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UNITED NATIONS POPULATION FUND

WORK PLAN FOR 1991-1994 AND REQUEST FOR APPROVAL AUTHORITY

Report of the Executive Director

SUMMARY

This report of the Executive Director is submitted to the Governing Council for its approval in accordance with Governing Council decisions 83/17 III, adopted at its thirtieth session, and 89/46 B, adopted at its thirty-sixth session. It contains the work plan for the years 1991-1994 and as such gives information on UNFPA's resource situation, overall resource utilization and the distribution of programmable resources between country and intercountry activities. In accordance with Council decisions, it also provides information on allocations and utilization of resources in 1989. The document concludes with the request for approval authority for the years 1991-1994.

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I. UTILIZATION OF RESOURCES IN 1989

1. This report examines the utilization of resources by UNFPA in 1989, applying the measurements of resource utilization adopted by the Governing Council in decision 89/46 B. It also presents information about the size and substantive areas of the new country programmes to be submitted to the Governing Council in 1990. The report further describes the work plan for 1991-1994 including information about the resource projection and the proposed utilization of programmable resources between country and intercountry programmes as well as among geographical regions. The report also contains the Executive Director's proposed programme expenditure level for 1991 and the estimates of new programmable resources for the 1992-1994 period in accordance with decision 89/46 B, paragraph 1, of the Governing Council.

2. Thanks to generous voluntary contributions of \$180.8 million from Governments UNFPA's income in 1989 totaled \$184.9 million (estimate), an increase of \$6.9 million over the previous year. This increase was considerably less than had been projected in last year's work plan primarily because of the appreciation of the US dollar against most of the other major currencies. Thus, the amount realized in interest income, foreign exchange gains, miscellaneous and other adjustments totalled only \$4.1 million in 1989, as compared to \$12.9 million in 1988. Nevertheless, the Fund's resources increased for the third year in a row. The total year-end allocations to UNFPA programmes and projects in 1989 provisionally amounted to \$194.2 million, of which \$141.5 million (72.9 per cent) was allocated to country activities and \$52.7 million (27.1 per cent) to intercountry activities. Total project expenditures in 1989 are estimated at \$149.5 million.

Table A. Performance indices for 1988 and 1989
(Millions of US dollars)

	1988	1989 (provisional)
New programmable resources.....	\$137.6	\$132.7
Governing Council-approved programmable resources (1).....	\$160.2 ^a	\$177.2 ^b
Year-end allocations (2).....	\$169.1	\$194.2
Expenditures (3).....	\$129.8	\$149.5 ^c
Project expenditure rate: (3)/(2).....	76.8%	77.0%
Programmed resource utilization rate: (3)/(1)..	81.0%	84.4%

^a Document DP/1988/34, table F.

^b See document DP/1989/34, paragraph 33, and decision 89/46 B, paragraph 3. The figure for the new programmable resources was modified to \$144.4 million to reflect decision 89/49, paragraph 16.

^c Estimated by assuming a project expenditure rate of 74.0 per cent for country activities and 85.0 per cent for intercountry activities.

3. As shown in table A, the provisional programmed resource utilization rate¹ for 1989 is 84.4 per cent. This represents the ratio of estimated total programme expenditures of \$149.5 million to total programmable resources available of \$177.2 million, which consists of the new programmable resources of \$144.4 million and the carry-forwards of \$32.8 million.

Table B. Expenditures for country and intercountry activities
1986-1989
 (Millions of US dollars)

Activities	1986		1987		1988		1989 ^a	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Country.....	71.6	70.6	73.3	68.5	89.9	69.3	104.7	70.0
Intercountry ^b	29.8	29.4	33.7	31.5	39.8	30.7	44.8	30.0
(Regional.....)	15.1	14.9	17.0	15.9	19.9	15.4	24.1	16.1
(Interregional...)	14.7	14.5	16.7	15.6	19.9	15.3	20.7	13.8
Total	101.4	100.0	107.0	100.0	129.7	100.0	149.5	100.0

Note: Figures may not add up to the totals given due to rounding.

^a Estimated by assuming a project expenditure rate of 74.0 per cent for country activities and 85.0 per cent for intercountry activities.

^b Intercountry activities are composed of regional and interregional activities. Percentages given for regional and interregional activities are based on the total expenditures for country and intercountry activities for a given year.

4. As shown in table B, total project expenditures for country activities in 1989 are estimated at \$104.7 million and for intercountry activities at \$44.8 million. Table B also shows that the percentage of total estimated expenditures for country activities in 1989 (70.0 per cent) was consistent with past resource distribution patterns.

5. In absolute terms, UNFPA was again able to deliver considerably larger resources to projects in 1989 than in any previous year. The \$149.5 million in project expenditures in 1989 is \$19.8 million more than such expenditures in 1988 (a 15.3 per cent increase) and \$42.5 million more than expenditures in 1987 (a 39.7 per cent increase). In addition, the provisional data indicate that the amount of resources mobilized and allocated for both country and intercountry activities in the sub-Saharan Africa region increased significantly (from \$31.2 to \$38.0 million or 21.8 per cent). The expenditures for country projects rose from \$89.9 million in 1988 to \$104.7 million in 1989, an increase of about 16.5 per cent. Intercountry project expenditures rose from \$39.8 million in 1988 to \$44.8 million in 1989, an increase of approximately 12.6 per cent.

¹ The Council approved the use of this rate, which was put forth in document DP/1989/34, paragraph 2.

**Table C. Expenditures by substantive area for country and intercountry activities
1986-1989**
(Millions of US dollars)

Substantive area	1986		1987		1988		1989 [∞]	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Family planning programmes..	52.9	52.2	54.6	51.0	68.0	52.4	68.3	45.7
Information, education and communication.....	15.6	15.4	16.6	15.5	18.9	14.6	25.6	17.1
Basic data collection.....	9.0	8.9	9.7	9.1	13.0	10.0	16.0	10.7
Population dynamics.....	10.7	10.6	13.2	12.4	14.8	11.4	18.9	12.7
Formulation and evaluation of population policies....	8.3	8.1	8.2	7.7	9.3	7.2	10.6	7.1
Implementation of policies..	0.2	0.2	0.2	0.2	0.3	0.2	0.1	0.0
Multisector activities.....	2.5	2.5	1.7	1.6	2.2	1.7	4.3	2.9
Special programmes.....	2.1	2.1	2.8	2.6	3.2	2.5	5.7	3.8
Total	101.4	100.0	107.0	100.0	129.7	100.0	149.5	100.0

Note: Figures may not add up to the totals given due to rounding.

[∞] Estimated by assuming a project expenditure rate of 74.0 per cent for country activities and 85.0 per cent for intercountry activities.

6. Table C presents expenditures for country and intercountry activities for the 1986-1989 period by substantive area. It demonstrates that in 1989 the major share (62.8 per cent) of total resources once again went to family planning and information, education and communication (IEC) activities. While the share of family planning declined somewhat from the previous year, the share of resources for programmes that provide critical support for family planning, namely IEC activities and activities to enhance the status of women, increased to their highest level during the four-year period.

Table D. Expenditures for country activities by functional category 1986-1989
(Millions of US dollars)

	1986		1987		1988		1989 [∞]	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Training.....	10.1	14.1	10.3	14.0	13.0	14.5	15.8	15.1
Research.....	3.5	4.9	4.7	6.4	3.7	4.1	5.3	5.1
Information exchange.....	5.5	7.7	4.1	5.6	7.0	7.8	5.2	5.0
Technical assistance and backstopping.....	52.3	73.0	54.1	73.8	65.3	72.6	76.4	73.0
Others.....	0.1	0.2	0.2	0.3	0.8	0.9	2.0	1.9
Total	71.6	100.0	73.3	100.0	89.9	100.0	104.7	100.0

Note: Figures may not add up to the totals given due to rounding.

[∞] Estimated by assuming an expenditure rate of 74.0 per cent.

7. Table D shows expenditures for country activities for the 1986-1989 period by functional category. Of note is the continued emphasis on training and technical assistance and backstopping, which together received 88.1 per cent of programme resources for country activities in 1989. These two functional categories also received the largest share of programme resources for intercountry activities, although the percentage was considerably lower at 60.5 per cent (see table E).

Table E. Expenditures by functional category for intercountry activities which can be attributed to specific developing countries 1988 and 1989
 (Millions of US dollars)

	1988			1989			
	Intercountry activities		Expenditures attributable to countries	Intercountry activities [⌘]		Percentage attributable to countries	Expenditures attributable to countries
	(\$)	(%)	(\$)	(\$)	(%)	(%)	(\$)
Training.....	8.8	22.1	7.9	9.1	20.3	90.0	8.2
Research.....	7.8	19.6	2.3	8.2	18.3	30.0	2.4
Information exchange	5.5	13.8	1.1	6.2	13.8	20.0	1.2
Technical assistance and backstopping...	14.5	36.4	12.3	18.0	40.2	85.0	15.3
Others.....	3.2	8.0	2.1	3.3	7.4	65.6 [⌘]	2.1
Total	39.8	100.0	25.8	44.8	100.0	65.6	29.4

Note: Figures may not add up to the totals given due to rounding.

⌘ Estimated by assuming an expenditure rate of 85.0 per cent.

⌘ Percentage estimated by taking the average of above four categories

8. Table E also shows, in accordance with the methodology approved by the Governing Council in decision 87/30 I, the expenditures for intercountry activities in 1989 which can be attributed to specific developing countries. Approximately \$29.4 million, or 65.6 per cent of the total expenditures to intercountry activities in 1989, can be so attributed.

9. Table F shows expenditures for country activities for the 1986-1989 period by priority country status. The total expenditures of \$251.0 million for the four-year period for priority countries constitutes 73.9 per cent of the total expenditures for country activities.

**Table F. Expenditures for country activities by priority country status
1986-1989**
(Millions of US dollars)

	1986		1987		1988		1989 ^z	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Priority countries ^y	52.7	73.6	54.1	73.8	66.1	73.5	78.1	74.6
Non-priority countries.....	18.9	26.4	19.2	26.2	23.8	26.5	26.6	25.4
Total	71.6	100.0	73.3	100.0	89.9	100.0	104.7	100.0

Note: Figures may not add up to the totals given due to rounding.

^z Estimated by assuming an expenditure rate of 74.0 per cent.

^y Based on decision 88/34 I, paragraph 6.

II. NEW SUBMISSIONS OF COUNTRY PROGRAMMES TO THE COUNCIL AT ITS THIRTY-SEVENTH SESSION

10. The Executive Director is submitting to the thirty-seventh session of the Council for its approval 13 comprehensive country programmes, most of which have an intended duration of four to five years. These 13 country programmes (5 in sub-Saharan Africa, 1 in Arab States and Europe, 3 in Asia and the Pacific, and 4 in Latin America and the Caribbean) total \$110.2 million.

Table G. New submissions of country programmes by substantive area
(Millions of US dollars)

	(\$)	(%)
Family planning.....	52.80	47.9
Information, education and communication.....	15.60	14.2
Basic data collection.....	7.95	7.2
Population research and policy development ^z	19.20	17.4
Special programmes.....	9.95	9.0
Programme reserve.....	4.70	4.3
Total	110.20	100.0

Note: Figures may not add up to the totals given due to rounding.

^z Includes population dynamics, formulation and evaluation of population policies and implementation of policies.

11. The distribution of resources for these programmes by substantive programme area is in line with the guidelines set by the Council as shown in table G. For example, family planning activities account for 47.9 per cent of total country programme resources, while information, education and communication projects receive 14.2 per cent. Resources for population research and policy development activities and those for basic data collection amount to 17.4 per cent and 7.2 per cent

respectively. Furthermore, in line with UNFPA guidelines as put forth in "An implementation strategy to strengthen the capacity of the Fund to deal with issues concerning women, population and development" (DP/1987/38), all new country projects take into consideration women as both participants and beneficiaries of population and development activities. In addition, 9.0 per cent of country programme resources will be allocated to special programmes, which include projects directly related to improving the status of women.

III. WORK PLAN FOR 1991-1994 AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY

A. The Work Plan 1991-1994

12. The work plan of UNFPA 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 Governing Council decisions 83/17 III, adopted at its thirtieth session, and 89/46 B, adopted at its thirty-sixth session.
13. The work plan refers only to those activities that are funded from UNFPA's general resources (over the period 1986-1989 this constituted 95.7 per cent of UNFPA's 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.¹ Since the work plan summarizes intended funding decisions by UNFPA to be approved by the Governing Council, multi-bilateral funding is not included in its figures.
14. The work plan contains information on the following subjects:
- (a) Estimates of new programmable resources 1991-1994 by year (paragraphs 16-17);
 - (b) General considerations in resource distributions (paragraph 18);
 - (c) Distribution of total programmable resources 1991-1994 between country and intercountry activities (paragraphs 20-22);
 - (d) Average annual distribution of country activities by region for the years 1991-1994 (paragraph 24);
 - (e) Amounts for country activities already programmed for 1990-1994 (paragraphs 27-28);
 - (f) Average annual distribution of intercountry activities by region for the years 1991-1994 (paragraph 29).
15. The work plan of UNFPA 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 for these programmes and projects are periodically adjusted in accordance with rates of implementation and other factors, the calculation of proportional shares to each major sector, geographical region, country, etc., on the basis of the allocations at year end of any given year alone, does not necessarily present the overall picture of the financial status of UNFPA-supported programmes. More important are the new programme decisions being made by UNFPA, even though the new programmes are

¹For definitions of multi-bilateral funding, see UNFPA Financial Regulations and Rules, 1985, Chapter IV and Chapter V.

implemented over a period of several years. Submission of new country programmes described in section II are examples of such new decisions, and they form part of the work plan.

16. The work plan is based on the income assumptions for the period 1991-1994 which, after deducting both operational costs and additions to the operational reserve, determine the estimates of new programmable resources. For the work plan 1991-1994, the Executive Director takes the income of 1990 at \$202.5 million as the base, and applies a constant annual rate of increase of 9.5 per cent for 1991-1994. The income projection for the work plan is based on the recent trend in the growth of the resource base of UNFPA, which increased on average by 9.7 per cent each year between 1986 and 1989 (11.4 per cent from 1986 to 1987; 14.1 per cent from 1987 to 1988 and 3.9 per cent from 1988 to 1989) even without a contribution from one of the Fund's largest traditional donors. The projection also takes into consideration preliminary indications of major donor countries about their pledges for 1991. UNFPA further anticipates increases in pledges from its traditional donors in future because of the growing consensus among all countries of the need for more resources for population activities in developing countries. Moreover, the annual rates of increase used in earlier work plans tended to be conservative and overcautious, and the Executive Director recommends continuing to adopt a more proactive, yet prudent, approach in resource planning, as reported to the Governing Council in 1989 (DP/1989/34).

Table H. New programmable resources for 1991-1994
(Millions of US dollars)

	1991	1992	1993	1994	Total 1991-1994
Income.....	221.7	242.8	265.8	291.1	1,021.4
Operational costs (1).....	(55.0)	(58.3)	(61.8)	(65.5)	(240.6)
Addition to the operational reserve (2).....	0	0	0	(5.0)	(5.0)
Subtotal (1) + (2)	(55.0)	(58.3)	(61.8)	(70.5)	(245.6)
Available as new programmable resources.....	166.7	184.5	204.0	220.6	775.8

Note: Figures may not add up to the totals given due to rounding.

17. The new programmable resources, as presented in table H, are calculated on the basis of these assumptions. Whereas the income for 1991-1994 is projected to increase on average by 9.5 per cent per annum, operational costs are projected to increase by 6 per cent per annum for the same period. In accordance with Council decision 89/49, paragraph 16, which set the level of the operational reserve at \$45.0 million with effect from 1989, no additions to the operational reserve are planned for 1990-1993. However, the Fund proposes to add \$5.0 million to the operational reserve in 1994 in order to increase the reserve to a level more in keeping with that set by the Council in decision 81/7 III, paragraph 5. As noted in decision 89/49, the level of operational reserve will be reviewed by the Governing Council at its thirty-eighth session.

/...

18. Table H shows the estimated new programmable resources for the period 1991-1994 to be \$775.8 million, excluding possible carry-forwards from 1990 to 1991. (By contrast, the new programmable resources for the previous work plan period of 1990-1993 were \$731.4 million.¹) These resources will be used in accordance with the following instructions by the Council:

- (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 four fifths of allocations to country activities;
- (c) Continued emphasis on projects in the complementary areas of family planning and information, education and communication;
- (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.

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

(a) As in the case of the 1989 work plan, the income estimates of the current work plan for the years 1991-1994 do not include a contribution from the United States Government. If and when the United States Government decides once again to contribute to UNFPA, the income estimates would have to be revised upwards. In addition, the income estimates would have to be adjusted during the course of the plan period as the value of the US dollar fluctuates;

(b) The Council has given UNFPA broad guidelines and priorities to be mindful of in allocating resources by geographical criteria (quantitative targets for country versus intercountry activities, and percentage of total resources to priority countries²) as well as by substantive criteria (work plan categories: family planning; information, education and communication; etc.);

(c) While UNFPA intends to allocate the major portion of its resources for country activities through country programmes approved by the Council, the formulation as well as implementation of projects in these programmes is sometimes delayed considerably. In such cases, a portion of the resources reserved for a specific country programme for a particular period may be made available for activities in other countries.

20. Table I shows the planned distribution of total programmable resources during the work plan period 1991-1994, including possible carry-forwards of

¹ See document DP/1989/34, table H. The figures were modified to reflect the decision (89/49, paragraph 16) that the level of the operational reserve be set at \$45 million as endorsed in decision 89/46 B, paragraph 1.

²It should be recalled that the Council raised the percentage of total resources to be allocated for priority countries to 80 per cent, in decision 88/34 I, paragraph 6.

resources from 1990 to 1991. The total programmable resources available were estimated at \$784.3 million (an annual average \$196.1 million), consisting of \$775.8 million of new programmable resources and \$8.5 million of estimated carry-forwards.

Table I. Distribution of programmable resources between country and intercountry activities 1990-1993 and 1991-1994
 (Millions of US dollars)

	1990-1993 ^a			1991-1994		
	Total (\$)	Annual (\$)	Average (%)	Total (\$)	Annual (\$)	Average (%)
Country activities.....	548.5	137.1	73.3	580.4	145.1	74.0
Intercountry activities...	199.8	50.0	26.7	203.9	51.0	26.0
(Regional activities...	112.2	28.1	15.0	116.1	29.0	14.8)
(Interregional activities.....	87.6	21.9	11.7	87.8	22.0	11.2)
Total	748.3^a	187.1	100.0	784.3^a	196.1	100.0

Note: Figures may not add up to totals due to rounding.

^a See document DP/1989/34, table I. The figures in this column reflect the distribution of the amount of \$22.0 million as approved in decision 89/46 B, paragraph 2.

^b Includes partial use of carry-forwards of resources from 1989.

^c Includes estimated carry-forwards of \$8.5 million from 1990 to 1991.

21. The planned distribution of total programmable resources for 1991-1994 between country and intercountry activities (regional and interregional activities) takes into consideration the needs in each of these areas. According to this plan, country activities will account for 74.0 per cent of the total programmable resources during 1991-1994, a slight but significant increase from the 73.3 per cent in the previous plan for 1990-1993 and the 71.4 per cent in the plan for 1989-1992. In absolute terms, the resources intended for country activities will increase to \$580.4 million for the four-year period 1991-1994, an average of \$145.1 million per annum, from \$548.5 million, or \$137.1 million per annum, for the 1990-1993 period. This amounts to an average increase in the resources intended for country activities of \$8.0 million per year.

Table J. Intended country activities by region for the period 1990-1993 and 1991-1994
compared with expenditures 1986-1989
 (Millions of US dollars)

	1986		1987		1988		1989 ^{a/}		1990-1993 ^{b/}			1991-1994		
	expenditure (\$)	(%)	expenditure (\$)	(%)	expenditure (\$)	(%)	expenditure (\$)	(%)	Annual Average	% of country activity resource	% of total resource	Annual Average	% of country activity resource	% of total resource
Africa (sub-Saharan)	16.6	23.2	18.9	25.7	23.4	26.0	29.4	28.1	44.6	32.5		47.6	32.8	
Arab States and Europe	8.9	12.4	9.0	12.3	12.0	13.4	13.9	13.3	16.7	12.2		17.7	12.2	
Asia and the Pacific	36.5	50.9	35.2	47.9	41.4	46.1	46.6	44.5	59.0	43.0		62.0	42.7	
Latin America/Caribbean	9.7	13.5	10.3	14.0	13.0	14.5	14.7	14.1	16.9	12.3		17.8	12.3	
Total	71.6	100.0	73.3	100.0	89.9	100.0	104.7	100.0	137.1	100.0	73.3	145.1	100.0	74.0

Note: Figures may not add up to the totals given due to rounding.

^{a/} Estimated by assuming an implementation rate of 74.0 per cent for country activities.

^{b/} See document DP/1989/34, table J. The figures in this column reflect the distribution of the amount of \$22.0 million as approved in decision 89/46 B, paragraph 2.

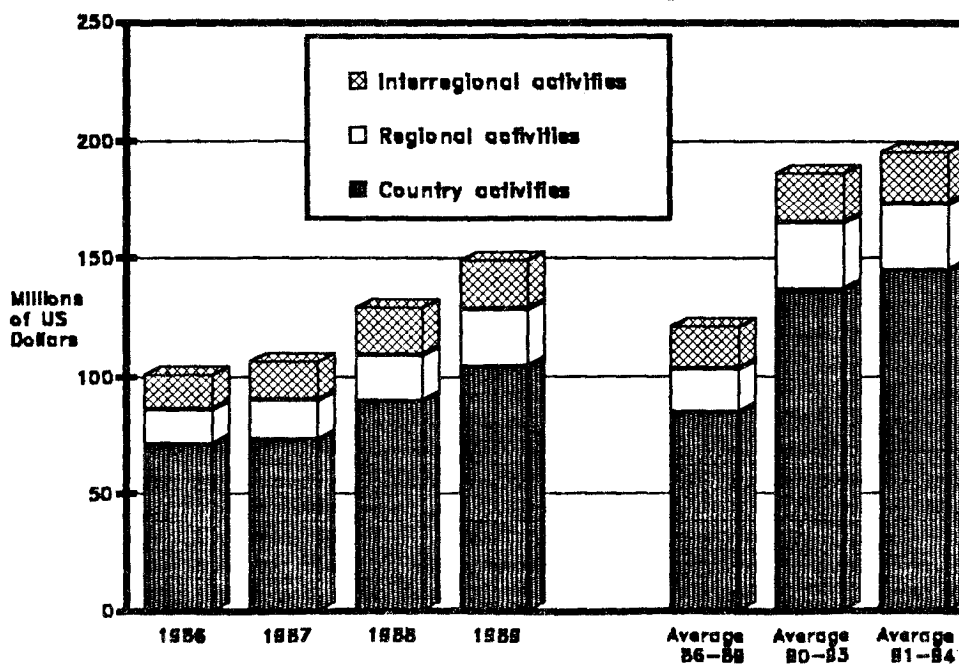
22. Regional and interregional activities will account for 14.8 per cent and 11.2 per cent, respectively, for the 1991-1994 period, a slight decline from the 15.0 per cent for regional activities and the 11.7 per cent for interregional activities planned for the previous planning period of 1990-1993. The resources for regional activities, however, will increase in absolute terms from \$112.2 million to \$116.1 million in order to provide support to country activities. It should be noted here that the proposed resource utilization plan will be further reviewed in 1991 taking into consideration the decisions of the Governing Council in light of the report of the expert group on agency support costs (DP/1990/9), as well as the next intercountry programme to be submitted to the Council by UNFPA in 1991.

23. Table J presents a resource utilization pattern for country activities by region from 1986 to 1994. It contains:

- (a) Expenditures for country activities by region from 1986 to 1989;
- (b) The average intended distribution for 1990-1993 as reported in the work plan of 1989 (document DP/1989/34);
- (c) The average intended distribution for 1991-1994 now being proposed.

The table shows a continuous increase in the resources allocated for country activities since 1986. Figure 1 presents a graphic summary of this programming trend.

Figure 1. Distribution of programmable resources, actual and projected



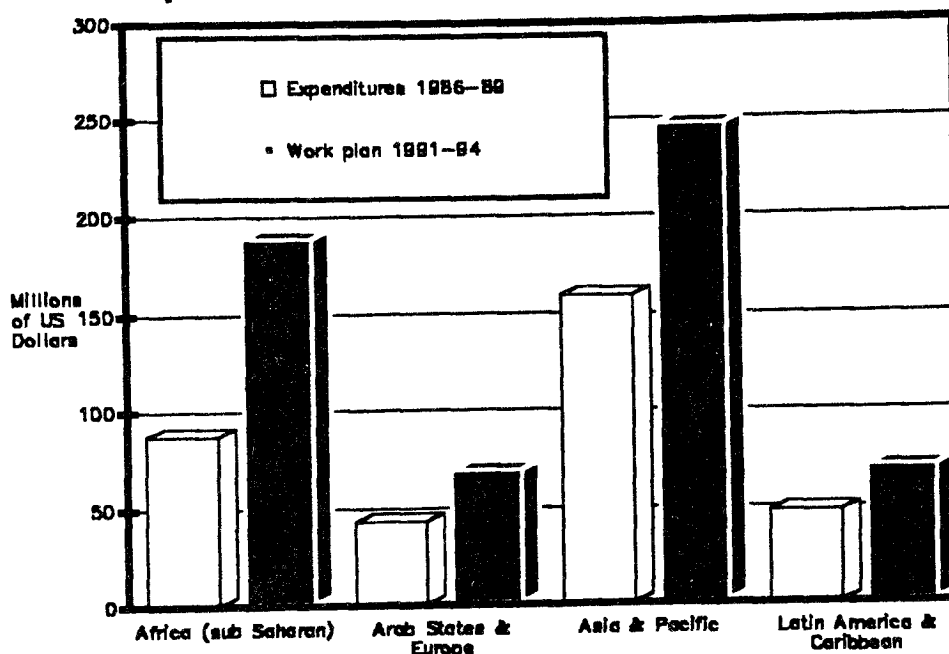
24. The average annual increase in the work plan for 1991-1994 of \$8.0 million in resources intended for country activities will be distributed among the four

regions as follows: sub-Saharan Africa, \$3.0 million; Asia and the Pacific, \$3.0 million; Arab States and Europe, \$1.0 million and Latin America and the Caribbean, \$0.9 million. The increase in resources to the sub-Saharan Africa region is in conformance with recent Council decisions 87/30, 88/34 and 89/46. It also reflects UNFPA's continued efforts to give priority to countries in sub-Saharan Africa, particularly in view of the deteriorating demographic and socio-economic conditions in many parts of the region, the large number of priority countries there (31 countries), and these countries' growing absorptive capacity to utilize population assistance. As for Asia and the Pacific, the Arab States and Europe, and Latin America and the Caribbean, the proportion of the additional resources essentially remains constant, although each will receive an increase in resources in absolute terms. With the additional \$3.0 million per year over last year's work plan, the Asia and Pacific region, with average annual resources of \$62.0 million, will remain the largest in the Fund, accounting for 42.7 per cent of total UNFPA resources for intended country activities.

25. One significant long-term trend of the Fund's country activities is a steady and substantial increase in support to the countries of sub-Saharan Africa. UNFPA support for African countries increased from \$16.6 million in 1986 to \$29.4 million in 1989 and is expected to increase to \$47.6 million per year in the 1991-1994 period. In terms of proportion of UNFPA resources for country activities, the share of the resources for sub-Saharan Africa grew from 23.2 per cent of the total in 1986 to 28.1 per cent in 1989 and is expected to increase to 32.8 per cent in the 1991-1994 period. The country activities in Asia and the Pacific in the period 1986-1989 amounted to \$159.7 million, which is nearly half (47.0 per cent) of the Fund's total programme expenditures for country activities. The average annual expenditures for this region increased from \$36.5 million in 1986 to \$46.6 million in 1989 and is expected to grow to \$62.0 million in the 1991-1994 period. The average annual expenditures for the Arab States and Europe rose from \$8.9 million in 1986 to \$13.9 million in 1989 and is projected to be \$17.7 million in 1991-1994. The corresponding figures for Latin America and the Caribbean were \$9.7 million in 1986 and \$14.7 million in 1989. The projected annual resources for this region in the 1991-1994 period are \$17.8 million.

26. The increasing emphasis given to country activities in the proposed work plan is further evident when such activities are compared with those during 1986-1989. For example, the proposed distribution of resources for African country activities, \$190.4 million, or 32.8 per cent of the total resources for country activities in the period of 1991-1994, constitutes an increase of \$102.1 million, or about 115.6 per cent, over the 1986-1989 period. The resources to be allocated to Asia and the Pacific will be \$247.8 million, an increase of \$88.1 million, or approximately 55.2 per cent, over the 1986-1989 period. The other two regions will have roughly similar shares, each of about \$71 million, or about 12 per cent of the country programme resources. This constitutes a 62 per cent increase over expenditures for 1986-1989 for Arab States and Europe and a 50 per cent increase for Latin America and the Caribbean. Figure 2 provides a graphic presentation of this programming trend by comparing country activities by region for 1986-1989 and 1991-1994.

**Figure 2. Country activities by region
 Expenditures 1986-89 & work plan 1991-94**



27. Based on an analysis of the status of financial implementation of UNFPA programmes and projects, the balance of commitments to country programmes approved by the Governing Council is estimated to be \$470.6 million for 1990-1994¹ including the new country programmes being submitted to the Council at this session (see DP/1990/48, table C). Of the \$717.5 million intended for country activities between 1990 and 1994², therefore, \$470.6 million, or 65.6 per cent, has already been programmed through country programmes and projects that have either been approved by the Council at earlier sessions or are being submitted to the Council at the thirty-seventh session (see table K). It should be noted that the percentage is based on the five-year period including 1990 rather than the work plan period 1991-1994. By comparison, the rate reported in last year's work plan was 51.4 per cent (DP/1989/34, table K).

¹Two of the country programmes (Angola and Ghana) are scheduled to be completed in 1995.

²Sum of \$137.1 million, the annual average of intended country activities for 1990-1993, and \$580.4 million, intended country activities for 1991-1994 (see table 1).

Table K. Intended country activities for 1990-1994
and amounts already programmed, with percentage shares
 (Millions of US dollars)

	Total country activities 1990-1994 (\$)	Amount already programmed 1990-1994 (\$) (%)		Amount already programmed as percentage of country total (%)
Africa (sub-Saharan).....	235.0	140.4	29.8	59.7
Arab States and Europe.....	87.5	50.1	10.6	57.3
Asia and the Pacific.....	306.8	197.6	42.0	64.4
Latin America and the Caribbean....	88.3	82.6	17.6	93.5
Total	717.5	470.6	100.0	65.6

Note: Figures may not add up to the totals given due to rounding.

28. In the Latin American and Caribbean region, 93.5 per cent of the expected resources for country activities in 1990-1994 have already been programmed. This is due in part to the fairly large amount of resources committed to country programmes that have recently been or are being submitted to the Council (\$41.0 million this year and \$22.9 million last year) and in part because the amounts already programmed include funds to be sought from other sources, including multi-bilateral sources, which must be provided by UNFPA, should the other sources of funds not be forthcoming. For example, out of \$63.9 million combined for 1988 and 1989, \$14.0 million or 21.9 per cent may be funded from other sources. It also reflects the Fund's accelerated programming in the Latin American and Caribbean region in recent years.

Table L. Intended intercountry activities by region for the period 1990-1993 and 1991-1994
compared with expenditures 1986-1989
(Millions of US dollars)

									1990-1993 ^{b/}		1991-1994			
	1986 expenditure (\$)		1987 expenditure (\$)		1988 expenditure (\$)		1989 ^{a/} expenditure (\$)		Annual Average	% of intercountry activity resource	% of total resource	Annual Average	% of intercountry activity resource	% of total resource
Regional Activities														
Africa (sub Saharan)	5.3	17.9	5.9	17.6	7.8	19.6	8.6	19.2	11.7	23.4		12.3	24.1	
Arab States and Europe	2.1	7.1	2.3	6.8	2.7	6.9	4.5	10.1	4.0	8.0		4.1	8.0	
Asia and the Pacific	4.8	16.1	5.9	17.6	5.2	13.1	6.0	13.4	8.0	16.0		8.2	16.0	
Latin America/Caribbean	2.8	9.4	2.8	8.4	4.2	10.4	5.0	11.1	4.4	8.8		4.5	8.8	
Regional subtotal	15.1	50.6	17.0	50.4	19.9	50.0	24.1	53.8	28.1	56.2	15.0	29.0	56.9	14.8
Interregional Activities														
Interregional Activities	14.7	49.4	16.7	49.6	19.9	50.0	20.7	46.2	21.9	43.8	11.7	22.0	43.1	11.2
Intercountry total	29.8	100.0	33.7	100.0	39.8	100.0	44.8	100.0	50.0	100.0	26.7	51.0	100.0	26.0

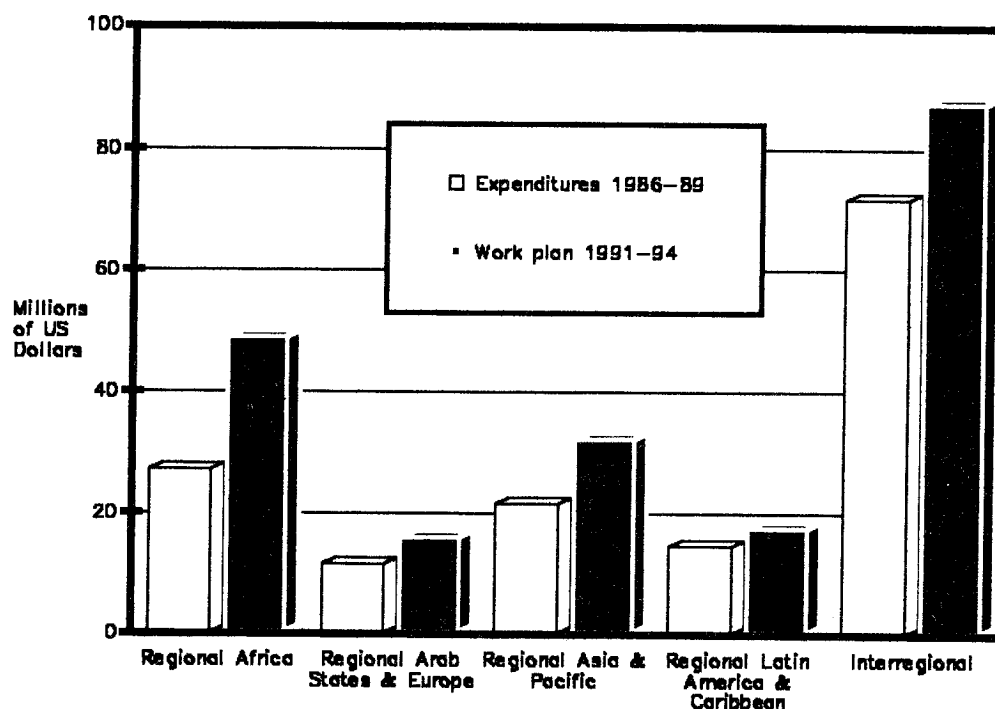
Note: Figures may not add up to the totals given due to rounding.

^{a/} Estimated by assuming an implementation rate of 85.0 per cent for intercountry activities.

^{b/} See document DP/1989/34, table L. The figures in this column reflect the distribution of the amount of \$22.0 million as approved in decision 89/46 B, paragraph 2.

29. With regard to intercountry activities, the Executive Director proposes to increase the resources for regional activities for the work plan period by \$3.9 million, to \$116.1 million (table I), and to maintain the intended resources for interregional activities essentially at the same level as in the 1989 work plan, amounting to \$87.8 million, or an average of about \$22.0 million per annum for the period 1991-1994. In terms of proportion of total programmable resources, intercountry resources for the period of 1991-1994, as shown in tables I and L, will be distributed as follows: 14.8 per cent for regional activities and 11.2 per cent for interregional activities. Overall, this amounts to 26.0 per cent of all UNFPA programmable resources, a smaller proportion than that in the 1989 work plan (26.7 per cent). One significant aspect in this proposal is that the resources for regional activities will increase in absolute terms, while those for interregional activities will remain constant, thereby resulting in a decrease in proportionate terms. Regional activities, because of their geographical and cultural proximity, are expected to contribute greatly to strengthening the institutional capacity of developing countries, especially in sub-Saharan Africa, through training programmes and through the provision of technical backstopping for the formulation and implementation of population policies and programmes at the country level.

**Figure 3. Intercountry activities by region
Expenditures 1986-89 & work plan 1991-94**



30. Table L also indicates a modest decline in the proportion of resources allocated to interregional activities since 1986 and the steady increase since 1986 in the allocation of resources for African regional activities. The actual

resources allocated to interregional activities were \$72.0 million, or 48.6 per cent of the total intercountry resources of \$148.1 million for the period 1986-1989. However, the resources intended for the interregional activities for 1991-1994 will be \$87.8 million, or 43.1 per cent of the total, a decline of 5.5 per cent proportionately. As figure 3 depicts, while Africa and Asia accounted for \$27.6 million or 18.6 per cent of the total resources and \$21.9 million or 14.8 per cent, respectively, in the 1986-1989 period, sub-Saharan Africa will receive the largest regional share of \$49.1 million in 1991-1994, or 24.1 per cent of the intercountry programme resources of \$203.9 million. Resources for regional activities in Asia will amount to \$32.6 million, or 16.0 per cent of total, which is essentially the same proportion as in the earlier period. The Latin America and Caribbean region and the Arab States and Europe region will also receive resources at about the same level proportionately as in the 1986-1989 period.

B. Request for programme expenditure authority

**Table M. Proposed programme expenditure level
 for 1991 and estimates for new programmable resources for 1992-1994**
 (Millions of US dollars)

	1991	1992	1993	1994	Total 1991-1994
Total new programmable resources ^{a/}	166.7	184.5	204.0	220.6	775.8

Note: Figures exclude carry-forwards from 1990.

^{a/} See table H of this report.

31. The Governing Council at its thirty-sixth session endorsed the proposal by the Executive Director that the approval authority be set at the level of programme expenditure she is authorized to make in the first year of the four-year work plan period, which will be reviewed, revised and updated yearly, on a rolling plan basis. The programme expenditure level is equivalent to the total programmable resources, which are the sum of the new programmable resources and carry-forwards from the previous year. The requested programme expenditure authority refers only to the new programmable resources, since the expenditure authority for the carry-forwards has already been given in previous years. The Executive Director estimates the revised total programmable resources available in 1990 to be \$165.8 million (including projected carry-forwards of \$15.0 million). The total programmable resources available in 1991 is projected to be \$175.2 million (including projected carry-forwards of \$8.5 million).

32. The Executive Director further proposed and the Governing Council endorsed (see paragraph 1 of decision 89/46 B) at its thirty-sixth session that the forward approval be at the levels of the estimates for new programmable resources for the subsequent three years of the work plan period. Table M presents the estimates for new programmable resources for 1992-1994 as well as the proposed new programme expenditure level for 1991, which is equivalent to the total new programmable resources for 1991. The estimate for 1992, which will be adjusted if necessary,

will become the basis for the approval authority for that year when the new work plan covering the period 1992-1995 is submitted to the Council in 1991.

33. As reported to the Governing Council at its last session, UNFPA continues to set a programme ceiling in order to monitor the level of allocations and achieve maximum resource utilization by the end of each year while maintaining financial control. The programme ceiling is a useful and practical internal management tool to ensure prudent financial practice and maximum financial credibility. The programme ceiling is adjusted based not only on the periodically revised income projections and resulting new programmable resources but also on the programme dynamics in various regions.

34. Moreover, it should be reiterated that UNFPA is further strengthening its capacity to monitor and control programme expenditures in order to manage resources against the uncertainties and fluctuations in contributions. This is being enhanced in part through the ongoing development and strengthening of the Fund's management information system as reported to the Governing Council last year in document DP/1989/42 and this year in document DP/1990/51. This will, among other things, facilitate more timely and more up-to-date reviews of progress made in programme implementation against the plan, which will enable UNFPA to anticipate deviations and take corrective actions more quickly and decisively. Furthermore, as mentioned earlier, the work plan is to be revised each year on a rolling plan basis to reflect the latest income estimates and to determine the level of programme expenditures in future years.

IV. RECOMMENDATION

35. The Executive Director recommends that the Governing Council:

- (a) Endorse the Executive Director's programme resource planning proposals set out in paragraphs 12 to 33;
- (b) Approve the request for the new programme expenditure level in the amount of \$166.7 million for 1991;
- (c) Endorse the use of the following estimates for new programmable resources for the 1992-1994 period: \$184.5 million for 1992; \$204.0 million for 1993 and \$220.6 million for 1994.