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UNITED NATIONS FUND FOR POPULATION ACTIVITIES

WORK PLAN FOR 1988-1991 AND REQUEST FOR APPROVAL AUTHORITY

Report of the Executive Director

This report of the Executive Director is submitted to the Council for its approval in accordance with article VII of the Financial Regulations of the Fund, as approved by the Governing Council in decision 83/17 III, paragraph 3, adopted at its thirtieth session. It contains the work plan for the years 1988-1991 and as such gives information on UNFPA's resource situation, overall resource utilization, the distribution of new programmable resources between country and intercountry activities and allocations to country activities. In accordance with several Council decisions, it also provides information on allocations in 1986 and on the programme ceiling for 1987. The document concludes with the request for approval authority for the years 1988-1991.

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I. ALLOCATIONS IN 1986

1. The Executive Director submitted to the thirty-third session of the Governing Council the final report on the review and reassessment and the work plan for 1987-1990 and request for approval authority (DP/1986/35). In paragraphs 22 and 23 of that document he reported a considerable change in the intended programme ceiling for 1986 as compared to the one for 1986 contained in the work plan 1986-1989, submitted to the thirty-second session of the Council (DP/1985/35). This change was due to the fact that in 1986 the Executive Director did not expect that UNFPA would receive a contribution from the United States Government for the year 1986. Thus, while in 1985 the income for 1986 had been estimated at \$154.3 million, in early 1986 it had been estimated at \$125 million, an expected shortfall of \$29.3 million.

2. In late August 1986, the United States Government made it known that, indeed, it had decided not to contribute to UNFPA in 1986. However, in view of the devaluation of the United States dollar since September 1985 and in view of additional contributions from the Governments of Canada, Finland and the Netherlands, totalling \$9.9 million, the actual income of UNFPA in 1986 amounted to \$140.0 million. Thus, UNFPA's income in 1986 was only \$2.9 million lower than its income in 1985 (\$142.9 million) and \$15 million higher than expected in early 1986 (\$125 million).

3. Table A compares the programme ceiling for 1986 as set in 1986 with the level allowable given actual income that year. A comparison is also made with the allowable programme ceiling if the additional contributions had not been made. The table shows inter alia that operational costs have been reduced by \$1.3 million from the estimate made in early 1986, through savings in the administrative budgets at headquarters and in the field and in the overheads to United Nations agencies and non-governmental organizations (NGOs), and that UNFPA decided not to use the authority granted by the Council in decision 86/34 IV, paragraph 4, to borrow \$5 million from UNFPA's operational reserve in 1986. Thus, the total programme ceiling for 1986 was \$128 million or \$12.4 million higher than the \$115.6 million estimated in early 1986.

4. Actual project allocations in 1986 totalled \$116 million or \$1.1 million less than the actual available programmable resources of \$117.1 million (table A, column 2, line 7). In consequence UNFPA has not used the authority granted by the Council in decision 86/34 IV, paragraphs 3 and 5, to overprogramme, i.e. to allocate above the programme ceiling. Actual year-end allocations in 1986 were \$12 million lower than the allowable total programme ceiling, including overprogramming, of \$128 million (table A, column 2, line 9). This situation is due to the following:

- (a) In general, it is difficult to allocate and expend resources to the fullest amount, if the resource projections fluctuate so widely;
- (b) In line with the relevant Council decisions, UNFPA decided to be cautious and not make allocations beyond available resources and the permitted overprogramming. As the one-time pledges from the Governments of Canada, Finland and the Netherlands were made in October/November 1986, allocations against these additional resources

Table A. Programme ceiling for 1986 as set in 1986 and as allowable given actual 1986 income
(Millions of US dollars)

	(1)	(2)	(3)
	As set in 1986 ^{a/}	As allowable given special contributions	As allowable if the special one-time contributions had not been made
(1) Income	125.0	140.0 ^{b/}	130.0
(2) Operational costs	31.8	30.5 ^{b/c/}	30.5 ^{b/c/}
(3) Addition to the operational reserve	(5.0) ^{d/}	0	(5.0) ^{d/}
(4) Subtotal (2) plus (3)	26.8	30.5	25.5
(5) Available as new programmable resources (1) minus (4)	98.2	109.5	104.5
(6) Carry-forwards of resources from 1985	7.6	7.6	7.6
(7) Actual available programmable resources (5) plus (6)	105.8	117.1	112.1
(8) Overprogramming	9.8 ^{e/}	10.9 ^{e/}	10.4 ^{e/}
(9) Total programme ceiling (7) plus (8)	115.6	128.0	122.5

^{a/} DP/1986/35, Table H, Revision 2 and adjusted for carry-forwards from 1985.

^{b/} Actual.

^{c/} Reductions in the operational costs of \$1.3 million.

^{d/} Borrowing from the operational reserve.

^{e/} 10 per cent overprogramming of new programmable resources of line (5) as per Council decision 86/34 IV, paragraphs 3 and 5; no overprogramming on the resources carried forward from previous year.

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did not - and could not be expected to - lead to actual expenditures in 1986. Instead, they were rephased into future years before the end of 1986 and, thus, are not included in the year-end allocations of 1986. Table A, column 3, shows that without these special one-time contributions UNFPA would have planned to borrow up to \$5 million from the operational reserve and the total programme ceiling would have amounted to \$122.5 million (table A, column 3, line 9). In that case the actual year-end project allocations in 1986 of \$116 million would have constituted an overprogramming of \$3.9 million, namely the difference between allocations of \$116 million and actual available programmable resources of \$112.1 million (table A, column 3, line 7) or of 3.7 per cent of new programmable resources of \$104.5 million (Table A, column 3, line 5);

- (c) The \$1.3 million reduction in operational costs could not have been foreseen, at least not in full. They include reductions in UNFPA's administrative costs at both headquarters and in the field as well as reductions in support costs to United Nations executing agencies and NGOs. Support costs are, in turn, dependent upon actual project expenditures in 1986;
- (d) Total project expenditures in 1986 are estimated to amount to \$101.6 million or 87.6 per cent of year-end allocations (\$116 million). Had UNFPA rephased before the end of 1986 a smaller amount of those allocations which were not likely to be spent in 1986, the year-end allocations would be correspondingly higher. For example, had UNFPA rephased \$4 million less, year-end allocations would have amounted to \$120 million. The implementation ratio (rate of expenditures to year-end allocations) would then be 101.6 to 120 or 85 per cent, a rate which in most United Nations organizations would still be regarded as fully satisfactory.

5. Of the total year-end allocations in 1986 of \$116 million, \$83.9 million (72.3 per cent) were allocated to country activities and \$32.1 million (27.7 per cent) to intercountry activities. Total project expenditures in 1986 are estimated to amount to \$101.6 million resulting in an implementation rate of 87.6 per cent. A detailed break-down of expenditures in 1986 between country and intercountry activities is not yet available at the time this document is being written. However, based upon experience of earlier years, UNFPA estimates that the implementation rate for country activities in 1986 was 86.6 per cent resulting in total expenditures of \$72.7 million and the implementation rate for intercountry activities was 90 per cent resulting in total expenditures of \$28.9 million.

6. In tabular presentation, table B shows the expenditures for country and intercountry activities over the years 1983-1986 as well as the proportion of intercountry activities of the total. Table C shows expenditures for intercountry activities for the years 1983-1986 by work plan category. Most notable are the increases in expenditures for family planning and for communication and education, the combined proportions of which increased from 42.5 per cent in 1983 to 54.4 per cent in 1986. Likewise, table D shows expenditures for intercountry activities for the years 1983-1986 by functional

Table B. Expenditures for country and intercountry activities 1983-1986
(Millions of US dollars)

	1983	1984	1985	1986
(1) Country activities	69.1	83.5	90.2	72.7 ^{a/}
(2) Intercountry activities	32.0	31.7	33.6	28.9 ^{a/}
(3) Total	101.1	115.2	123.8	101.6
(4) (2) as a percentage of (3)	31.7%	27.5%	27.1%	28.4 ^{a/}

^{a/} Estimate assuming an implementation rate of 86.6 per cent for country activities and of 90 per cent for intercountry activities.

Table C. Expenditures for intercountry activities 1983-1986
by work plan category
(Millions of US dollars)

	1983		1984		1985		1986 ^{a/}	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Family planning	6.7	20.9	7.4	23.3	9.3	27.8	8.1	28.1
Communication and education	6.9	21.6	7.3	23.0	8.5	25.3	7.6	26.3
Basic data collection	3.0	9.3	2.4	7.6	2.2	6.4	1.6	5.4
Population dynamics	6.9	21.6	6.1	19.2	5.4	16.1	4.3	14.9
Formulation and evaluation of population policies	2.6	8.1	3.5	11.1	3.5	10.5	4.4	15.3
Implementation of policies	0.5	1.6	0.1	0.3	0.2	0.5	0.1	0.4
Multisector activities	4.8	15.0	3.9	12.3	3.9	11.5	1.7	5.9
Special programmes	0.6	1.9	1.0	3.2	0.6	1.9	1.1	3.7
Total	32.0	100.0	31.7	100.0	33.6	100.0	28.9	100.0

^{a/} Estimate assuming an implementation rate of 90 per cent.

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Table D. Expenditures for intercountry activities 1983-1986
by functional category
(Millions of US dollars)

	1983		1984		1985		1986 ^{a/}	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Technical assistance and backstopping	17.2	53.8	16.2	51.1	17.1	51.0	13.7	47.5
Training	5.8	18.1	5.6	17.7	6.1	18.2	6.2	21.3
Research	6.0	18.7	6.6	20.8	7.2	21.4	5.8	20.2
Information exchange	3.0	9.4	3.3	10.4	3.2	9.4	3.2	11.0
Total	32.0	100.0	31.7	100.0	33.6	100.0	28.9	100.0

^{a/} Estimate assuming an implementation rate of 90 per cent.

Table E. Expenditures for intercountry activities in 1986 by functional
category which can be attributed to specific developing countries
(Millions of US dollars)

	(1)	(2)	(3)
	Expenditures in 1986 ^{a/}	Percentage attributable to countries	Expenditures in 1986 attributable to countries ^{a/}
Technical assistance and backstopping	13.7	85	11.6
Training	6.2	90	5.6
Research	5.8	30	1.8
Information exchange	3.2	20	0.6
Total	28.9	67.8	19.6

^{a/} Estimate assuming an implementation rate of 90 per cent.

category. The most notable point is the reduction from 1985 to 1986 of expenditures for technical assistance and backstopping in both absolute and proportional terms. The major reason for this reduction lies in the fact that, starting 1986, in accordance with Council requests, expenditures for UNFPA headquarters staff which previously were budgetted as technical assistance through intercountry activities have been shifted to the administrative budget.

7. In document DP/1987/40, also submitted to the thirty-fourth session of the Council, the Executive Director is presenting a system by which intercountry activities can be attributed to specific developing countries. The document shows in paragraph 23 and the corresponding table that of the \$32.1 million in total allocations to intercountry activities in 1986, activities amounting to \$21.7 million or 67.8 per cent of the total can be so attributed. Table E in this document shows these amounts as expenditures.

II. PROGRAMME CEILING FOR 1987

8. The work plan submitted by the Executive Director to the thirty-third session of the Governing Council for the years 1987-1990 was presented with two alternative income scenarios (DP/1986/35, tables J.1 and J.2). The higher scenario included a substantial contribution to UNFPA from the United States Government, while the lower scenario excluded such a contribution. This approach had been necessary, since in early 1986 when the work plan for 1987-1990 was prepared, it was uncertain whether or not the United States Government, traditionally UNFPA's largest donor, would contribute to UNFPA in 1987 and in future years. In late August 1986, the United States Government made known that it had decided not to contribute to UNFPA in 1986, a decision which for 1986 had been anticipated by UNFPA. For reasons of prudent planning, UNFPA has chosen not to include a potential United States contribution in 1987 or in the following years in its income and programme planning projections.

9. Thus, UNFPA is currently working on the basis of the lower scenario of last year's work plan. However, due to increased pledges from UNFPA's other donors and the current depreciation of the US dollar, the Executive Director now estimates the 1987 income to be \$145 million instead of the lower level set last year of \$135 million. The Executive Director, therefore, expects not to use the authority granted by the Council in decision 86/34 IV, paragraph 4, to borrow up to \$3 million from UNFPA's operational reserve in 1987. In spite of this fact, the total programme ceiling for 1987, including carryforwards of resources from 1986 and the permitted overprogramming, will amount to \$137.6 million (table F, column 2, line 9). In comparison, the programme ceiling under the lower scenario of the 1987-1990 work plan amounted to only \$129.9 million (table F, column 1, line 9). In this context it should be noted that in spite of an increase in the anticipated 1987 income from \$135 million to \$145 million, the Executive Director has decided not to increase the operational costs for 1987 beyond the level of \$34 million budgetted last year.

Table F. Programme ceiling for 1987
(Millions of US dollars)

	(1)	(2)
	As set in 1986 ^{a/}	As currently estimated
(1) Income	135.0	145.0
(2) Operational costs	34.0	34.0
(3) Addition to the operational reserve	(3.0) ^{b/}	0
(4) Subtotal (2) plus (3)	31.0	34.0
(5) Available as new programmable resources (1) minus (4)	104.0	111.0
(6) Carry-forwards of resources from 1986	15.5 ^{c/}	15.5
(7) Actual available programmable resources (5) plus (6)	119.5	126.5
(8) Overprogramming	10.4 ^{d/}	11.1 ^{d/}
(9) Total programme ceiling (7) plus (8)	129.9 ^{e/}	137.6 ^{e/}

^{a/} DP/1986/35, Table J.2, excluding carry-forwards of line 6.

^{b/} Borrowing from the operational reserve.

^{c/} No estimate was made in 1986 on carry-forwards from 1986 to 1987.

^{d/} 10 per cent overprogramming of new programmable resources of line (5) as per Council decision 86/34 IV, paragraph 5; no overprogramming on the resources carried forward from previous year.

^{e/} Including carry-forwards from 1986 to 1987.

III. NEW SUBMISSIONS OF COUNTRY PROGRAMMES TO THE COUNCIL AT ITS
THIRTY-FOURTH SESSION

10. The Executive Director is submitting to the Council's thirty-fourth session, 31 comprehensive country programmes, all of which are intended to be completed by the end of 1990 or 1991, i.e. during the work plan period 1988-1991. These 31 country programmes (21 in sub-Saharan Africa, 3 in Asia and the Pacific, 1 in Latin America and 6 in the Middle East and Mediterranean) total \$151 million of which \$104.8 million or 69.4 per cent are for priority countries.

11. In view of UNFPA's uncertain resource levels in future years, the Fund is submitting these programmes, with the exception of Thailand, also at a lower level of \$107.8 million, of which \$71.8 million or 66.6 per cent are for priority countries. The break-down by substantive area for both the higher and lower levels is contained in tables G, G.1 and G.2.

12. At both higher and lower levels, the proportion of resources for priority countries is in accordance with the guidelines of the Council. However, the distribution by substantive area differs somewhat, at both levels, from the general guidelines of the Council. Family planning constitutes only 37.3 per cent at the higher level and 41.5 per cent at the lower level, while the amounts foreseen for data collection are somewhat higher than the Council's guidelines. The reason for this variation lies in the fact that two thirds of the total amount proposed for all country programmes to the thirty-fourth session of the Council are for country programmes in sub-Saharan Africa. A differentiation between country programmes for countries in sub-Saharan Africa and all other country programmes (sub-tables G.1 and G.2 of table G) shows that family planning is around 45 per cent in all country programmes except those for Africa, where it is only between 30 and 40 per cent. However, at the same time, related activities of population communication and education, to which the Council also gives special importance, are proposed to this region at a level considerably higher (20-24 per cent) than is normally the case in UNFPA's country programmes. Similarly, activities in data collection in Africa are intended at a level 10 percentage points higher than in the other countries. The percentage for women's activities amounts to around 6 per cent in Africa, but around 10 per cent in the other country programmes submitted to the thirty-fourth session of the Council. The Executive Director wishes to point this out since new decisions made by UNFPA (and approved by the Council) present a better indication of programme trends than do year-end allocations or actual year-end expenditures, for both of these are largely influenced by implementation speed of programmes and projects over which UNFPA has only limited control.

13. The Executive Director is submitting these programmes for approval at the higher levels in order to avoid the need for a re-submission if funding at these higher levels should indeed become possible. However, as explained in the report of the Executive Director on the status of financial implementation of Governing Council-approved country programmes and projects (DP/1987/35, paragraph 14), at present resource projections only the lower levels shall constitute UNFPA's commitment. As stated in the individual submissions, UNFPA will provide the balance of up to \$43.2 million, as its funding situation permits. If and to the extent this is not the case, UNFPA will seek to cover the shortfall from other sources, including multi-bilateral sources.

**Table G. New submissions to the Council at its thirty-fourth session
by substantive area at higher and lower levels
(Millions of US dollars)**

	<u>Higher level</u>		<u>Lower level</u>	
	<u>(\$)</u>	<u>(%)</u>	<u>(\$)</u>	<u>(%)</u>
Family planning	56.3	37.3	44.7	41.5
Communication and education	33.4	22.1	21.3	19.8
Basic data collection	23.7	15.7	15.3	14.2
Population dynamics	11.1	7.3	6.8	6.3
Formulation and evaluation of population policies	15.2	10.1	11.6	10.7
Special programmes (mainly for women)	11.3	7.5	8.1	7.5
Total	151.0	100.0	107.8	100.0

**Table G.1 New submissions to the Council at its thirty-fourth session
by substantive area at higher and lower levels: Africa
(Millions of US dollars)**

	<u>Higher level</u>		<u>Lower level</u>	
	<u>(\$)</u>	<u>(%)</u>	<u>(\$)</u>	<u>(%)</u>
Family planning	33.5	34.3	25.1	38.0
Communication and education	23.6	24.2	13.5	20.4
Basic data collection	18.7	19.1	11.8	17.9
Population dynamics	5.2	5.3	3.8	5.7
Formulation and evaluation of population policies	11.0	11.3	7.7	11.7
Special programmes (mainly for women)	5.6	5.8	4.1	6.3
Total	97.6	100.0	66.0	100.0

**Table G.2 New submissions to the Council at its thirty-fourth session
by substantive area at higher and lower levels:
all regions except Africa**
(Millions of US dollars)

	<u>Higher level</u>		<u>Lower level</u>	
	(\$)	(%)	(\$)	(%)
Family planning	22.7	42.6	19.6	46.9
Communication and education	9.8	18.4	7.9	18.8
Basic data collection	5.1	9.5	3.5	8.3
Population dynamics	5.9	11.0	3.1	7.4
Formulation and evaluation of population policies	4.2	7.9	3.8	9.2
Special programmes (mainly for women)	5.7	10.6	3.9	9.4
Total	53.4	100.0	41.8	100.0

Table H. New programmable resources for 1988-1991
(Millions of US dollars)

	1988	1989	1990	1991	Total 1988-1991
(1) Income	153.7	163.0	172.7	183.0	672.4
(2) Operational costs	35.8	37.8	40.0	42.8	156.4
(3) Additions to the operational reserve	3.0	3.0	4.0	4.0	14.0
(4) Subtotal (2) plus (3)	38.8	40.8	44.0	46.8	170.4
(5) Available as new pro- grammable resources (1) minus (4)	114.9	122.2	128.7	136.2	502.0

IV. WORK PLAN FOR 1988-1991 AND REQUEST FOR APPROVAL AUTHORITY**A. The work plan 1988-1991**

14. UNFPA's work plan is a projected programme of assistance based upon income projections, prior commitments and foreseeable needs over the next four years. Its present format is based on article VII of UNFPA's Financial Regulations, adopted by the Council at its thirtieth session in decision 83/17 III, paragraph 3.

15. UNFPA's work plan refers only to those activities which are funded from UNFPA's general resources and not to those funded from multi-bilateral resources. The rationale for this lies in the fact that in the latter cases ultimate funding decisions are made by the individual multi-bilateral donor country or organization. This is reflected in regulation 4.4 of UNFPA's financial regulations, according to which voluntary contributions shall be made without limitation as to use by a specific executing agency, in a specific recipient country or region or for a specific project. Accordingly, regulation 5.3 stipulates that contributions or donations, other than those identified under Article IV, which are accepted for purposes specified by a donor shall be treated as trust funds. Multi-bilateral resources for a specific project are thus treated as trust funds. UNFPA's role in multi-bilaterally funded population projects includes programmatic and substantive aspects of these projects but not, strictly speaking, the funding decision itself. Since the work plan summarizes intended funding decisions by UNFPA, multi-bilateral funding is not included in its figures. Nevertheless, reference is made to possible multi-bilateral funding in the context of country programmes or projects which are submitted to the Council for approval when these country programmes or projects have two different funding levels (see section III of this document).

16. The work plan contains information on the following subjects:

- (a) Estimate of new programmable resources 1988-1991 by year (paragraphs 19-21);
- (b) General considerations in resource allocations (paragraphs 22 and 23);
- (c) Distribution of new programmable resources 1988-1991 between country and intercountry activities by year (paragraph 24);
- (d) Average annual distribution of country activities by region for the years 1988-1991 (paragraph 25);
- (e) Details on amounts for country activities already programmed for 1988-1991 (paragraphs 26-28);
- (f) Average annual distribution of intercountry activities by region for the years 1988-1991 (paragraphs 29 and 30).

17. UNFPA's work plan is a rolling four-year plan which means that for each new work plan the current year is deleted and one future year is added. Since most programmes and projects last for several years, and since allocations are rephased in accordance with the rate of implementation, the calculation of percentage shares to each major sector, geographical region, country, etc., on the basis of the actual allocations at year's end of any given year, is potentially misleading. More important are the new decisions being made by UNFPA, even though they are implemented over a period of years, for example, submissions of new country programmes as described above. They too form part of the work plan. Other, small-scale projects, approved under the authority of the Executive Director and also part of the work plan, are developed on short-term notice and therefore cannot be reflected in detail for four years ahead of time. Thus, as the actual performance of UNFPA is best expressed by trends, some of the tables that follow show trends rather than data on a year-by-year basis.

18. The work plan is based upon the income assumptions for the period 1988-1991 which, after deduction of operational costs and of the additions to the operational reserve, determine the estimate of new programmable resources. The income assumptions are also the basis for the requested approval authority.

19. For the work plan 1988-1991, the Executive Director takes the income of 1987, estimated at present as \$145 million (see paragraph 9 above), as the base and assumes a constant annual increase of 6 per cent for 1988-1991. The rationale for assuming a constant annual increase of only 6 per cent in this work plan, as compared to 8 per cent in last year's work plan, lies mainly in the fact that the base data, the income estimate for 1987, is influenced by the current value of the US dollar. The conservative estimate of a constant annual increase of only 6 per cent takes into consideration the expected fluctuation of the US dollar during the period 1988-1991.

20. On the basis of these assumptions, the new programmable resources are calculated as presented in table H. The income for 1988-1991 is estimated to increase by 6 per cent per annum and the operational costs are estimated to increase by 5.5 per cent per annum. Additions to the operational reserve are intended as follows: \$3 million each in 1988 and 1989 and \$4 million each in 1990 and 1991. The operational reserve amounted to \$30 million at the end of 1986. With no additions intended in 1987 and additions of \$14 million intended for the years 1988-1991, the operational reserve will amount to \$44 million at the end of 1991 or 25 per cent of the \$176 million expected in Government pledges for 1991. UNFPA, thus, expects to reach the goal set by the Council in decision 81/7 III, paragraph 5, in 1991 rather than in 1989. The Executive Director had pointed out the need to delay reaching the target in last year's work plan (DP/1986/35, paragraph 35) and the Council, in decision 86/34 IV, paragraph 4, had authorized the Executive Director to delay the additions to the reserve accordingly.

21. It should be noted at this occasion that the currently expected total income for the years 1988-1991 of \$672.4 million and the expected income for each individual year are almost identical to the total expected income in the work plan for 1986-1989 (DP/1985/35, table J) of \$678 million and to the

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expected income in each of the corresponding individual years. The same is true of the \$502 million total of new programmable resources for 1988-1991, which in the work plan for 1986-1989 totalled \$505.4 million. However, the income estimates for 1986-1989 included the assumption of a United States contribution of on average \$50 million per annum, while the income estimates for 1988-1991 do not include any contribution from the United States. Thus, the full withdrawal of United States support starting in 1986 has put UNFPA's financial development nominally two years back, but no more than that.

22. Table H, line 5 shows the estimated new programmable resources for the full period 1988-1991 to be \$502 million. These resources will be used in accordance with the following instructions by the Council, all of which will be met in full or almost in full, focussed on:

- (a) Considerably increased support to countries in the sub-Saharan Africa region through country and regional activities;
- (b) Support to programmes and projects in priority countries at a level of two thirds of allocations to all country programmes and projects;
- (c) Continued emphasis to projects in the complementary areas of family planning and population communication and education;
- (d) Considerably increased support to programmes and projects which improve the role and status of women through country and intercountry activities;
- (e) Support to country programmes and projects approved by the Council as scheduled in the individual country submissions;
- (f) Levels of allocations to individual countries on the basis of the eight specific criteria mentioned in Council decision 81/7 I, paragraph 8;
- (g) Support to intercountry activities at a level of about 25 per cent of all UNFPA assistance in each year.

23. By their very nature, all figures in the work plan are tentative, notably for the following reasons:

- (a) The income estimates of the work plan for the year 1988-1991 do not include a contribution from the United States Government. If and when the United States Government decides to contribute again to UNFPA, UNFPA's income will increase by about 20 per cent, the share traditionally paid by the United States. However, the income estimates may also have to be lowered, notably if the present devaluation of the US dollar is reversed. Under such circumstances, it might appear wise not to count on the presently estimated increases in UNFPA's income during the years between 1988 and 1991. In the past five years, the Executive Director has indeed not counted on such increases until they had become reality. However, the experience of the past five years shows that this approach was overcautious and that a too conservatively set allocation level may

lead to year-end allocations and year-end expenditures which are lower than required given actual resources at hand. This has resulted in carrying-forward on average about \$14 million per year:

- 1982 to 1983:	\$ 9.1 million
- 1983 to 1984:	\$19.2 million
- 1984 to 1985:	\$17.5 million
- 1985 to 1986:	\$ 7.6 million
- 1986 to 1987:	\$15.5 million

The Executive Director therefore feels that allocation decisions should be made cautiously, but not over-cautiously;

- (b) All tables exclude overprogramming, that is, allocations above available programmable resources, since at the end of each year the amount allocated beyond available programmable resources becomes a charge against the immediately following year. As requested by the Executive Director, the Council, in decision 86/34 IV, paragraph 5, has decided to raise the level of permitted overprogramming to up to 10 per cent of new programmable resources for 1986 and 1987 and to review it annually thereafter. Given the present circumstances, the Executive Director requests that the level of permitted overprogramming in 1988 also be set at its current 10 per cent;
- (c) The Council has given UNFPA instructions for the allocation of resources by geographical criteria (country versus intercountry activities, priority countries, etc.) as well as by substantive criteria (work plan categories; family planning, communication and education, etc.). In practice, these two aspects need to be balanced against each other, since neither one is or should be the overriding concern. Thus, adjustments in one area for the benefit of the other and vice versa will occur by necessity;
- (d) While UNFPA intends to allocate the major share of its resources for country activities to country programmes approved by the Council, the formulation as well as implementation of projects in these programmes are sometimes delayed considerably. In such cases, resources reserved for a specific country programme are made available for activities in other countries.

24. Table I shows the intended distribution of new programmable resources between country and intercountry activities which takes into account the needs in both these areas. With respect to intercountry activities, reference is made to the report of the Executive Director on the development of a system for attributing intercountry activities to the countries that receive intercountry assistance (DP/1987/40), also submitted to the thirty-fourth session of the Governing Council.

25. Country activities are intended to amount to \$370.6 million for the four-year period 1988-1991, or an average of \$92.65 million per annum (rounded for planning purposes to \$93 million). Table J presents past expenditures for country activities from 1984 to 1986, average intended allocations for 1987-1990, as contained in last year's work plan, and the average intended allocations for 1988-1991. The table shows an increase of resources for country activities from, on average, \$82.5 million per annum in last year's

Table I. Distribution of new programmable resources between country and intercountry activities 1988-1991
(Millions of US dollars)

	1988		1989		1990		1991		Total 1988-1991	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Country activities	84.9	73.9	90.2	73.8	94.9	73.8	100.6	73.9	370.6	73.8
Intercountry activities	30.0	26.1	32.0	26.2	33.8	26.2	35.6	26.1	131.4	26.2
Total	114.9	100.0	122.2	100.0	128.7	100.0	136.2	100.0	502.0	100.0

Table J. Intended country activities by region, 1988-1991
compared with expenditures 1984-1986
(Millions of US dollars)

	(1)		(2)		(3)		(4)		(5)		(6)	
	1984 Expenditures ^{a/} (\$)		1985 Expenditures ^{a/} (\$)		1986 Expenditures ^{b/} (\$)		Intended average annual allocations 1987-1990 ^{c/} (\$)		Intended average annual allocations 1988-1991 ^{d/} (\$)		Change from column (4) to column (5) (\$)	
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Africa (sub-Saharan)	16.0	19.2	17.6	19.5	18.2	25.1	22.6	27.4	28.0	30.1	+5.4	+23.9
Asia and the Pacific	46.9	56.1	49.0	54.3	34.8	47.8	39.0	47.3	42.0	45.2	+3.0	+ 7.7
Latin America and the Caribbean	12.5	15.0	14.0	15.5	10.5	14.5	10.6	12.8	11.6	12.5	+1.0	+ 9.4
Middle East and Mediterranean	7.3	8.7	8.4	9.3	8.4	11.6	9.7	11.8	10.8	11.6	+1.1	+11.3
Europe	0.8	1.0	1.3	1.4	0.8	1.0	0.6	0.7	0.6	0.6	-	-
Total	83.5	100.0	90.3	100.0	72.7	100.0	82.5	100.0	93.0	100.0	+10.5	+12.7

^{a/} Actual.

^{b/} Estimate assuming an implementation rate of 86.6 per cent.

^{c/} Excluding overprogramming, excluding carry-forwards, as set in DP/1986/35, table M at lower scenario.

^{d/} Excluding overprogramming, excluding carry-forwards.

work plan to, on average, \$93 million per annum in this work plan. This amounts to an increase in country activities of, on average, \$10.5 million (or 12.7 per cent) per annum (table J, column 6). Of this increase, more than half is intended for country activities in sub-Saharan Africa, an increase of almost 24 per cent to this region compared to last year's work plan. Thus, sub-Saharan African countries should receive, on average, 30 per cent of UNFPA's resources for country activities between 1988 and 1991. Country activities in the Middle East and Mediterranean region will receive, on average, 11.3 per cent more resources for country activities than was intended in last year's work plan. This is justified since the region includes two countries, Somalia and Sudan, which are affected by the same circumstances as many of the countries of sub-Saharan Africa. The intended increases for countries in Asia and the Pacific and in Latin America and the Caribbean are somewhat smaller; however, in absolute amounts the average amount intended for countries in Asia and the Pacific between 1988 and 1991 will be almost at the level of the average of the years 1984-1986, of which 1985 showed unusually high and 1986 unusually low allocations and expenditures.

26. Of the \$372 million intended for country activities between 1988 and 1991, \$227.5 million or 61 per cent have already been programmed in some detail through country programmes and projects approved by the Council at earlier sessions or submitted to the Council at its thirty-fourth session. In last year's work plan only 40 per cent of the then intended total country activities for 1987-1990 of \$330 million (DP/1986/35, table N.2) had been programmed. The difference lies in the fact that submissions to the Council at its thirty-third session totalled \$41 million while those submitted to the thirty-fourth session total \$107.8 million (DP/1987/35, tables A.4 and B). Thus, if the new submissions to the thirty-fourth session of the Council are approved, the total commitment of UNFPA for such country programmes and projects will amount to \$293.1 million (DP/1987/35, paragraph 15 and table C) of which \$65.6 million are expected to be allocated in 1987, leaving the balance of \$227.5 million for the work plan period 1988-1991.

27. Table K shows the distribution of the amount already programmed (\$227.5 million) by region as well as the percentage of intended country activities in each region with detailed programmes. The table shows that in each region, with the exception of Latin America and the Caribbean, considerably more than 50 per cent of the expected resources for country activities in 1988-1991 have already been programmed.

28. Table L shows the amounts already programmed by substantive area. They are in full accordance with the applicable decisions of the Council. It should be noted that in last year's work plan the amount foreseen for country activities in the substantive area of family planning was overproportionally high at 67.9 per cent (DP/1986/35, table O), since the country programmes submitted to the Council at its thirty-second and thirty-third sessions projected 75.4 per cent and 58.1 per cent, respectively, for family planning. The amounts foreseen for family planning for 1988-1991 average 59.3 per cent, since the current submissions to the Council contain a smaller portion of resources intended for family planning, as described in paragraph 12 above.

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Table K. Intended country activities for 1988-1991 and amounts already programmed with percentage shares
 (Millions of US dollars)

	(1)	(2)		(3)
	Total country activities 1988-1991 ^{a/}	Amount already programmed		Amount already programmed of regional total (dollars of column 2 as percentage of dollars of column 1)
	(\$)	(\$)	(%)	(%)
Africa (sub-Saharan)	112.0	65.4	28.8	58.4
Asia and the Pacific	168.0	116.6	51.2	69.4
Latin America and the Caribbean	46.0	13.1	5.8	28.5
Middle East and Mediterranean	43.2	32.4	14.2	75.0
Europe	2.8	-	-	-
Total	372.0^{b/}	227.5	100.0	61.2

^{a/} Intended, excluding overprogramming, excluding carry-forwards.

^{b/} The total is raised slightly from \$370.6 million to \$372 million, reflecting the rounding of the average of each year from \$92.65 million to \$93 million.

Table L. Country activities 1988-1991 already programmed by substantive area
 (Millions of US dollars)

	(\$)	(%)
Family planning	134.9	59.3
Communication and education	36.8	16.2
Basic data collection	15.8	6.9
Population dynamics	15.0	6.6
Formulation and evaluation of population policies	12.8	5.6
Special programmes (mainly for women)	12.2	5.4
Total	227.5	100.0

Table M. Intended intercountry activities by region, 1988-1991,
compared with expenditures 1984-1986
(Millions of US dollars)

	1984 Expenditures ^{a/}		1985 Expenditures ^{a/}		1986 Expenditures ^{b/}		Intended average annual allocations 1987-1990 ^{c/}		Intended average annual allocations 1988-1991 ^{d/}	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Africa (sub-Saharan)	4.7	14.8	4.6	13.8	5.3	18.4	6.2	18.7	6.5	19.7
Asia and the Pacific	4.7	14.8	5.5	16.3	4.8	16.4	5.6	16.9	5.5	16.7
Latin America and the Caribbean	2.9	9.2	3.2	9.5	2.6	9.1	3.1	9.4	2.7	8.2
Middle East and Mediterranean	1.5	4.7	1.7	5.1	1.8	6.2	2.5	7.6	2.0	6.1
Europe	0.5	1.6	0.4	1.2	0.4	1.3	0.3	0.9	0.3	0.9
Interregional and Global	17.4	54.9	18.2	54.1	14.0	48.6	15.4	46.5	16.0	48.4
Total	31.7	100.0	33.6	100.0	28.9	100.0	33.1	100.0	33.0	100.0

a/ Actual.

b/ Estimate assuming an implementation rate of 90 per cent.

c/ Excluding overprogramming, excluding carry-forwards, as set in DP/1986/35, table L.

d/ Excluding overprogramming, excluding carry-forwards.

29. Intercountry activities are intended to amount to \$131.4 million or, on average, about \$33 million per annum for the period 1988 to 1991, rising from \$30 million in 1988 to \$35.6 million in 1991. Overall, this amounts to slightly more than 26 per cent of all UNFPA assistance, considerably less than the proportion of intercountry activities in the years 1983-1986 which varied between 27.1 per cent and 31.7 per cent (table B, line 4). Intercountry activities will not decrease further than this proportion for several reasons:

- (a) UNFPA is submitting to the Council at its thirty-fourth session a global training programme in population and development (DP/FPA/PROJECTS/REC/34), requiring about \$1.3 million per annum during the years 1988-1991;
- (b) In UNFPA's report on the implementation strategy concerning women (DP/1987/38), annual cost are estimated at \$0.5 million per annum;
- (c) The amount of the UNFPA contribution to the World Health Organization's Special Programme for Research, Development and Research Training in Human Reproduction (WHO/HRP) may increase;
- (d) The reduced value of the US dollar at present makes intercountry activities in non-dollar countries, notably those of United Nations executing agencies, considerably more costly.

30. Table M presents past expenditures for intercountry activities from 1984 to 1986, intended average allocations for 1987-1990 as contained in last year's work plan and the intended average allocations for 1988-1991. The table shows no overall increase in intercountry activities, but continued increases for Africa and some increases for activities at the interregional and global levels for the reasons mentioned in paragraph 29a, b and c above, at the slight expense of the other regions. This appears justified, since all regions will benefit from the increased activities at the interregional and global levels.

B. Request for approval authority

31. Table N sets out the approval authority which is required to implement the work plan for 1988-1991. As in past years, full approval authority has been set at the level of anticipated income.

32. Forward approval, as established by the Governing Council in decision 82/20 I, paragraph 7, comes to 100 per cent of the 1988 level, 75 per cent of the 1988 level for 1989, 50 per cent of the 1988 level for 1990 and 25 per cent of the 1988 level for 1991. The total requested for the period 1988-1991 amounts to \$384.3 million (table N, line 2).

33. Table N also shows the authority granted by the Governing Council in decision 86/34 IV, paragraph 7, in the amounts of \$123.7 million for 1988, \$82.5 million for 1989 and \$41.2 million for 1990, or a total of \$247.4 million for the period 1988-1990 (table N, line 3).

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34. As will be recalled, the Executive Director had submitted the work plan for 1987-1990 with two different income scenarios, but requested that the approval authority be based upon the higher income scenario. The Council agreed with this proposal. Since the work plan for 1988-1991 is not based upon two income scenarios, but on increases in the lower scenario of last year's income assumptions, the total net additional approval authority requested, i.e., the difference between the approval authority granted last year under the higher scenario and the one requested now, amounts to only \$136.9 million (table N, line 4) or 20.4 per cent of the full amount of \$672.4 million (table N, line 1).

Table N. Request for approval authority
(Millions of US dollars)

	1988	1989	1990	1991	1988-1991
(1) Full authority	153.7	163.0	172.7	183.0	672.4
(2) Authority requested	153.7	115.3	76.9	38.4	384.3
(3) Previously granted	123.7	82.5	41.2	-	247.4
(4) Net additional approval authority requested	30.0	32.8	35.7	38.4	136.9

