I. INTRODUCTION

1. In accordance with decision 87/2 of its organizational meeting for 1987, the Governing Council reviewed the question of the response to Economic and Social Council decision 1987/112, paragraph (i), during the high-level segment of its thirty-fourth session. This report constitutes the response of the Council on the subject.

2. UNDP operates on the basis of the principles of universality and the voluntary nature of the contributions to its programme. The prime objective of UNDP is to provide technical co-operation to developing countries in support of their efforts for economic and social development and to achieve self-reliance. The basic purposes and principles of the United Nations Development Programme are contained in General Assembly resolution 2688 (XXV) of 11 December 1970, also known as the Consensus. The essential feature of the Consensus includes the general principles guiding the country programming process, the establishment of indicative planning figures and the concept of formulation, appraisal and approval of projects. Moreover, the Consensus provides the framework for the management of UNDP resources and the tripartite partnership in the implementation of UNDP programmes. In accordance with the Consensus of 1970, country programme priorities are set by the recipient Government, which has the exclusive responsibility for formulating its development policies, objectives and priorities.
II. INTERGOVERNMENTAL STRUCTURE

3. The General Assembly, in resolution 2029 (XX), established the Governing Council "to perform the functions previously exercised by the Governing Council of the Special Fund and the Technical Assistance Committee, including the consideration and approval of projects and programmes and the allocation of funds; in addition, it shall provide general policy guidance and direction for the United Nations Development Programme as a whole, as well as for the United Nations regular programmes of technical assistance". The General Assembly also requested the Governing Council to submit its report and recommendations thereon to the Economic and Social Council for consideration by the Council at its second regular session.

4. The Council has established a Budgetary and Finance Committee and a Drafting Group, which meet during the regular session of the Governing Council. In 1971, the Governing Council decided that beginning in 1972, a Budgetary and Finance Committee of the Governing Council open to all members be established (E/5043/Rev. I, para. 198). In 1983, the Council decided, in decision 83/1 of 14 February 1983, that its Drafting Group should elaborate and finalize draft decisions on items referred to it, for ultimate adoption by the Council. By decision 83/5 of 24 June 1983, the Council decided that, for a trial period of three years, it should, in the context of regularly scheduled sessions, resolve itself into a Committee of the Whole. In accordance with decision 86/23 of 27 June 1986, the trial period for the Committee of the Whole has been extended until June 1987 (see para.__). Moreover, by decision 85/17, the Governing Council decided to establish, on an experimental basis and within existing resources, a Working Group of the Committee of the Whole to facilitate and help expedite the consideration of matters arising from the mandate of the Committee of the Whole. The structure of the UNDP Governing Council is subject to periodic review.

5. In addition to the United Nations Development Programme, the Council has responsibilities for the following funds and programmes established by the General Assembly or the Council itself:

- United Nations Capital Development Fund
  - General Assembly resolution 2321 (XXII) of 15 December 1967

- United Nations Volunteers
  - General Assembly resolution 2659 (XXV) of 7 December 1970

- United Nations Fund for Population Activities
  - General Assembly resolution 3019 (XXVII) of 18 December 1972
  - Established by Governing Council in 1973 (see report E/5256, para. 129)

- Special Measures Fund for Least-Developed Countries

- United Nations Revolving Fund for Natural Resources Exploration
  - General Assembly resolution 3167 (XXVII) of 17 December 1973
The Council is also responsible for trust funds established by the Administrator on which he reports annually (for 1986, see DP/1987/57). Moreover, the Department for Technical Co-operation for Development receives general policy guidance and direction from the Governing Council, but its budget is reviewed by the General Assembly as part of the United Nations Secretariat's budget.

6. Based on the experience acquired since its establishment, the Council concludes that it should continue to function on the basis of the principles and purposes contained in General Assembly resolutions 2029 (XX) on the consolidation of the Special Fund and the Expanded Programme of Technical Assistance in a United Nations Development Programme, 2688 (XXV) on the capacity of the United Nations development system, 2813 (XXVI) of 14 December 1971 on the enlargement of the Governing Council of the United Nations Development Programme, 3405 (XXX) of 28 November 1975 on new dimensions in technical co-operation and 32/197 of 20 December 1977 on the restructuring of the economic and social sectors of the United Nations system.

\(^{1/}\) See paras. 2 and 3 for specific arrangements with the intergovernmental Committee on Science and Technology for Development.
7. The Governing Council regularly reviews its methods and procedures with a view to improving continuously their effectiveness. By General Assembly decision 32/17, the Governing Council was authorized to hold from 1978 onwards, and on an experimental basis, one regular session annually. While the Governing Council reduced the number of its annual regular sessions from two to one, the actual time spent each year on meetings remains at about seven weeks. This includes the regular session, organizational meeting, special sessions, meetings of the Committee of the Whole and its Working Group. The actual number of meetings varies in accordance with the work-load of the Governing Council. A comprehensive review took place in 1981, resulting in Council decision 81/37 of 27 June 1981 on the streamlining and rationalization of the work of the Governing Council. Subsequent reviews have taken place in 1983 (decision 83/5, section III A) and in 1985 (decisions 85/17 and 85/45 of 28 June 1985). Moreover, each year the Council considers, at its organizational meeting, the most effective manner in which to schedule its work in plenary and the subsidiary bodies.

8. After a detailed review of the functioning of the Governing Council and its subsidiary machinery, held during the high-level segment, the Governing Council reiterated that the Council itself must remain the only decision-making body of UNDP and other funds, in accordance with the mandate given by the respective United Nations General Assembly resolutions. It also concluded that further improvements in the following areas should be considered.

9. Whenever possible, Governments are encouraged to present a proposed UNDP and UNFPA country programmes to the same session of the Governing Council.

10. There is a need to avoid repetition in the presentation and consideration of similar subjects. The Council is continually making efforts to streamline and improve the documentation process by consolidating certain items - which at present are dispersed in the agenda - under a single item. This will also reduce the number and volume of documents.

11. The Governing Council, at its organizational meeting in 1988, will reduce the time allocated for the Budgetary and Finance Committee, keeping as far as possible the number of meetings within the target of 30 for budget years and 20 for non-budget years.

12. The Council recognizes the problems encountered by delegations, in attending more than two simultaneous meetings. In order to ensure the efficient conduct of its business, the Council will consider how best to schedule its plenary meetings, the Budgetary and Finance Committee and the Drafting Group in order to avoid having more than two meetings taking place simultaneously, except in particular circumstances. In this context, the Council will organize its work in order to avoid duplication between the Budgetary and Finance Committee and the Drafting Group. In accordance with decision 81/37 of 27 June 1981, all necessary facilities should be made available, including interpretation.

13. The practice of holding a high-level segment has proved useful and should be continued, including the selection by the Council in some years of an appropriate topic for the policy review. It was agreed that the allocation of three days was
sufficient to accommodate the list of speakers. The practice of establishing a 15-minute time limit on statements has worked effectively. The Council is aware that further improvements should be considered as concerns the appropriate timing for holding the high-level segment during regular sessions and the policy function of this segment in the Council.

14. Any informal briefing of the Governing Council convened by the Administrator in accordance with Council decision 81/37 (para. 3 (o)), shall be open to all members of the Programme. Moreover, any understanding reached in these meetings shall be considered to be of an informal character and for information purposes only. These understandings shall not constitute a decision of the Council.