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**POLICY**

FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

REPORT ON THE STATUS OF MANAGEMENT SERVICES

Review of the experience gained in the provision of  
management services

Report of the Administrator

SUMMARY

The present report is submitted in response to Governing Council decision 88/54 of 1 July 1988, by which it requested the Administrator to report to the Council every two years on the status of management services undertaken by the United Nations Development Programme (UNDP). It reports on the experience of UNDP in providing such services, and attempts to address the concerns expressed by the Council on this issue at its thirty-sixth session.

The use of management services continued to grow during 1988 and 1989. As at February 1990, 72 agreements were in effect funded by the development banks (excluding 57 projects funded by the International Fund for Agricultural Development (IFAD)) and bilateral donors with a total budget of \$396 million; of this amount \$239 million had been expended since 1986. Management services continue to be a cost-effective mechanism for the delivery of development assistance and supports co-ordination at the field level. The Administrator is confident that they do not adversely affect the multilateral character of the UNDP or the level of contributions to UNDP core resources, and that support costs are fully recovered.

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## I. INTRODUCTION

1. In Governing Council decision 83/5, of 24 June 1983, UNDP was authorized to undertake management services if requested by recipient Governments. The following services were seen as likely to be provided: (a) management, in whole or in part, of projects on behalf of the donors; (b) elaboration of project or programme proposals, including project identification and formulation of project documents; (c) assistance in the provision of inputs to projects, such as advice or assistance in recruitment of personnel or procurement of equipment and supplies; (d) logistic support, such as customs clearance, dispensary facilities, clerical or transportation assistance; and (e) monitoring or supervision of projects.
2. At its thirty-fifth session, the Governing Council considered the report of the Administrator (DP/1988/59) containing a review of the experience gained in the provision of management services. In its decision 88/54, of 1 July 1988, the Council noted that the activities undertaken under this operational modality were in conformity with the principles and guidelines set forth in its original decision 83/5 which had authorized the Administrator to provide management services. It further requested that a report on the status of management services be submitted every two years beginning in 1990, with an analysis of any trends that might appear over the longer term, including information, by individual donor, on the level of voluntary contributions to UNDP, compared with amounts provided under management services agreements.
3. At its thirty-sixth session, the Governing Council confirmed this request in its decision 89/59, of 30 June 1989, and added that the report to be presented at the thirty-seventh session should contain guidelines for the provision of management services, designed to take into account the central funding role and the multilateral mandate of UNDP.
4. In his report on management services (DP/1988/59) the Administrator concluded that the provision of management services had established itself as a useful additional vehicle for the delivery of development support. In particular, he emphasized that: (a) the arrangements afforded Governments a flexible mechanism to mobilize project inputs in a timely and cost-effective manner; (b) UNDP resources were not used to subsidize the costs of providing assistance under management services agreements; (c) there was no indication that the multilateral character of the UNDP programme or its role as a central funding agency for technical assistance had in any way been threatened by the use of the management services modality; and (d) there was no evidence that contributions to UNDP core resources had suffered as a result of donors making use of this modality.
5. Two more years of experience have now been gained; during this period the provision of management services has shown a steady growth. The Administrator is satisfied that the earlier conclusions regarding this modality remain valid.

## II. STATUS AND GROWTH OF MANAGEMENT SERVICES OPERATIONS

6. The sources of funds for programmes handled through management services have continued to be the international lending institutions (IBRD/IDA, Inter American Development Bank, IFAD) and individual donor countries. Since 1987, the Office of Project Services (OPS) portfolio of such projects has more than doubled, from 63 to 129. The aggregate value of these projects - excluding IFAD loans - has increased from \$213 million to \$396 million; as regards IFAD loans supervised by OPS, these have grown in total value from SDR 237 million in 1988 to SDR 425 million at present.

7. As is apparent from table 1 of the present report, yearly expenditures have also risen accordingly, although less dramatically than during the first four years after this modality was introduced. The amounts drawn down annually by borrowers from IFAD loans have generally remained stable and when such disbursements are excluded (see annex IV to the present report), the increase in OPS expenditures on projects under management services has slowed down significantly.

8. In relative terms, the number of projects implemented under management services, compared to the total number of projects handled by OPS has remained small: at present, it accounts for nearly 8 per cent of the total number of projects, as compared with 4 per cent in 1986. In dollar terms however, the proportion is much higher, at approximately 30 per cent of the total value of the OPS project portfolio, reflecting larger average values in the case of management services projects.

9. These projects therefore continue to constitute a substantial part of OPS activities. Management services expenditures as a ratio of total OPS expenditures grew from 23 per cent in 1986, to nearly 33 per cent in 1987 and 1988, and 41 per cent in 1989. The surge in 1989, as will be shown, is mainly due to the impact of the procurement of commodities programme funded by Japan.

10. When compared with UNDP funded programmes as a whole, these projects remain a relatively marginal element. Yearly expenditures on management services agreements (MSA) projects were 6 per cent of total programme expenditures by UNDP in 1987 and over 8 per cent in 1989. Management services sponsored by bilateral donors were an even smaller part - about 5 per cent in 1987 and 1988 and less than 7 per cent in 1989.

11. A further analysis is made below of the three categories of management services operations, by source of funding, i.e., IFAD loans, projects funded by the multilateral development banks and those funded by bilateral donors.

A. Projects funded by the International Fund for Agricultural Development

12. Loan administration in support of projects funded by IFAD has nearly doubled in volume over the past two years. Apart from the 29 projects that were active in 1987 and that are being carried forward, 20 new projects and 8 projects in the 1987

pipeline became active in the last two years, bringing the total number of IFAD funded projects in the OPS portfolio to 57. The aggregate value of these projects is SDR [special drawing rights] 425 million, of which over SDR 170 million have already been drawn down by the borrowers. In addition, 17 projects in the pipeline are at an advanced stage of preparation.

13. As part of its function as loan administrator, OPS normally participates in loan appraisal and negotiation, prior to its designation as "co-operating institution" with responsibility for supervising loan implementation on behalf of IFAD. The association of OPS is thus engaged for quite some time before signature of the respective loan agreements; since these projects essentially consist of long-term investment activities and their typical duration may be five to seven years, continuous involvement on the part of OPS is required on a long-term basis.

14. Occasionally, Governments may request OPS to assist with specific procurement or consultancy actions; in these cases, resources are provided by the Governments from the loan proceeds and OPS expenditures will then reflect the relative costs incurred. Apart from these infrequent cases, costs incurred by OPS in providing loan administration services consist only of the operations of a division within OPS dedicated to IFAD activities and the technical advisory services that OPS may need in backstopping the projects. These costs are fully covered by IFAD. As shown in table 2 of the present report, support cost recovery in relation to projects funded by IFAD grew from about \$400,000 in 1986 to \$1.3 million in 1989, a threefold increase, in line with the growth in the number of projects, from 18 to 57.

15. The geographical distribution of these projects reflects the mandate of IFAD to support the group of least developed countries (LDC) and the special programme of assistance to Africa. More than half of the 50 countries served by OPS under the co-operation with IFAD are in the Africa region, 14 in Asia and the Pacific, 8 in Latin America and the Caribbean, and 5 in the Arab States and European region. Annex I to the present report gives a complete listing of IFAD-financed projects for which OPS acts as co-operating institution.

16. The advantages of this association appear to have been confirmed by the growth of the IFAD programme over the last two years. The principal role of OPS is to ensure that every step of project implementation is in conformity with the provisions of the loan agreements. The processing and formal approval by OPS of "withdrawal applications" submitted by the borrower are a pre-condition for IFAD to make loan disbursements. Also, the combination of loan administration with technical backstopping functions may allow the borrower to make more effective use of resources provided.

#### B. Projects funded by IBRD/IDA and the Inter-American Development Bank

17. As shown in annex II to the present report, the number of ongoing projects in this category grew from 21 in 1987 to 32 in 1989; 4 projects have been operationally completed and 15 new projects became operational; 5 new agreements

were signed in 1988, 8 in 1989 and 2 in early 1990. The aggregate budgets increased from \$69 million in 1987 to \$85 million in 1989, of which \$35 million in services have been delivered during the same period.

18. There is no significant change in the nature and sectoral emphasis of the new projects that became operational in the last two years. Management services have continued to be requested for technical assistance loans and programmes within two main categories: support to public sector management and development of human resources. The new activities being implemented in Argentina, Bolivia and Uganda are components of substantial World Bank lending packages in support of structural adjustment. Past experience has shown that loan proceeds can often be utilized rapidly and cost effectively through management services arrangements; the mere fact that the Governments of these countries have repeatedly entered into new agreements for services of essentially the same kind indicates that they see advantages in drawing on the services of OPS in this connection.

19. It is worth noting that the work of UNDP and the World Bank in support of economic restructuring under management services arrangements, which has been extensive in the Latin American region, is now also being put to the test in the Africa region, notably in Uganda. Yearly expenditures by OPS on the Uganda programme almost quadrupled from 1987 to 1989.

20. Similarly, the scope of support and administrative services rendered for the new programmes implemented in Papua New Guinea and Turkey - placement of fellows in advanced training institutions in the first case and strengthening of management skills in the second - repeat the arrangements made under agreements with these countries in previous years.

21. Through the involvement of OPS, borrowers from international lending institutions receive direct project execution support, through established procedures for hiring international and national personnel, for procuring goods and services and for handling foreign currency accounts, giving them access to resources beyond the normal institutional reach of the national agencies. By avoiding delays, ensuring favourable contractual arrangements and co-ordinating the delivery of project inputs, OPS is contributing to a judicious utilization of resources and, ultimately, to increasing the borrower's capacity to absorb, thus mobilize, investment resources.

22. The participation of field offices in the provision of administrative and logistic support services, as well as of liaison with all national departments involved in the project has been on the rise in recent years. This is reflected in the field offices' share of management fees (see table 3 of the present report) which increased from 14 per cent of total fees collected in 1986 to 16 per cent in 1989. The trend towards decentralization has been particularly visible in Latin America; the UNDP offices in Argentina and Bolivia, where hundreds of national consultants have been recruited under these programmes, have been strengthened through the addition of project support units and have been given the appropriate delegation of authority by OPS.

### C. Projects funded by bilateral donor agencies

23. The 13 projects in this category that were operational in 1987 have been carried into 1989 and one in Costa Rica, financed by the United States Agency for International Development (USAID), was operationally completed last year. Of the 9 pipeline projects, 6 have become operational under management services agreements signed in 1988 and 1989. In addition, 19 new projects in 10 countries (excluding regional and global projects) have been added to the list. Resources made available by the donors for these projects amounted to \$306 million, of which nearly \$220 million in services have been extended to date. A complete listing of these projects is given in annex III to the present report.

24. The five donors funding projects in 1987 - Australia, France, Italy, Sweden and the United States of America - were joined by Japan and the Netherlands. Among the projects that became operational in the last two years, 9 are funded by Japan, 9 by Italy, 3 by the Netherlands, 3 by Sweden and one by Australia.

25. A significant new activity - in dollar terms - undertaken under the management services modality in the last two years, is a programme for the procurement of commodities funded by Japan in nine African countries - the Cote d'Ivoire, Guinea, Madagascar, Mauritania, Niger, Senegal, Somalia, Togo and Zaire - at present totalling \$115 million. Services rendered by OPS cover the full range of procurement activities from preparation of specifications, identification of potential suppliers, short-listing, review of bids, selection of successful bidders, purchasing, l/ inspection and shipment. It should be noted that the resources made available by Japan are for procurement which is open to international competitive bidding, and thus to suppliers and manufacturers from developed as well as developing countries. The relevant bilateral agreements only restrict the categories of goods that may be imported and stipulate that items procured are to be utilized in support of the development process. The majority of goods so far procured accordingly fall within the categories of agricultural machinery and supplies, fertilizers, water supply equipment and transport vehicles.

26. This programme will continue until 1991, since additional funds have recently been made available by the Japanese Government. Five new agreements are under negotiation; two are essentially extensions of the previous programmes (Niger and Togo), and three cover support to new beneficiaries (Benin, the Central African Republic and Mali).

27. Aside from expanded procurement services, a significant trend in new projects that became operative in the last two years, as well as those that are at an advanced stage of negotiation, there is an increasing emphasis on rural development, support to social services and training. The projects in Guatemala, for instance, funded by the Netherlands, consist of community and NGO-led programmes for the development of micro-enterprises and local markets. Activities funded by Sweden in Burkina Faso and Niger in support of the United Nations Sudano-Sahelian Office (UNSO) projects and under a regional project in southern Africa, provide technical assistance for strengthening local capacity in agro-forestry, crop production and development of agricultural technology for smallholders. One of the regional projects funded by Italy in Latin America

provides social services to a vulnerable segment of the population, the street children; in Viet Nam, Australia is financing English language training programmes aimed at strengthening the skills of teachers of English as well as teaching English to officers requiring a knowledge of the language to deal with trade and investment partners.

28. Although bilaterally funded management services projects tend to restrict the procurement of inputs to suppliers of the donor country as agreed between donor and recipient, exceptions are being made. Thus, the commodity procurement programme funded by Japan is open to non-Japanese suppliers; the resources made available by the Netherlands in Guatemala are tied to suppliers of services in the recipient country, as are those utilized in El Salvador under funding from Italy. In the latter case, a local NGO sub-contracted by OPS is responsible for the construction of 2,400 low-cost housing units and related social infrastructure; raw materials and tools are also procured from local suppliers.

29. Benefits deriving from UNDP involvement in the detailed design and implementation of these programmes reach both partners - the donor and the recipient of the grant. To the donor, an obvious advantage offered by UNDP is the network of field offices, especially if they do not have embassies or other appropriate official presence in countries where they wish to make a specific contribution to development. The presence of a UNDP field establishment, maintaining a close relationship with the local government, represents an important asset for a bilateral donor wishing to launch co-operative activities in regions where its official links are mainly representational.

30. The above translates into a benefit for the recipient country concerned, in helping to mobilize additional external resources. UNDP participation helps in co-ordinating utilization of these resources by ensuring that they are not duplicating ongoing related activities. At both the identification and implementation stages, UNDP can assist the beneficiaries in ensuring that projects are well designed. Finally, as the concrete example mentioned in paragraphs 35 and 36 below indicates, UNDP involvement facilitates a constructive dialogue between donor and beneficiaries on the issues of long-term sustainability and impact of the programme achievements.

#### D. Projects funded by the recipient country

31. A new development in the provision of management services is that a recipient country requests UNDP to render such services in support of activities funded by the national budget. Within the framework of an agreement signed in 1988, for instance, UNDP provides support services to the Government of Bolivia for procurement of goods and services related to the investment programme of the public sector. More than 200 requests for assistance in concluding procurement contracts have been processed to date, corresponding to a total value in goods and services of over \$500 million. Most of this relates to procurement against funds provided by various donors, both multilateral and bilateral. OPS has also been requested to extend these services to procurement with funds allocated from the national budget.



32. The latter activities are being undertaken on behalf of government entities in Bolivia, applying UNDP procurement rules and practices, under three projects with a total value of \$5.4 million. Annex III gives the relevant data on these projects. UNDP/OPS has in this way contributed to the efficient utilization of national resources, transparency, enhanced competitiveness and vendor participation and favourable contractual arrangements.

### III. SALIENT FEATURES OF MANAGEMENT SERVICES OPERATIONS

33. As is apparent from the above, the Administrator has not met with any serious difficulties in complying with the general guidelines for providing management and other services, or with provisions of related Governing Council decisions.

#### A. Addressing development needs

34. Management services projects essentially fall within three broad development categories: rural development, economic and social restructuring and development of human resources. The projects administered on behalf of IFAD are all in the first category, as well as a number of projects funded by bilateral donors - over 80 per cent in dollar terms, excluding the non-project grants from Japan. The projects funded by the World Bank are mainly in the second category as is the procurement programme funded by Japan, which is essentially in support of the balance of payments of the recipient countries. Concern with the development of human resources is shared by borrowers of the World Bank and takes up the remainder. These were the areas which the Governing Council, in its decision 89/20 of 30 June 1989, identified as areas of primary concern to the Programme when responding to the diverse requirements for technical co-operation of the developing countries. As regards bilateral programmes, joint identification and formulation of projects with UNDP helps to place the supported activities in the framework of the country's own development priorities and country programme.

#### B. Impact and sustainability

35. Concern has been expressed on several occasions on the issues of impact and sustainability of the programmes funded by bilateral donors, once resources are exhausted and UNDP involvement ceases. A concrete example may illustrate that the Programme's constant attention to this concern is, in fact, one of the comparative advantages of UNDP over other partners in the development process. The project in Northern Darfur, in the Sudan, funded by Italy, has now reached its conclusion - although some activities will continue into 1990 to ensure smooth transfer of operational responsibilities to local authorities - and a preliminary assessment was conducted by the field office in consultation with present and former government authorities with responsibility in the project.

36. As a result, it has emerged that the involvement of UNDP as the Government's partner has not only resulted in the Government's overcoming serious constraints which could have negatively affected implementation or resulted in delays, but has

also helped to establish an effective mechanism for sectoral co-ordination between the central and the regional government. It has resulted in raising standards of work and expectations for quality of work, at all levels. During the course of implementation, it has facilitated the introduction by project authorities of elements of technology transfer and training of technicians. The UNDP approach to sustainability and self-reliance in view of the problems and needs of the local population and the institutions in Northern Darfur, has resulted in the formulation of additional projects to be financed by the Italian Government and opened opportunities in which institution building can be taken up by UNDP and other donors.

### C. Multilateral character of the Programme

37. There is no evidence to suggest that the multilateral character of UNDP programmes has in any way been affected by the provision of management services. As mentioned earlier, activities funded by bilateral grants constitute in monetary terms less than 7 per cent of the UNDP overall Programme. This cannot be considered a threat to the multilateral principle. Also, prevalent bilateral restrictions to procure goods and services from the donor country are often mitigated in practice. In some cases, as mentioned in paragraph 28 above, such restrictions do not apply. Local procurement, or procurement from suppliers other than in the donor country is at times the most cost effective or technically feasible course and consequently approved by the donor country.

38. What remains visibly bilateral is the source of funds, and since the utilization of such funds is carried out within a multilateral framework, the management services modality, rather than threatening the principles on which UNDP operates, reinforces such principles by bringing into the multilateral ambit resources that would otherwise not be allocated in support of multilateral programmes. In paragraph 4 (b) of its decision 89/20, the Governing Council decided that UNDP, in conformity with the priorities of the recipient countries concerned, should direct its efforts towards maximizing its advantages, compared with other development co-operation programmes. Management services may be viewed as an example of how the comparative advantages of UNDP are recognized by recipients and donors alike, and deliberately exploited to maximize the effectiveness of their co-operative efforts.

39. In this connection, it is necessary to address the suggestions that have been made to the effect that a limitation of some kind should be placed on the volume of management services that UNDP can accept on behalf of bilateral donors. In theory, there are several ways in which a restriction of this kind could be applied, by for instance :

(a) Limiting the value of management services carried out on behalf of a given beneficiary country to a specific percentage of its IPF;

(b) Limiting the value of management services to a specific percentage of a donor country's voluntary contribution to UNDP;

(c) Limiting the value of management services to a specific percentage of aggregate project budgets executed by OPS;

(d) Limiting the value of management services to a specific percentage of the overall programme of UNDP.

40. The Administrator has carefully considered the implications of applying limitations of this kind to the provision of management services, and has concluded that such restrictions would create a new set of problems for beneficiary countries and bilateral donors alike.

41. Thus, the two first mentioned options may well have the effect of denying a prospective beneficiary country additional resources for development and should accordingly not be considered.

42. Similarly, placing limits on the extent to which UNDP or OPS should undertake to provide services related to bilateral grants would be arbitrary in its application, in that considerations of priorities would arise as between the needs of different countries. This is an unacceptable prospect and should also be discarded.

43. It should also be borne in mind that UNDP is not the only vehicle in the United Nations system concerned with multi-bilateral activities, trust funds and management services. The Expert Group on Successor Arrangements for Support Costs has rightly pointed out that it makes little sense to establish limits to such programmes for UNDP alone. Nothing would prevent a donor from switching to another United Nations organization which is not subject to such restrictions. Thus, if multi-bilateral programmes are for some reason to be curtailed, this can only be accomplished through a collective decision on the part of donors, perhaps within the framework of the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD).

44. The Administrator is nevertheless mindful of the underlying concern with respect to the multilateral character of UNDP programmes. As stated in paragraph 37 above, however, the provision of management services to beneficiaries of bilateral grants is not seen to be a significant factor in this regard. At this point, therefore, the Administrator believes that it would be premature to present a proposal designed to restrict the use of this modality.

#### D. Effect on core funding

45. The concern has repeatedly been expressed that donors may hold back on their voluntary contribution to UNDP, preferring to channel multilateral funds through management services. The Administrator has seen no evidence that this has been or is likely to become the case. As shown in table 4 of the present report, the contributions to UNDP by donors that are at the same time funding programmes under the management services modality have been increased or maintained at constant levels over the years, in the currency of the contributions.

46. It may further be noted that one of the major users of the management services modality, Italy, has tended to channel non-core resources increasingly through the cost-sharing modality. The large programme to assist the resettlement of refugees and displaced persons in Central America is an example. Thus, management services may also form a building block in the broader dialogue between UNDP and bilateral donors, with the ultimate goal of establishing a partnership in which the central funding role of UNDP is reinforced.

#### E. Support cost recovery

47. The formula utilized for estimating, on a case-by-case basis, the costs incurred by UNDP headquarters and field offices in providing the services required has proven satisfactory. As shown in table 2, income received by OPS in management fees has increased steadily in the last two years. This is consistent with the yearly increase in services rendered and in expenditures, although the relationship between increases in support cost recovery and increases in expenditures is not a direct one. In fact, as indicated in DP/1988/59, management fees are now delinked from actual expenditures, so that administrative costs incurred by OPS or field offices are covered well ahead of input delivery. As in previous years, projects funded by bilateral donors have continued to contribute the largest percentage of collected fees, representing 64 per cent and 62 per cent respectively in 1988 and 1989. The UNDP is continually seeking to refine methods of estimating actual costs so as to ensure full cost recovery, particularly in relation to field offices.

#### F. Capacity for delivery

48. In paragraphs 13 and 14 of its decision 89/59, the Governing Council expressed concern at the growth in programme delivery by OPS and its possible effect on the operational effectiveness of the Office. It further stressed that OPS should not embark on the implementation of new projects or management services agreements unless the Administrator was confident that all prerequisites for proper implementation had been met.

49. The results reported in the present document testify that these requirements have been met. Organization and management issues referred to in the above decision have been addressed during 1989 and have resulted in a number of procedural measures designed to streamline operations. The steady increase in income experienced over the past years has been utilized to equip OPS with the staff and material infrastructure necessary to provide the required services.

50. Although operational activities, as shown in annex IV to the present report, have grown over the past three years at an annual average of 23 per cent, it is interesting to note that the 70/30 per cent split of OPS expenditures on projects funded from multilateral resources and bilaterally funded programmes has not changed. The growth in OPS operational activities thus essentially reflects a general trend towards increased assistance in the multilateral framework rather than a shift in favour of bilaterally funded operations. The measures taken to ensure that OPS has the capacity to deliver project services have satisfied the

Administrator that growth has not over-extended the staff resources of the Office, which is, furthermore, actively examining the potential for decentralizing additional functions to the field offices.

#### G. Implications for a UNDP funding strategy

51. The concept of management services is geared to assisting borrowers of international lending institutions and recipients of aid grants to utilize such resources in the most timely and cost-effective manner. UNDP has adhered to this principle, and at no time has viewed such resources as UNDP resources. Although, for administrative expedience, funds pertaining to programmes under management services are handled through UNDP accounts, they are not aggregated with expenditures from core resources, cost-sharing or trust fund contributions. Such funds accordingly retain a separate character.

52. The provision of management services, being a vehicle for responding to specific demands that arise at a given stage of the development process, at the request of recipient countries, should therefore not be seen as an instrument for increasing UNDP resources. The validity and usefulness of management services depend upon the capacity of UNDP to provide development services, rather than on its ability to marshal additional resources for development. The report on elements for a funding strategy for UNDP (DP/1990/20) submitted to the current session of the Governing Council addresses the latter concern and concludes that, while management services should serve to amplify and reinforce the support provided by UNDP to developing countries, they do not constitute per se a mechanism for augmenting the resource base of UNDP.

#### IV. GUIDELINES FOR THE PROVISION OF MANAGEMENT SERVICES

53. In the light of experience to date, the Administrator considers that the principles and guidelines referred to in Governing Council decision 83/5 on the provision of management services remain entirely appropriate. However, in view of the Council's request, in its decision 89/59, the Administrator suggests that the following principles should be reconfirmed for the provision of management services by UNDP:

(a) Projects and programmes undertaken under management services should be in conformity with the development priorities established by the recipient countries;

(b) The total cost to UNDP of providing the required services, whether incurred by headquarters or field offices, should be borne by the funding source;

(c) The latest voluntary contribution of a donor seeking to fund activities through management services should not be below the moving average of its voluntary contributions (in the currency of the contribution) over the preceding three years. Should this condition not be present, the matter will be referred to the Governing Council for a decision.

## V. RECOMMENDATION

54. The conclusions reached in DP/1988/59, summarized in paragraph 3 above, are confirmed in the present report. The management services modality has established itself not only as a useful mechanism for the delivery of project inputs, but also supports co-ordination at the field level. The guidelines for the provision of management services suggested above are in fact a restatement of those on which Governing Council decision 83/5 was based. Their relevance has been validated by the experience accumulated in the past six years in responding to the development co-operation requirements of the recipient countries.

55. In view of the considerations made in paragraphs 31-32 above, the Administrator proposes to continue to provide management and other services at the request of the recipient countries for programmes and projects funded from their own resources, in addition to those funded from external sources. These management services should be carried out by UNDP/OPS with appropriate delegation to field offices as required, and in accordance with UNDP regulations, rules and policies.

56. The Administrator recommends that UNDP continue to provide management services, on the basis of these guidelines, reporting to the Governing Council every two years on the status of management services agreements, with an analysis of trends that may appear over the longer term.

### Notes

1/ Exceptions are the Côte d'Ivoire and Senegal, where the actual purchasing is done by the Government. For this reason, the OPS budget reported in annex III does not include the \$34 million total value of the grants to these two countries.

Table 1. Project expenditures under management services projects  
 (in United States dollars)

Category	1986		1987		1988		1989 <u>a/</u>	
	No. of projects	Amount	No. of projects	Amount	No. of projects	Amount	No. of projects	Amount
Development banks	9	1 585 271	21	6 732 846	23	12 588 548	32	15 528 968
Bilateral donors	8	27 813 446	13	44 087 255	21	51 871 202	37	73 798 409
Recipient Governments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>4 929 940</u>
Subtotal	17	29 398 717	34	50 820 101	44	64 459 750	72	94 257 317
IFAD <u>b/</u>	<u>18</u>	<u>39 761 653</u>	<u>29</u>	<u>36 573 664</u>	<u>41</u>	<u>25 486 811</u>	<u>57</u>	<u>27 458 836</u>
TOTAL	<u>35</u>	<u>69 160 370</u>	<u>63</u>	<u>87 393 765</u>	<u>85</u>	<u>89 946 561</u>	<u>129</u>	<u>121 716 153</u>

Note: Expenditures under all multilateral sources of funds were as follows: \$98.0 million (1986), \$110.1 million (1987), \$146.2 million (1988), and \$152.8 million (1989).

a/ Provisional, as at 16 February 1990.

b/ Amounts drawn down from International Fund for Agricultural Development (IFAD) loans.

/...

Table 2. Management services support cost recoveries

(in United States dollars)

Category	1986		1987		1988		1989 <u>a/</u>	
	Amount	Per-centage	Amount	Per-centage	Amount	Per-centage	Amount	Per-centage
Development banks	129 841	6	496 547	14	945 274	19	1 715 887	22
International Fund for Agricultural Development (IFAD)	407 807	19	655 405	18	838 505	17	1 272 040	16
Bilateral donors	<u>1 585 245</u>	<u>75</u>	<u>2 483 217</u>	<u>68</u>	<u>3 100 321</u>	<u>64</u>	<u>4 912 290</u>	<u>62</u>
TOTAL	<u>2 122 893</u>	<u>100</u>	<u>3 635 169</u>	<u>100</u>	<u>4 884 100</u>	<u>100</u>	<u>7 900 217</u>	<u>100</u>

a/ Provisional, as at 16 February 1990.

Table 3. Distribution of support cost recoveries

(in United States dollars)

Category	1986		1987		1988		1989 <u>a/</u>	
	Amount	Per-centage	Amount	Per-centage	Amount	Per-centage	Amount	Per-centage
Office of Personnel Services (OPS)	1 501 471	71	2 501 922	69	3 512 652	72	5 589 937	71
Central Services	311 449	15	564 260	15	658 555	13	1 036 295	13
Field office	<u>309 973</u>	<u>14</u>	<u>568 987</u>	<u>16</u>	<u>712 893</u>	<u>15</u>	<u>1 273 985</u>	<u>16</u>
TOTAL	<u>2 122 893</u>	<u>100</u>	<u>3 635 169</u>	<u>100</u>	<u>4 884 100</u>	<u>100</u>	<u>7 900 217</u>	<u>100</u>

a/ Provisional, as at 16 February 1990.



Table 4. Donor voluntary contributions to United Nations Development Programme in national currency and management services programmes funding

	1986	1987	1988	1989	1990	Percentage <u>a/</u>	Cumulative management services funding (in millions of US dollars)
<u>Australia</u> (Australian dollars)	13 965 000	15 000 000	15 250 000	16 325 000	..	..	4.53
<u>France</u> (French francs)	237 000 000	251 000 000	251 000 000	278 500 000	281 000 000	3.83	0.66
<u>Italy</u> (Italian lire)	65 000 000 000	71 500 000 000	77 000 000 000	110 000 000 000	90 000 000 000	7.97	189.56
<u>Japan</u> (US dollars)	64 800 000	70 050 072	79 000 000	83 300 000	..	..	56.37
<u>Netherlands</u> (Netherlands guilders)	151 000 000	153 000 000	161 000 000	153 000 000	153 000 000	0	2.57
<u>Sweden</u> (kronor)	445 000 000	490 000 000	525 000 000	575 000 000	575 000 000	5.47	4.31
<u>United States of America</u> (US dollars)	136 548 640	106 372 812	109 108 418	111 000 000	109 510 000	0.97	0.90

a/ Average yearly percentage increase over the three-year period 1987-1990.

Annex I

PROJECTS FUNDED BY THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Serial No.	OPS project reference	IFAD loan number	Country	Name of project	Total loan/grant (SDR)	Date signature MSA	Loan disbursements (in United States dollars)	OPS operating budget including management fee (in United States dollars)
<u>Ongoing</u>								
1	ANG/89/F01	IFAD SRS-020-AN	Angola	Maíange	5 000 000	02 Jan 90	-	20 331
2	BGD/84/F01	IFAD 161-BA	Bangladesh	Grameen Bank Project	33 342 000	24 Sep 85	48 784 721	478 904
3	BGD/86/F01	IFAD 194-BA	Bangladesh	Marginal and Small Farmers	8 950 000	28 Aug 87	1 384 337	414 932
4	BGD/88/F01	IFAD 237-BA	Bangladesh	Oxbow Lakes	5 600 000	05 Apr 89	-	219 240
5	BGD/88/F02	IFAD 239-BA	Bangladesh	Grameen III	6 200 000	11 Sep 89	-	223 586
6	BHU/81/F01	IFAD 050-BH/61-BH	Bhutan	Small Farm Development and Irrigation	5 925 000	18 May 81	4 170 052	489 401
7	BHU/87/F01	IFAD 223-BH	Bhutan	Punuka Wangdi	2 000 000	01 Jun 89	157 984	326 289
8	BZE/85/F01	IFAD 172-BL	Belize	Toledo Small Farmer Development	2 100 000	05 Sep 85	545 603	384 826
9	CAF/89/F01	IFAD a/	Central African Republic	Bouca	8 000 000 b/	a/	-	22 115
10	CPR/81/F01	IFAD 062-CH	China	Pasture and Livestock Development	28 700 000	20 Jul 81	33 039 172	715 262
11	CPR/88/F01	IFAD 233-CH	China	Sichuan Livestock	13 400 000	16 May 89	2 974 889	406 945
12	CPR/89/F01	IFAD a/	China	Shandong Agriculture Development	12 000 000 b/	a/	-	42 633
13	CUB/81/F01	IFAD 052-CU	Cuba	Camalote Rural Development	11 050 000	02 Mar 81	11 638 940	518 115
14	CUB/89/F01	IFAD a/	Cuba	Valesco Rural	a/	NA	-	209 700
15	CYP/83/F01	IFAD 148-CY	Cyprus	Smallholder Livestock Production	4 650 000	15 May 84	320 748	270 518
16	DOM/87/F01	IFAD 216-DO	Dominican Republic	Southwestern Region Credit	6 100 000	a/	-	310 022
17	EQG/85/F01	IFAD 135/167-EQ	Equatorial Guinea	Agricultural Development	2 450 000	17 Apr 85	1 436 832	517 625
18	ETH/85/F01	IFAD/BSF c/ 168-ET/BG-2-ET	Ethiopia	Drought Rehabilitation	19 783 000	21 Jun 85	16 513 051	419 343

Serial No.	OPS project reference	IFAD loan number	Country	Name of project	Total loan/grant (SDR)	Date signature MSA	Loan disbursements (in United States dollars)	OPS operating budget including management fee
<u>Ongoing</u>								
19	GAB/89/F01	IFAD a/	Gabon	Agricultural Support	7 000 000 b/	a/	-	22 774
20	GAM/89/F01	IFAD a/	Gambia	Small Scale Water	a/		-	8 254
21	GHA/86/F01	IFAD 002-GH/198-GH	Ghana	Smallholders Rehabilitation	10 405 000	07 Jul 87	1 841 894	370 668
22	GHA/89/F01	IFAD a/	Ghana	Smallholders Credit	a/	a/	-	22 400
23	GUA/89/F01	IFAD a/	Guatemala	Smallholders Development	5 000 000 b/	a/	-	43 183
24	GUI/88/F01	IFAD 012-GU	Guinea	Agricultural Development	15 000 000	a/	163 005	287 093
25	HAI/81/F01	IFAD 088-HA	Haiti	Intensification Food Crops	13 220 000	13 Aug 82	11 359 769	714 021
26	HAI/88/F01	IFAD 241-HA	Haiti	Rehabilitation Small/Medium Irrig.	8 200 000	28 Jun 89	-	259 638
27	IND/87/F01	IFAD 214-IN	India	Orissa Tribal Development	9 250 000	04 Feb 88	327 906	402 412
28	IND/89/F01	IFAD 240-IN	India	Tamil Nadu Women Centre	13 150 000	a/	-	75 240
29	INS/87/F01	IFAD 215-ID	Indonesia	Income Generating	10 600 000	20 Jan 88	964 989	351 515
30	KEN/88/F01	IFAD/BSF BG-1-KE	Kenya	Farmers Group Comm. Support	2 040 000	01 Sep 88	1 303 915	237 918
31	LAO/87/F01	IFAD 207-LA	Laos	Rural Credit	3 500 000	25 Nov 87	271 494	456 236
32	LAO/89/F01	IFAD a/	Laos	Xien Khouang	a/	a/	-	10 900
33	LES/86/F01	IFAD 199-LE	Lesotho	Local Initiative Support	4 050 000	18 Mar 87	1 658 705	466 412
34	LES/88/F01	IFAD 013-LE	Lesotho	Soil Water Conservation	6 000 000	26 Apr 89	524 438	289 264
35	MAG/88/F01	IFAD 231-MG	Madagascar	Rice Development	9 900 000	26 Jun 89	-	293 430
36	MDV/89/F01	IFAD a/	Maldives	Atoll Development	1 000 000 b/	a/	-	60 553
37	MLI/82/F01	IFAD 103-ML	Mali	Village Development Fund	8 050 000	01 Mar 83	6 344 012	525 863
38	MOZ/81/F01	IFAD 093-MZ	Mozambique	National Food Production Programme	17 627 000	06 Aug 82	18 899 083	309 790
39	NEP/87/F01	IFAD 208-NE	Nepal	Rural Women Project	4 750 000	30 Nov 88	498 299	295 724
40	NEP/89/F01	IFAD a/	Nepal	Livestock Development	6 000 000 b/	a/	-	18 751
41	NER/86/F01	IFAD 009-NG/007-NG	Niger	Development Small Scale Irrigation	11 364 000	13 Jan 88	2 274 658	511 545

Serial No.	OPS project reference	IFAD loan number	Country	Name of project	Total loan/grant (SDR)	Date signature MSA	Loan disbursements (in United States dollars)	OPS operating budget including management fee
<u>Ongoing</u>								
42	NIR/88/F01	IFAD 236-NR	Nigeria	Fisheries	11 150 000	a/	-	277 557
43	PNG/82/F01	IFAD 113-PN	Papua New Guinea	Artisanal Fisheries	9 050 000	10 Jan 83	2 962 221	467 900
44	SIL/87/F01	IFAD a/	Sierra Leone	North-Central Agriculture	3 900 000 b/	a/	-	240 000
45	SOI/87/F01	IFAD 224-SM	Solomon Islands	Credit	1 150 000	a/	-	236 324
46	SOM/85/F01	IFAD/BSF c/ BG-3-SO	Somalia	Mahadday Weyne Integrated Dev.	2 104 000	16 May 85	2 338 351	421 439
47	SOM/85/F02	IFAD/BSF c/ BG-4-SO	Somalia	Wanle Weyne Integrated Dev.	3 892 000	17 Aug 87	1 189 612	188 751
48	SOM/85/F03	IFAD/BSF c/ a/	Somalia	Bardera Integrated Development	3 998 000	a/	-	151 034
49	SOM/89/F01	IFAD/BSF c/ a/	Somalia	Mahadday Weyne Integrated Dev. II	a/	a/	-	20 101
50	SOM/89/F02	IFAD/BSF c/ a/	Somalia	Bay Region	a/	a/	-	10 558
51	SRL/87/F01	IFAD 219-SR	Sri Lanka	Rural Credit	4 850 000	28 Mar 89	505 548	416 426
52	STP/84/F01	IFAD 151-ST	Sao Tome and Principe	Artisanal Fisheries	2 100 000	17 Jul 85	2 421 905	323 028
53	SUD/88/F01	IFAD 16/13-SU	Sudan	Credit	7 070 000	a/	868 824	268 459
54	TOG/88/F01	IFAD a/	Togo	Support to Village	7 000 b/	a/	-	9 041
55	TON/87/F01	IFAD 220-TA	Tonga	Rural Credit	1 700 000	11 Oct 88	1 082 714	237 689
56	TUR/88/F01	IFAD 243-TU	Turkey	Bingo1 and Mus Rural Development	15 500 000 b/	14 Nov 89	-	234 397
57	URT/89/F01	IFAD a/	United Republic of Tanzania	Smallholders Development	17 700 000 b/	a/	-	21 434
Subtotal <u>Ongoing</u>					425 527 000		178 767 671	15 547 509

Serial No.	OPS project reference	IFAD loan number	Country	Name of project	Total loan/grant (SDR)	Date signature MSA	Loan disbursements (in United States dollars)	OPS operating budget including management fee
<u>Pipeline</u>								
58	BGD/90/F01	IFAD a/	Bangladesh	Livestock Development	a/	a/	-	25 820
59	BOL/90/F01	IFAD a/	Bolivia	Pequeños Agr. de Santa Cruz	a/	a/	-	25 820
60	BRA/90/F01	IFAD a/	Brazil	Gerrado Smallholder Dev. Project	a/	a/	-	25 820
61	CPR/90/F01	IFAD a/	China	Hunan Region	a/	a/	-	25 820
62	CVI/90/F01	IFAD a/	Cape Verde	Credit Development	a/	a/	-	25 820
63	EGY/90/F01	IFAD a/	Egypt	Credit Development	a/	a/	-	25 820
64	GHA/90/F01	IFAD a/	Ghana	Upper East Region	a/	a/	-	49 160
65	KEN/90/F01	IFAD a/	Kenya	ASAL	a/	a/	-	25 820
66	MEX/90/F01	IFAD a/	Mexico	Agricultural Development	a/	a/	-	25 820
67	MLI/90/F01	IFAD a/	Mali	Second Village	a/	a/	-	25 820
68	PHI/90/F01	IFAD a/	Philippines	Pangasinan Agric. Development	a/	a/	-	25 820
69	SEY/90/F01	IFAD a/	Seychelles	Employment Promotion	a/	a/	-	49 160
70	SUD/90/F01	IFAD a/	Sudan	Roseiry	a/	a/	-	25 820
71	THA/90/F01	IFAD a/	Thailand	Agricultural Development	a/	a/	-	25 820
72	TUR/90/F01	IFAD a/	Turkey	Yozgat	a/	a/	-	25 820
73	UGA/90/F01	IFAD a/	Uganda	Livestock Development	a/	a/	-	25 820
74	ZIM/90/F01	IFAD a/	Zimbabwe	Midland Development	a/	a/	-	49 160
Subtotal <u>Pipeline</u>					-	-	-	508 960
GRAND TOTAL					425 527 000		178 767 671	16 056 469

a/ Letter of appointment not yet issued.

b/ Estimated figures taken from appraisal reports.

c/ In association with grant from Belgian Survival Fund.

## Annex II

## PROJECTS UNDER MANAGEMENT SERVICES AGREEMENTS FUNDED BY THE WORLD BANK AND REGIONAL DEVELOPMENT BANKS

No.	OPS project reference	Funding agency	Country	Name of project	Total loan/grant extended (in US dollars)	Date signature MSA	OPS budget			
							Total (in United States dollars)	Project budget	Management fee	
<u>Ongoing projects</u>										
1	ARG/85/R41	IADB 495-OC/AR	Argentina	INTA (Strength. of Agric. Research	38 800 000	12 Dec 86	15 235 500	14 510 000	725 500	
2	ARG/86/R01	World Bank 2712 AR	Argentina	Public Sector Management	18 500 000	12 Sep 86	15 582 000	14 700 000	882 000	
3	ARG/89/R01	World Bank 2984-AR	Argentina	Administration of Social Programmes	a/	03 Mar 89	3 517 106	3 346 436	170 670	
4	ARG/89/R02	World Bank a/	Argentina	Procurement for DGI	a/	a/	3 068 000	2 922 000	146 000	
5	BOL/87/R01-R03	IDA 1809 BO	Bolivia	Tax Admin., Central Bank & SAFCO	11 500 000	27 Nov 87	9 763 400	9 282 550	480 850	
6	BOL/87/R04	IDA PPF49580	Bolivia	Strength. Econ. Mgmt. - Public Sec.	1 313 333	18 Mar 88	1 313 333	1 234 336	78 997	
7	BOL/87/R05	IDA 1925 BO	Bolivia	Superintendencia de Bancos	536 000	13 Dec 88	536 000	508 235	27 765	
8	BOL/87/R06	IDA 1925 BO	Bolivia	Strengthening Banking Sector	40 000 000	16 Dec 88	626 000	590 260	35 740	
9	BOL/89/R01-R07	IDA 1977 BO	Bolivia	Econ. Mgmt. Strengthening Operation	9 700 000	10 May 89	8 428 030	7 899 000	529 120	
10	BRA/86/R01	World Bank 2721 BR	Brazil	Public Sector Management	29 000 000	12 Dec 86	2 502 448	2 360 800	141 648	
11	CHI/87/R01	World Bank 2613 CH	Chile	Strength. Small and Medium Industries	43 000 000	01 Jun 87	867 200	800 000	67 200	
12	COS/86/R01	World Bank 2519 CR	Costa Rica	Technical Assist. - Various Sectors	3 500 000	05 Dec 86	3 158 069	2 943 489	214 580	
13	DJI/85/R01	IDA 1232 DJ	Djibouti	Primary Education Network	5 000 000	25 Oct 85	490 000	445 900	44 100	
14	ECU/86/R01	IDA 2516 EC	Ecuador	Public Sector Management	6 000 000	03 Jul 86	2 225 850	2 090 000	135 850	
15	ECU/89/R01	World Bank a/	Ecuador	Vocational Training	a/	07 Nov 89	401 190	372 400	28 790	
16	ETH/85/R01	IDA 1522-0 ET	Ethiopia	Tech. Asst. - Info. & Budget System	3 900 000	17 Jan 86	1 972 080	1 826 000	146 080	
17	HON/87/R01	World Bank 2804 HO	Honduras	Primary Rural Education Manangement	4 400 000	26 Jan 88	600 000	554 500	45 500	
18	HON/89/R01	World Bank a/	Honduras	Superintendencia de Bancos	-	-	440 000	414 500	25 500	
19	PAK/86/R01	IDA 1602 PAK	Pakistan	Primary Education	5 000 000	27 Jul 86	174 000	165 000	9 000	
20	PNG/86/R01	World Bank 2276 PNG	Papua New Guinea	Transition Training Unit I	5 000 000	12 Sep 86	1 189 329	1 093 636	95 693	
21	PNG/86/R02	World Bank 2276 PNG	Papua New Guinea	Agricultural Support Services	14 100 000	21 Oct 86	1 948 024	1 791 286	156 738	
22	PNG/88/R01	World Bank 2265 PNG	Papua New Guinea	Flood Estimation Manual	a/	22 Sep 88	230 205	213 625	16 580	

No.	OPS project reference	Funding agency	Country	Name of project	Total loan/grant extended (in US dollars)	Date signature MSA	OPS budget		
							Total	Project budget	Management fee
							(in United States dollars)		
<u>Ongoing projects</u>									
23	PNG/88/R02	World Bank a/	Papua New Guinea	Transitional Training Unit II		22 Jul 89	1 502 663	1 353 750	148 913
24	TUR/87/R01	World Bank 2585 TU	Turkey	Overseas Training of DSI Staff	300 000 000	10 Aug 87	1 000 000	925 000	75 000
25	TUR/87/R02	World Bank 2433 TU	Turkey	Overseas Training - Irrigation Staff	115 300 000	10 Aug 87	300 000	277 000	23 000
26	TUR/88/R01	World Bank 2585 TU	Turkey	Overseas Training of GDRS Staff	300 000 000	07 Oct 88	1 000 000	925 000	75 000
27	TUR/88/R03	World Bank 2663 TU	Turkey	Drainage and On-Farm Development	255 000 000	19 Jan 89	362 970	333 000	29 970
28	UGA/84/R01	IDA 1077/1434	Uganda	Technical Assistance Projects	10 000 000	04 May 84	2 216 149	2 051 990	164 159
29	UGA/88/R01	IDA 1434 UG	Uganda	Household Budget Survey	10 000 000	15 Oct 89	644 493	596 753	47 740
30	UGA/89/R01	IDA 1434 UG	Uganda	Treasury Accounts	10 000 000	04 Aug 89	520 414	477 000	43 414
31	UGA/89/R02	IDA 1434 UG	Uganda	Public Sector Enterprises	10 000 000	04 Aug 89	397 686	375 000	22 686
32	YEM/87/R01	IDA 1702 YAR	Yemen	TA to the Petroleum Sector	10 600 000	21 Jun 87	2 438 627	2 251 429	187 198
TOTAL <u>Ongoing</u>					<u>1 225 149 333</u>		<u>84 650 856</u>	<u>79 629 875</u>	<u>5 020 981</u>

Note: Projects in Indonesia, Jamaica, Panama and Zambia have been completed.

a/ Not available.

## PROJECTS UNDER MANAGEMENT SERVICES AGREEMENTS FUNDED UNDER BILATERAL GRANTS

Serial No.	OPS project reference	Funding agency	Country	Name of project	Date signature MSA	OPS budget		
						Total (in United States dollars)	Project budget	Management fee
<u>Ongoing projects</u>								
1	BKF/87/R51	Sweden	Burkina Faso	TA for Cooking Stoves/Woodlots Project	Aug 88	959 302	877 302	82 000
2	CAM/89/R51	Italy	Gen. America	Info. on Asst. to Displaced Persons	16 Mar 89	702 000	625 000	77 000
3	CHD/85/R51	Italy	Chad	Rehab. and Devpmt. Lake Chad/Kanem	03 Feb 86	72 885 237	69 635 237	3 250 000
4	COL/87/R51	Italy	Colombia	Trng. of Co-operative Officials	18 Jan 89	1 165 566	1 081 000	84 566
5	CUB/88/R51	Italy	Cuba	Development of Prawn Farming	18 Feb 88	1 398 050	1 288 050	110 000
6	CUB/88/R52	Italy	Cuba	Support to Marble Production	Jan 89	1 683 000	1 553 000	130 000
7	EGY/87/R51	Netherlands	Egypt	Food Industry Development Centre	02 Dec 87	924 063	855 614	68 449
8	EGY/88/R51	Italy	Egypt	Rehab. and Dev. El Katta Prison Farm	22 Feb 89	3 838 544	3 458 148	380 396
9	ELS/86/R51	Italy	El Salvador	Construction of Low-Cost Housing	15 May 87	8 300 000	7 777 100	522 900
10	ETH/85/R51	Italy	Ethiopia	Rehab. and Dev., Wello and Hararghe	14 Dec 84	18 959 613	17 482 058	1 477 555
11	GLO/88/R51	Italy	Global	UNDP/Italy Co-operation - Proj. Iden.	15 Nov 86	520 000	475 000	45 000
12	GLO/88/R53	Italy	Global	UNDP/Italy Technical Panel	a/	616 000	560 000	56 000
13	GUA/88/R51	Netherlands	Guatemala	Emergency Project	22 Apr 88	959 830	905 500	54 330
14	GUA/88/R52	Netherlands	Guatemala	Rural Programme	a/	657 177	619 978	37 199
15	GUI/88/R21	Japan	Guinea	Procurement of Commodities	10 Mar 89	3 571 429	3 363 789	207 640
16	GUI/88/R51	Italy	Guinea	Int'l Centre for Co-operation	a/	6 852 000	6 367 000	485 000
17	INT/86/R51	Italy	Interregional	Third World Econ. Info. Network	15 Nov 86	3 989 750	3 799 750	190 000
18	IVC/88/R21	Japan	Côte d'Ivoire	Procurement of Commodities	18 May 89	158 000	158 000	158 000
19	LAO/84/R51	Australia	Laos	English Language Training	05 Dec 84	1 013 360	965 104	48 256
20	MAG/88/R21	Japan	Madagascar	Procurement of Commodities	03 Mar 89	25 000 000	24 157 120	842 880
21	MAU/88/R21	Japan	Mauritania	Procurement of Commodities	14 Apr 89	3 533 966	3 325 136	208 830
22	NER/88/R51	Sweden	Niger	Agro-Forestry Development - Dosso	Apr 89	939 318	853 925	85 393



Serial No.	OPS project reference	Funding agency	Country	Name of project	Date signature MSA	OPS budget			
						Total (in United States dollars)	Project budget	Management fee	
23	NER/88/R21	Japan	Niger	Procurement of Commodities	a/	11 918 454	11 372 954	545 500	
24	PNG/88/R51	Australia	Papua New Guinea	Technical Assistance Facility	05 Dec 88	203 125	184 625	18 500	
25	RAF/86/R51	Italy	Regional	Translation/Publication of Books	a/	210 000	201 923	8 077	
26	RAF/87/R51	France	Regional	Support for Round Table Process	02 Dec 86	655 222	609 322	45 900	
27	RAF/88/R51	Sweden	Regional	Agric. Operations Technology	16 May 89	2 868 180	2 662 900	205 280	
28	RAS/85/R51	Italy	Regional	Asian Institute of Technology	31 Aug 86	770 000	712 963	57 037	
29	RLA/86/R51	Italy	Regional	Prog. Ident. - El Salvador/Guatemala	26 Sep 86	343 432	310 426	33 006	
30	RLA/88/R51	Italy	Regional	Street Children Project	Dec 88	1 516 503	1 391 320	125 183	
31	SEN/88/R21	Japan	Senegal	Procurement of Commodities	30 May 89	315 340	315 340	315 340	
32	SEN/89/R51	Sweden	Senegal	TA to Reafforestation Project	1990	480 963	437 239	43 724	
33	SOM/88/R21	Japan	Somalia	Procurement of Commodities	22 Jul 89	6 428 571	6 096 871	331 700	
34	SUD/85/R51	Italy	Sudan	Rehab. and Development, Darfur	04 Mar 86	89 000 000	84 300 000	4 700 000	
35	TOG/88/R21	Japan	Togo	Procurement of Commodities	31 Mar 69	4 947 552	4 672 752	274 800	
36	VIE/84/R51	Australia	Viet Nam	English Language Training	19 Nov 84	3 301 711	3 151 579	150 132	
37	ZAI/88/R21	Japan	Zaire	Procurement of Commodities	1990	24 822 695	24 056 645	766 050	
<u>Subtotal Ongoing</u>						306 407 953	290 659 670	16 221 623	
<u>Bolivia projects</u>									
1	BOL/88/R71	Bolivia	Bolivia	Bolivia Procurement	a/	4 613 616	4 358 316	255 300	
2	BOL/88/R72	Bolivia	Bolivia	Procurement of Vehicles	a/	427 316	410 000	17 316	
3	BOL/88/R73	Bolivia	Bolivia	Procurement of Meters	a/	<u>363 320</u>	<u>350 000</u>	<u>13 320</u>	
<u>Subtotal Bolivia</u>						a/	5 404 252	5 118 316	285 936 b/

Serial No.	OPS project reference	Funding agency	Country	Name of project	Date signature MSA	OPS budget		
						Total (in United States dollars)	Project budget	Management fee
<u>Pipeline projects</u>								
1	BKF/89/RS1	Sweden	Burkina Faso	Technical Support to BKF/89/X04	a/	1 683 028	1 571 900	111 128
2	BKF/89/RS2	Sweden	Burkina Faso	Technical Support to BKF/89/X03	a/	1 683 028	1 530 025	153 003
3	NER/90/RS1	Sweden	Niger	Technical Support to NER/90/X01	a/	1 384 240	1 258 400	125 840
4	SEN/89/RS2	Sweden	Senegal	Technical Support to SEN/89/X08	a/	1 876 468	1 705 880	170 588
5	THA/88/R51	Finland	Thailand	Forestry Masterplan for Thailand	a/	3 170 634	2 930 134	240 500
6	BEN/89/R21	Japan	Benin	Procurement of Commodities	a/	4 964 539	4 689 739	274 800
7	CAF/90/R21	Japan	Central African Republic	Procurement of Commodities	a/	2 127 660	2 002 235	125 335
8	MLI/89/R21	Japan	Mali	Procurement of Commodities	a/	3 546 099	3 337 207	208 892
9	NER/89/R21	Japan	Niger	Procurement of Commodities	a/	10 638 298	10 092 798	545 500
10	TOG/89/R21	Japan	Togo	Procurement of Commodities	a/	<u>3 546 099</u>	<u>3 337 207</u>	<u>208 892</u>
	Subtotal <u>Pipeline</u>					<u>34 620 093</u>	<u>32 455 615</u>	<u>2 164 478</u>
	GRAND TOTAL					<u>346 432 298</u>	<u>328 233 601</u>	<u>18 672 037</u>

a/ Not available at this time.

b/ Credited to project BOL/88/003 under cost-sharing budget.

Annex IV

SUPPORT COST RECOVERIES IN RELATION TO PROJECT EXPENDITURES, 1986-1989  
(in thousands of United States dollars)

<u>Year</u>	<u>Category</u>			<u>Total</u>
	<u>UNDP core funds</u>	<u>Other multilateral sources a/</u>	<u>Management services b/</u>	
<u>1986</u>				
No. of projects	470	373	35	878
Expenditure	57 407	38 733	29 399	125 539
Percentage	46	31	23	100
Support costs	6 265	2 493	2 122	10 880
Percentage	58	23	19	100
<u>1987</u>				
No. of projects	675	426	63	1 164
Expenditure	63 199	40 140	50 820	154 159
Percentage	41	26	33	100
Support costs	6 682	2 741	3 635	13 058
Percentage	51	21	28	100
<u>1988</u>				
No. of projects	858	334	85	1 277
Expenditure	79 559	53 986	64 460	198 005
Percentage	40	27	33	100
Support costs	8 674	3 473	4 884	17 031
Percentage	51	20	29	100
<u>1989 c/</u>				
No. of projects	1 101	378	129	1 608
Expenditure	87 230	48 290	96 028	231 548
Percentage	38	21	41	100
Support costs	9 634	3 189	7 900	20 723
Percentage	47	15	38	100

a/ Funds administered by UNDP, special trust funds, UNFPA and UNFDAC.

b/ Excluding disbursements against IFAD loans: \$39,761,653 (1986), \$36,573,644 (1987), \$25,486,811 (1988) and \$27,458,836 (1989) c/.

c/ Provisional, as at 16 February 1990.

