Thirty-fifth session
6 June-1 July 1988, Geneva
Item 5 (a) of the provisional agenda

PROGRAMME PLANNING

Position of the Group of 77 related to the allocation of additional resources available to the United Nations Development Programme

The Permanent Representative of Tunisia to the United Nations, acting in his capacity as Chairman of the Group of 77, requested the Administrator to circulate to all Member States of the United Nations Development Programme a decision adopted by the Group of 77 on 10 May 1988 related to the issue of the allocation of "additional resources" of the Programme inscribed on the agenda of the thirty-fifth session of the Governing Council. Accordingly, the Administrator is circulating this document.
1. In its decision 87/42, the Governing Council requested the Administrator "to monitor the resource situation and report to the Council in February 1988 to seek its guidance on whether a review of indicative planning figures (IPFs) for the fourth programming cycle should be undertaken for consideration of the Council at its June 1988 session".

2. Later, in its decision 88/7, the Council further requested the Administrator to provide his best estimate of the resource outlook for the remaining years of the cycle, as well as recommendations for utilizing the resources available in accordance with the criteria set in decision 85/16 and taking into account the views expressed during the February 1988 special session.

3. The Group of 77 reiterates that the original purpose and nature of UNDP as an agency for development remains valid. Therefore, the Group wishes to underline that the Consensus of 1970 continues to be the legal and political framework for the UNDP operations.

4. It is appropriate to recall that the criteria set out in decision 85/16 is the result of thorough negotiations between both developed and developing countries and, therefore, any action concerning distribution of resources shall be in accordance with this commitment.

5. Thus, any additional funds, or increase in resources, have to be allocated in the following manner, namely, 1.24 per cent for Special Programme Resources (SPR) and the rest, as an increase in the IPFs for the fourth programming cycle.

6. The 1.24 per cent for SPR shall be allocated to purposes earlier endorsed by the Council. The Group of 77 takes note that the expected increase of $US 655 million in UNDP resources, at the end of the cycle, is basically due to the decline of the United States dollar versus the currencies of other major donors since 1985, and consequently this amount has to compensate for the erosion of the purchasing power of United States dollars denominated IPFs and SPR. In other words, this incremental amount represents an increase only in nominal terms.