



**Governing Council  
of the  
United Nations  
Development Programme**

Distr.  
GENERAL

DP/1989/64  
15 December 1988

ORIGINAL: ENGLISH

Special session  
21-24 February 1989, New York  
Item 2 (c) of the provisional agenda

POLICY

FOURTH PROGRAMMING CYCLE: PROGRAMME PLANNING

Categorization of Special Programme Resources activities

Report of the Administrator

SUMMARY

At its thirty-fifth session, by its decision 88/31 of 1 July 1988, the Governing Council approved the allocation of \$110 million to augment Special Programme Resources (SPR) for the remainder of the fourth cycle. This report provides details on the earmarkings and allocation of resources for activities previously agreed by the Council and traditionally financed by SPR. The report also reviews briefly the new SPR-financed activities approved by the Council.

## I. INTRODUCTION

1. By in decision 88/31 of 1 July 1988, the Governing Council authorized an additional amount of \$110 million for Special Programme Resources (SPR), thus increasing the total under this heading to \$186.4 million for the fourth cycle. In accordance with paragraph 9 of the decision, the additional resources have been distributed in three main categories as follows:

(a) Thirty million dollars for activities previously agreed by the Council and included in paragraph 35 (i) to 35 (iv) of document DP/1988/26. The earmarkings for these various categories of SPR activities are reviewed in paragraphs 4-7 below;

(b) Twenty million dollars for the Special Plan of Economic Co-operation for Central America, pursuant to paragraph 3 of General Assembly resolution 42/231, to be used for the promotion, co-ordination, implementation and follow-up of the objectives of the Special Plan through existing regional and subregional institutions;

(c) Sixty million dollars for a Special Programme for Management Development and Related Institution-building ("Management Development Programme"), the provisions of which are enumerated in paragraph 10 of decision 88/31.

2. In accordance with paragraph 14 (a) of decision 88/31, only 50 percent of the approved increase can be released for immediate commitment. At the special session in February 1989, the Administrator will present a review of the continued outlook for resources availability during the balance of the cycle, and his plans to release an additional 25 per cent of the increase for commitment in 1989 and the remaining 25 per cent available in 1990.

3. The original and revised fourth cycle earmarkings and the amount available for immediate commitment under each category of activity are illustrated in the table which appears at the end of this report. The new activities to be financed under the allocations for the Management Development Programme and for the Special Plan of Economic Co-operation for Central America, which are briefly referred to in part III of this report, are the subjects of separate reports to the Council meetings in February and in June 1989, respectively.

4. The increases for traditional SPR-financed activities are highlighted in the paragraphs below. It will be recalled that only \$30 million have been authorized under this heading as compared with \$80 million proposed by the Administrator. The Council further decided (decision 88/31, para. 9 (a)) that "This amount is to be allocated in as close a proportion as possible to the existing earmarkings by broad categories previously enumerated, pending review by the Council at its special session in February 1989". The Administrator has interpreted this to mean that only allocations made in the interim period until the review by the Council in February 1989 of his proposals should be made in close proportion to existing earmarkings as stipulated in decision 86/8 of 21 February 1986. Nevertheless, in formulating his proposals for revised earmarkings, the Administrator has kept the spirit of this decision in his planning. In some instances though, due to

operational requirements, the revised earmarkings have higher or lower proposed percentages than those which were authorized by the Council in decision 86/8. This is due to the scarcity of resources which makes it necessary to make certain choices in determining the earmarkings. One important example is the revised earmarking for the Project Development Facility (PDF). During the discussions which preceded the decision, it was noted that a minimum level of resources for PDF was necessary in order to assure timely build up of the increased project pipeline. In presenting his proposals, the integrity of each category of activities has been of paramount importance to the Administrator, taking into account priorities, potential availability of resources from SPR and other resources, as well as the likely level of commitments and expenditures during the cycle.

## II. REVISED SPR EARMARKINGS FOR THE FOURTH PROGRAMMING CYCLE

### A. Assistance in case of disasters

5. The SPR earmarking under the category of Disaster Relief has been increased by \$7 million, making the total revised earmarking for the cycle \$31 million. The distribution of this amount is as follows: (a) an additional \$1.5 million has been allotted for Emergency relief, raising the total earmarking for this category from \$4 million to \$5.5 million; (b) an additional \$4 million has been allotted for Disaster rehabilitation and reconstruction, raising the earmarking for the cycle from \$20 million to \$24 million. In spite of these increases, it is quite likely that the amounts available for these categories may not be sufficient to meet future disaster relief and rehabilitation and reconstruction requirements, particularly in view of the large number of disasters experienced during 1987-1988. Therefore, the scale of allocations under this heading and resource availability will be monitored and the Council will be advised periodically of the status of funds under this heading; (c) for Disaster preparedness and management, reported to the Council in DP/1988/26, an amount of \$1.5 million has been allotted to finance improved and strengthened co-ordination and co-operation in response to disasters and in the preparation to deal with such occurrences. This category is intended to finance activities which could serve as a catalyst in the formulation by Governments of strategies to deal with disasters before they occur. This category also has a particular significance in translating the recent agreement between UNDP, the Office of the United Nations Disaster Relief Co-ordinator and other agencies in dealing ahead of time with preparedness measures in countries which experience repeated natural disasters.

### B. Programme development

6. The earmarking for the category Programme development has been increased by \$18.8 million, making the total revised earmarking for the cycle \$38.8 million. These funds have been allotted in the following manner:

(a) Aid co-ordination

The earmarking for activities such as round-tables and consultative group meetings has been increased by \$6 million to a total of \$19.5 million. The original additional amount proposed by the Administrator in document DP/1988/26 was \$16.3 million. It is, therefore, quite likely that this revised amount may not be sufficient for the purposes as envisaged in view of the increased scale of activities being planned. It is assumed that if commitments for round-tables, consultative groups, National Technical Co-operation Assessment and Programmes and similar activities will exceed resources available, shortfalls will be made up in part from the Special Measures Fund for Least Developed Countries. Also, \$2 million in contributions are available from the Government of Finland to finance NaTCAP activities in LDCs;

(b) Programme quality/evaluation

The earmarking for this category has been increased by a total of \$4 million, of which \$3.5 million has been allotted to finance the revamped PDF as detailed in paragraphs 21 and 41 of DP/1988/26, containing the Administrator's proposals for the use of additional resources which were unforeseen in decision 85/16. The Council may be interested to know that of the 50 per cent of the PDF released in July 1988 (\$1.75 million), \$1 million has been already committed by November 1988. It is quite likely that the total resources will have been committed by the time of the Council special session in February. Under the heading Programme quality/evaluation, \$500,000 has been reserved for selected evaluation studies and related training activities;

(c) New initiatives/innovative approaches

The earmarking for activities under this heading has been increased by \$8 million to augment various initiatives undertaken since the beginning of the cycle as follows:

- (i) \$3 million to continue and expand the non-governmental organization Partnership in Development Programme which currently finances indigenous NGO activities in 40 countries. It is intended to progressively expand this programme during the remainder of the cycle;
- (ii) \$2.5 million has been earmarked for activities related to the private sector. Part of this amount has been used to finance the original allocation of \$1.5 million issued early in 1988 to promote meetings between representatives of the public and private sectors in developing countries. As noted in DP/1988/26, paragraph 43, the total amount earmarked earlier under this category for the fourth cycle amounted to \$1.5 million. However, various initiatives such as the non-governmental organization Partnership in Development Programme, the private sector meetings and other activities, undertaken in the first 18 months of the cycle required an amount in excess of this \$1.5 million. Thus, certain tentative rearrangements of earmarkings between programme development categories were necessary to meet such needs. These categories are now being adjusted formally to their realistic level as a consequence of the above;

(iii) \$2.5 million has been earmarked to undertake new activities, e.g. environment and sustainable development action plan, human resources development, development of debt management strategies and others to be identified in due course;

(d) Programme research

Longer-term research activities financed under this heading have been increased by \$800,000, making the total revised earmarking for the cycle \$3.3 million. A report on this programme will be included in the Administrator's report on SPR to the thirty-sixth session in June 1989.

7. The earmarking for the category of TCDC-related activities has been increased by \$2.5 million, making the total revised earmarking for the cycle \$9.1 million. It is expected that supplementary amounts will be obtained from other international financial institutions for specific TCDC-related activities.

8. An amount of \$1.7 million remains unearmarked and reserved to finance either new unforeseen activities or augment the new earmarkings in cases where current amounts may prove insufficient.

### III. NEW SPR ACTIVITIES

9. The earmarking for activities financed under the new SPR category Management Development Programme (MDP) has been established at \$60 million in accordance with Council decision 88/31, paragraph 9 (c). These funds have been allotted in the following manner: \$2.5 million has been approved to establish the support unit for MDP; \$2.5 million has been allotted to finance expected mission costs; \$55 million has been allotted for operational activities. The administrative procedures and operational guidelines governing MDP are the subjects of a separate report to the Governing Council (DP/1989/4).

10. The earmarking for activities financed under the new SPR category for the Special Plan of Economic Co-operation for Central America has been established at \$20 million in accordance with Council decision 88/31, paragraph 9 (b). These funds have been allotted in the following manner: \$18.5 million for the formulation and implementation of priority technical co-operation projects, investment projects and strengthening national and regional institutions in order to improve their absorptive capacity; \$1.5 million to provide support for the UNDP role of Co-ordinator of the Steering Committee of the Special Plan of Economic Co-operation for Central America (SPEC). The details of these allotments will be the subject of an oral report to the Governing Council at its special session.

11. As noted above, the Administrator has instructed that a maximum of 50 per cent of the allotted increase in resources for all SPR categories may be committed immediately for approved projects.

IV. STATUS OF SPR AS AT 31 DECEMBER 1988

12. The following table presents the status of allocations made from the SPR as at 31 October 1988. The updated status of SPR as at 31 December 1988 will be circulated subsequently.

Table. Status of Special Programme Resources (SPR)  
As at 31 October 1988  
(\$US 000)

1	2	3	4	5	6	7	8	
Fourth cycle								
Category	Original earmarking GC 85/16	Additional resources GC 88/31	Total revised earmarking (2+3)	Available for commitment (2+(50%of3))	Allocations (1/87-10/88)		Available balance (5-6)	
					Authorized	Allocated <sup>a/</sup>		
A. Disaster relief	24 000	7 000	31 000	27 500	14 257	9 091	13 043	
A1. Emergency assistance	4 000	1 500	5 500	4 750	2 810	2 107	1 940	
A2. Reconstruction & rehabilitation	20 000	4 000	24 000	22 000	11 320	6 884	10 680	
A3. Disaster management		1 500	1 500	750	127	100	623	
B. Programme development	20 000	18 800	38 800	29 400	17 204	14 265	12 196	
B1. Aid co-ordination Roundtables, consultative group meetings and NATCAPs others	13 500	6 000 <sup>b/</sup>	19 500	16 500	9 327	7 293	7 173	
		6 000			12 914 3 586	5 873 3 454	5 873 1 420	7 041 132
B2. Programme quality/evaluation Project Development Facility others	2 500	4 000	6 500	4 500	3 568	2 853	932	
		3 500 500			2 750 1 750	2 750 818	2 043 810	0 932
B3. New initiatives/innovative approaches NGO partners in development programme Private sector others	1 500	8 000	9 500	5 500	3 069	2 919	2 431	
		3 000 2 500 2 500			2 500 1 750 1 250	1 000 1 500 569	1 000 1 500 419	1 500 250 681
B4. Programme research	2 500	800	3 300	2 900	1 240	1 200	1 660	
C. TCDC-related activities	6 600	2 500	9 100	7 850	6 600	3 783	1 250	
C1. TCDC	5 000	2 500	7 500	6 250	5 000	2 183	1 250	
C2. TCDC information activities	1 600	0	1 600	1 600	1 600	1 600	0	
D. Other activities	25 843	0	25 843	25 843	25 843	12 289	0	
D1. Transport and Communications Decade in Africa	5 000	0	5 000	5 000	5 000	0	0	
D2. Transport and Communications Decade in Asia and Pacific	6 000	0	6 000	6 000	6 000	5 083	0	
D3. Assistance to Palestinian people	12 000	0	12 000	12 000	12 000	5 363	0	
D4. Pre-investment activities	1 000	0	1 000	1 000	1 000	0	0	
D5. Others including Water Decade & STAS	1 843	0	1 843	1 843	1 843	1 843	0	
E. Unearmarked contingency fund	28	1 700	1 728	878	0	0	878	
Subtotal	76 471	30 000	106 471	91 471	63 904	39 428	27 567	
F. Management Development Programme		60 000	60 000	30 000	30 000		0	
G. Assistance to Central American countries		20 000	20 000	10 000	10 000		0	
TOTAL	76 471	110 000	186 471	131 471	103 904	39 428	27 567	

<sup>a/</sup> The allocated column represents actual budget commitments against authorizations for specific SPR financed activities.

<sup>b/</sup> Amount proposed from Aid Co-ordination is expected to be insufficient which assumes resources from the Netherlands Trust Fund and SMF/LDC to finance Round Tables, and contributions provided by Finland to finance NATCAPs.

