administrator therefore recommends that the Council authorize him to act upon the ACABQ 1985 recommendations in the interim before the thirty-third session of the Governing Council, 1986, in order that the Fund may have an operational budget.

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