

Development assistance

Total contributions by Governments to the United Nations system to finance operational activities for development amounted to \$5.3 billion in 1981, compared to \$5.6 billion in 1980 (p. 420). Despite the drop in income, net transfers of resources for development purposes from the United Nations system to developing countries rose to \$6 billion in 1981, up from \$4.8 billion in 1980 (p. 419). Of this total, technical co-operation expenditures amounted to \$2 billion, compared to \$1.8 billion in the previous year (p. 431).

Expenditures by the United Nations Development Programme (UNDP), including the trust funds it managed, exceeded \$1 billion for the first time; the share of UNDP in total system-wide, grant-financed technical co-operation remained at the same level as in 1980—about 50 per cent (p. 432). The United Nations itself, excluding the specialized agencies, delivered a technical co-operation programme of \$297 million, of which \$204 million came from UNDP (p. 459).

Development assistance, also referred to as operational activities for development, remained by far the largest component of United Nations operational activities. Some of this was rendered by United Nations programmes active in specific fields, of which the largest were the World Food Programme (p. 726), the United Nations Fund for Population Activities (p. 781) and the United Nations Children's Fund (p. 999).

Expenditures by the United Nations system on humanitarian and other assistance not directly related to development came to \$648 million in 1981, raising the value of all operational activities to \$6.7 billion. Such assistance included disaster aid, other emergency assistance and special economic assistance to countries undergoing unusual hardships (p. 471), as well as programmes of assistance to refugees (p. 1027). In addition to direct multilateral assistance, the United Nations promoted special measures for

particular categories of countries, notably the least developed (p. 401).

Pledges for 1982, made to 19 United Nations funds and programmes covered by the 1981 United Nations Pledging Conference for Development Activities (New York, 3 and 4 November), totalled just over \$1 billion as at 30 June 1982, compared to \$1.1 billion in payments received for 1981 (p. 426). The General Assembly expressed deep concern in December that contributions to the funds and programmes included in United Nations pledging conferences for development activities had been stagnating and urged a rapid and substantial increase of contributions to the United Nations system's operational activities for development on a predictable and continuous basis.⁽⁹⁾

The United Nations Director-General for Development and International Economic Co-operation submitted his first annual report to the General Assembly on operational activities for development,⁽²⁾ forming a basis for discussion by the Second (Economic and Financial) Committee of financial and management aspects of development assistance by the United Nations system (p. 428).

For UNDP, 1981 marked the final year of its second development co-operation cycle, a five-year forward plan of comprehensive programming for technical co-operation (p. 432). Despite indications that resources available in the third cycle, spanning 1982-1986, might fall short of the total envisaged, the UNDP Governing Council, at its twenty-eighth session⁽³⁾ (New York, 9 June-1 July), decided to retain, for purposes of forward planning, the level of resources previously envisaged, which assumed a 14 per cent average annual growth of voluntary contributions (p. 444). Both the Economic and Social Council, in July,⁽⁵⁾ and the General Assembly, in December,⁽¹⁰⁾ urged Governments to renew their efforts to provide the resources necessary to estab-

lish a sound financial basis for the Programme's planned activities for 1982-1986.

Also in December, the Assembly authorized the Governing Council to adopt revised financial regulations in respect of all funds administered by UNDP.⁽¹¹⁾

The year 1981 marked the tenth anniversary of the United Nations Volunteers (UNV) programme, which at mid-year, for the first time, had 1,000 volunteers serving technical co-operation projects in 91 countries (p. 460). The Assembly, in December, noted with satisfaction the programme's achievement and reiterated its appeal for contributions to overcome the financial straits UNV was experiencing(s).

Promotion of technical co-operation among developing countries was expanding in the development assistance activities of the United Nations system (p. 462). At its second session (New York, 1-8 June),⁽¹⁾ the High-level Committee on the Review of Technical Co-operation among Developing Countries recommended a number of measures to overcome what it saw as insufficient progress in this area. The Economic and Social Council in July commended the Committee's decisions to the General Assembly,⁽⁴⁾ which urged in November that Governments implement the agreements reached by the Committee.⁽⁶⁾

For the United Nations Capital Development Fund (UNCDF), 1981 saw a 150 per cent increase in expenditures over the 1980 level, reaching nearly \$50 million (p. 468). Most of its projects were for rural areas of least developed countries. In December, the Assembly approved a UNDP Governing Council recommendation that UNCDF should meet its own administrative and programme support costs.⁽⁷⁾

Reports: ⁽¹⁾Committee on TCDC, A/36/39; ⁽²⁾Director-General for Development and International Economic Co-operation, transmitted by S-G note, A/36/478 & Add.1; ⁽³⁾UNDP Council, E/1981/61/Rev.1.

Resolutions: ESC: ⁽⁴⁾1981/58 (p. 464), ⁽⁵⁾1981/59 (p. 435), 22 July. GA: ⁽⁶⁾36/44, 19 Nov. (p. 464); ⁽⁷⁾36/196 (p. 469), ⁽⁸⁾36/198 (p. 462), ⁽⁹⁾36/199 (p. 429), ⁽¹⁰⁾36/200 (p. 435), 17 Dec.; ⁽¹¹⁾36/227, 18 Dec. (p. 451).

General aspects of operational activities for development

Financing

Contributions to operational activities for development conducted by the United Nations system decreased in 1981, although expenditures -partly financed by previous years' contributions -increased by 6 per cent over 1980. Pledges made at the 1981 United Nations Pledging Conference fell short of targets established by intergovernmental organizations.

Expenditures

According to the 1982 report on operational activities submitted by the Director-General for Development and International Economic Co-operation,⁽¹⁾ net transfers of resources from the United Nations system to developing countries amounted to \$6 billion in 1981 (see table below), compared to \$4.8 billion in 1980 and \$4 billion in 1979. The 1981 figure consisted of \$2.2 billion in grants, mainly for technical co-operation; \$1.7 billion in concessional loans (commodity and capital assistance), and \$2.2 billion in non-concessional disbursements. (Net transfers represent gross disbursements to recipients and borrowers, less interest and charges on loans.) Most of the loans and non-concessional aid was disbursed by the World Bank (including the International Development Association (IDA)) and the International Finance Corporation (IFC).

1981 EXPENDITURES BY THE UNITED NATIONS SYSTEM ON OPERATIONAL ACTIVITIES FOR DEVELOPMENT

(In millions of US dollars)

I. CONCESSIONAL ASSISTANCE		
A. Grants		
1. Financed from regular budgets	212.7	
2. Financed by UNDP [*]	670.8	
3. Financed from funds administered by UNDP	69.9	
4. Financed by UNFPA	122.5	
5. Financed by UNICEF	218.3	
6. Financed by specialized agencies and other organizations from extrabudgetary resources ^{**}	322.5	
7. Financed by WFP	541.9	
Subtotal (1-7)		2,158.6
B. Loans		
8. Disbursed by IDA		
(a) Gross disbursements	1,767.7	
(b) Net disbursements	1,722.6	
(c) Net transfer	1,632.9	
9. Disbursed by IFAD ^{***}	75.2	
Subtotal (8 (c) and 9)		1,708.1
Total (1-7, 8 (c) and 9)		3,866.7
II. NON-CONCESSIONAL ASSISTANCE		
10. Disbursed by World Bank		
(a) Gross disbursements	5,487.0	
(b) Net disbursements	3,879.0	
(c) Net transfer	1,830.5	
11. Disbursed by IFC		
(a) Gross disbursements	644.9	
(b) Net disbursements	509.7	
(c) Net transfer	327.3	
Subtotal (10 (c) and 11 (c))		2,157.8
Total (1-7, 8 (c), 9, 10 (c) and 11 (c))		6,024.5

Other expenditures:

Expenditure financed from cost-sharing contributions to UNDP	51.0
Expenditure financed from Government cash counter part contributions to UNDP	9.8
Expenditure financed from self-financing contributions to specialized agencies and other organizations	58.1
World Bank/IDA technical co-operation	516.8

^{*}Main UNDP programme; excludes expenditures financed from cost-sharing and from cash counter part contributions.

^{**}From funds not elsewhere specified in the table.

^{***}Includes a small amount of grants.

Both concessional and non-concessional flows increased, the latter in particular. Grant-financed expenditures- those undertaken by organizations of the system other than the World Bank, IFC and the International Fund for Agricultural Development (IFAD)-rose by 6 per cent over 1980. Concessional flows (grants and concessional loans) accounted for 64 per cent of the total net transfer of resources through the system.

By far the greatest share of operational activities went to developing countries in support of national development programmes; a comparatively small share (about 7 per cent) was for regional, interregional and global activities.

Expenditures on technical co-operation amounted to \$2 billion in 1981, compared to \$1.8 billion in 1980 (p. 431).

Countries with a per capita gross national product (GNP) of less than \$500 accounted for 78 per cent of the transfer of concessional resources through the United Nations system. There was a fairly even distribution of resource flows among the developing regions of the world on a per capita basis, reflecting the universality of participation by all countries in the system's operational activities.

Expenditures on refugee, humanitarian and disaster relief assistance amounted to \$648 million in 1981. This brought the total of official development assistance transferred to developing countries through the United Nations system to \$6.7 billion (see table on next page).

Report: ⁽¹⁾Director-General for Development and International Economic Co-operation, transmitted by S-G note, A/37/445.

Contributions

Total contributions to multilaterally funded operational activities for development declined in 1981. Payments by Governments and other official and non-official sources to the operational activities of the United Nations system amounted to \$5.3 billion, compared to \$5.6 billion in 1980 and \$4.8 billion in 1979. Covered in these totals were all United Nations funds and programmes and the specialized agencies, including the World Food Programme, IFAD, the World Bank (including IDA) and IFC; contributions to United Nations Development Programme (UNDP) cost-sharing activities and self-supporting projects of other organizations were excluded. The decline reflected a slight drop in contributions to the programmes and funds covered by the United Nations Pledging Conference for Development Activities (p. 426), a \$433 million decrease in contributions to the World Bank and IFC and a delay in securing the first replenishment of IFAD.

These figures were transmitted to the General

Assembly in a 1982 report of the Director-General for Development and International Economic Co-operation.⁽²⁾ The report also contained information on the 1981 contributions of each country to United Nations system development assistance, along with performance indicators showing contributions in relation to population size and GNP (see table beginning on p. 422).

Voluntary contributions (in the amount of \$1.1 billion) to the funds and programmes covered by the Pledging Conference declined in 1981, largely the result of stagnation or decline in amounts contributed to the three largest funds-UNDP, the United Nations Fund for Population Activities and the United Nations Children's Fund (UNICEF), the last mainly because of a drop in contributions to supplementary funds such as that for aid to Kampuchean (p. 494). Contributions to the specialized agencies for operational activities continued to increase, partly through the growth in their regular budgets and partly because of the continued growth in extrabudgetary contributions placed directly at their disposal.

The inter-agency Administrative Committee on Co-ordination expressed concern at the reduction in resources available for development activities. It stated in October⁽⁴⁾ that, at a time when interdependence was acknowledged as the keystone of world economic prosperity and development, the decline in funds could only be detrimental to developed as well as developing countries. It therefore wished to alert the General Assembly to the urgent need to support the efforts of developing countries, for their own sake but also for the sake of world prosperity.

GENERAL ASSEMBLY ACTION. In a resolution of 17 December,⁽³⁾ the General Assembly strongly reiterated the need for a substantial and real increase in resources for operational activities on an increasingly predictable, continuous and assured basis, and urged all countries, particularly those developed countries whose performance was not commensurate with their capacity, to increase their contributions rapidly and substantially. It decided to review and appraise the situation regularly, taking account of targets set by intergovernmental bodies, and for that purpose it requested the Director-General for Development and International Economic Co-operation to provide an annual compilation of information from Governments, together with his comments and recommendations. To ensure more stability in funding, the Assembly urged countries to indicate their probable contributions for a multiyear period. It invited governing bodies in the United Nations system to consider new ways of mobilizing increased resources.

(continued on p. 425)

**1981 EXPENDITURES BY THE UNITED NATIONS SYSTEM ON OPERATIONAL
ACTIVITIES FOR DEVELOPMENT AND NON-DEVELOPMENT ASSISTANCE.
BY RECIPIENT COUNTRY AND REGION
(in thousands of US dollars)**

RECIPIENT	Development assistance ¹	Other assistance ²	RECIPIENT	Development assistance*	Other assistance ²	RECIPIENT	Development assistance ¹	Other assistance ²
Developing Member States			Iran	(95,028)	-	Togo	13,792	-
			Iraq	(6,798)	-	Trinidad		
Afghanistan	8,383	10	Ivory Coast	15,933	-	and Tobago	(6,561)	-
Albania	214	-	Jamaica	26,096	-	Tunisia	41,628	-
Algeria	10,256	1,930	Jordan	74,081		Turkey	266,546	172
Angola	14,752	5,164	Kenya	38,211	2,175	Uganda	41,071	2,253
Antigua and Barbuda	782	-	Kuwait	208	-	United Arab Emirates	52	-
Argentina	82,595	2,753	Lao People's Democratic Republic	13,933	2,518	United Republic of Cameroon	38,572	11,849
Bahamas	1,553	-	Lebanon	15,925	337	United Republic of Tanzania	95,159	6,839
Bahrain	1,167	-	Lesotho	28,291	1,858	Upper Volta	23,487	
Bangladesh	187,692	126	Liberia	20,777		Uruguay	(4,497)	-
Barbados	4,324		Libyan Arab Jamahiriya	8,130	-	Vanuatu	1,015	
Belize	569	-	Madagascar	38,717	-	Venezuela	(39,324)	-
Benin	19,698		Malawi	51,397		Viet Nam	55,081	9,864
Bhutan	7,362	-	Malaysia	30,999	10,995	Yemen	29,526	354
Bolivia	33,374	-	Maldives	2,093	-	Yugoslavia	26,999	942
Botswana	17,930	1,842	Mall	43,698	-	Zaire	17,181	21,123
Brazil	144,805	-	Malta	298	-	Zambia	(1,144)	2,866
Bulgaria	1,692	-	Mauritania	28,761	-	Zimbabwe	54,437	-
Burma	55,832		Mauritius	21,402				
Burundi	23,624	1,991	Mexico	332,337	-	Subtotal	5,573,719	399,380
Cape Verde	6,273		Mongolia	2,709	-			
Central African Republic	6,414	-	Morocco	52,246		Developing non- member States		
Chad	7,645	-	Mozambique	18,844				
Chile	8,894	-	Nepal	59,999	(6)	Bermuda	184	
China	42,606	9,652	Nicaragua	31,808	7	Dem. People's Rep. of Korea	6,381	
Colombia	104,889	-	Niger	27,331		Hong Kong	353	8,356
Comoros	7,720	-	Nigeria	21,917	2,286	Namibia	3,468	-
Congo	18,131		Oman	3,215	-	Republic of Korea	114,439	-
Costs Rica	2,407		Pakistan	112,633	109,483	Tonga	1,105	-
Cuba	11,123		Panama	20,644	-	Other countries	13,182	5,462
Cyprus	2,093	12,679	Papua New Guinea	8,806	-	Subtotal	139,112	13,818
Czechoslovakia	819	-	Paraguay	33,877	-	Total	5,712,831	413,198
Democratic Kampuchea	47,771		Peru	35,677	735	Developed countries	(140,498)	-
Democratic Yemen	31,122		Philippines	337,357	13,560	TOTAL (all countries)	5,572,333	413,198
Djibouti	4,808	5,075	Poland	1,353		Intercountry		
Dominica	1,463		Portugal	12,794	1,043	Regional Africa	82,697	17,955
Dominican Republic	27,846	(2)	Qatar	244	-	Regional Americas	47,613	15,024
Ecuador	36,794		Romania	267,346	-	Regional Arab States	21,440	
Egypt	235,560	2,093	Rwanda	20,638	351	Regional Asia	76,555	12,961
El Salvador	9,735		Saint Lucia	1,325	-	Regional Europe	14,172	
Equatorial Guinea	3,376	-	Saint Vincent and the Grenadines	873	-	Interregional	74,136	-
Ethiopia	79,641	7,296	Samoa	4,236	-	Global	104,842	16,376
Fiji	9,452	(4)	Sao Tome and Principe	1,265		Total	421,455	62,316
Gabon	(328)		Saudi Arabia	8,247		Not elsewhere classified	30,732	172,381
Gambia	12,042		Senegal	48,696	1,043	GRAND TOTAL	6,024,520	647,895
Ghana	27,262	-	Seychelles	1,048	-			
Greece	(17,230)	295	Sierra Leone	7,764				
Grenada	876	-	Singapore	(14,843)	-			
Guatemala	19,181	-	Solomon Islands	1,397				
Guinea	11,604	-	Somalia	77,238	49,078			
Guinea-Bissau	8,481	-	Spain	(44,420)	1,622			
Guyana	6,448		Sri Lanka	42,002	-			
Haiti	27,677	108	Sudan	112,840	19,817			
Honduras	25,531		Suriname	1,711	-			
Hungary	945	-	Swaziland	11,563	2,122			
India	900,217	-	Syrian Arab Republic	38,044	-			
Indonesia	291,173	11,507	Thailand	225,749	61,579			

¹Represents the sum of operational activities financed under regular United Nations and agency budgets (\$212.7 million), the UNDP main programme (\$670.8 million), UNDP-administered funds (\$69.9 million), UNFPA (\$122.5 million), UNICEF (\$218.3 million), other extrabudgetary funds (\$322.5 million) and WFP (\$541.9 million), plus net transfers from the World Bank (\$1,830.5 million), IDA (\$1,632.9 million) and IFC (\$327.3 million) and net IFAD disbursements (\$75.2 million).

²Represents expenditure financed by UNHCR (\$474.2 million), UNRWA (\$172.3 million), UNDRO (\$0.288 million) and the Trust Fund for Special Economic Assistance Programmes (\$0.498 million).

NOTE: Figures in parentheses are negative.

1981 CONTRIBUTIONS TO THE UNITED NATIONS SYSTEM FOR OPERATIONAL ACTIVITIES
FOR DEVELOPMENT AND FOR OTHER ECONOMIC AND SOCIAL ACTIVITIES,
BY DONOR COUNTRY
(contributions in thousands of US dollars)

CONTRIBUTOR Member States	PERFORMANCE INDICATORS				Contributions to other economic and social activities'
	Contributions to operational activities for development	Dollars per capita	Contributions In dollars per \$1 million of GNP	Percentage of total	
Afghanistan	102	0.01	39	0.002	-
Albania	25	0.01	11	-	-
Algeria	4,545	0.24	125	0.086	50
Angola	21	-	6	-	-
Antigua and Barbuda	19	0.25	187	-	-
Argentina	5,513	0.20	83	0.105	133
Australia	121,062	8.36	851	2.301	34,233
Austria	56,611	7.57	740	1.076	600
Bahamas	116	0.48	145	0.002	6
Bahrain	135	0.32	57	0.003	115
Bangladesh	569	0.01	51	0.011	3
Barbados	41	0.17	54	0.001	3
Belgium	101,031	10.27	844	1.920	4,961
Belize	15	0.10	94	-	-
Benin	162	0.05	150	0.003	-
Bhutan	113	0.09	1,027	0.002	-
Bolivia	236	0.04	74	0.004	-
Botswana	102	0.13	140	0.002	5
Brazil	6,926	0.06	28	0.132	45
Bulgaria	1,242	0.14	33	0.024	6
Burma	1,096	0.03	185	0.021	10
Burundi	48	0.01	58	0.001	6
Byelorussian SSR	1,023	0.11	-	0.019	18
Canada	295,461	12.34	1,218	5.615	19,977
Cape Verde	29	0.09	286	0.001	-
Central African Republic	24	0.01	35	-	-
Chad	21	-	40	-	-
Chile	2,384	0.21	99	0.045	47
China	6,359	0.01	22	0.121	2,161
Colombia	2,785	0.10	88	0.053	33
Comoros	21	0.06	206	-	-
Congo	394	0.26	352	0.007	14
Costa Rica	152	0.07	40	0.003	-
Cuba	2,400	0.24	172	0.046	-
Cyprus	223	0.36	101	0.004	14
Czechoslovakia	2,738	0.18	31	0.052	52
Democratic Kampuchea	22	-	-	-	-
Democratic Yemen	52	0.03	65	0.001	3
Denmark	156,182	30.49	2,354	2.968	12,485
Djibouti	24	0.07	141	-	2
Dominica	16	0.19	314	-	-
Dominican Republic	163	0.03	26	0.003	-
Ecuador	1,046	0.13	102	0.020	-
Egypt	2,087	0.05	90	0.040	19
El Salvador	46	0.01	17	0.001	-
Equatorial Guinea	18	0.05	-	-	-
Ethiopia	86	-	20	0.002	-
Fiji	80	0.13	69	0.002	-
Finland	54,677	11.24	1,156	1.039	2,187
France	210,488	3.93	335	4.000	4,939
Gabon	139	0.21	57	0.003	-
Gambia	30	0.05	201	0.001	-
German Democratic Republic	3,963	0.24	33	0.075	180
Germany, Federal Republic of	430,658	7.07	520	8.185	26,775
Ghana	748	0.06	152	0.014	101
Greece	1,979	0.21	47	0.038	162
Grenada	34	0.31	423	0.001	-
Guatemala	653	0.09	84	0.012	-
Guinea	30	0.01	19	0.001	-

CONTRIBUTOR	PERFORMANCE INDICATORS				Contributions to other economic and social activities ¹
	Contributions to operational activities for development	Dollars per capita	Contributions in dollars per \$1 million of GNP	Percentage of total	
Member States (cont.)					
Guinea-Bissau	21	0.03	161	-	-
Guyana	309	0.39	561	0.006	-
Haiti	111	0.02	83	0.002	-
Honduras	132	0.04	64	0.003	1
Hungary	1,279	0.12	28	0.024	20
Iceland	535	2.31	204	0.010	79
India	116,336	0.17	730	2.211	78
Indonesia	4,579	0.03	74	0.087	44
Iran	1,983	0.05		0.038	30
Iraq	1,523	0.12	39	0.029	3,512
Ireland	5,502	1.66	341	0.105	807
Israel	1,047	0.27	60	0.020	484
Italy	282,092	4.95	765	5.361	4,914
Ivory coast	412	0.05	42	0.008	46
Jamaica	347	0.16	154	0.007	10
Japan	593,080	5.09	514	11.272	67,133
Jordan	745	0.23	228	0.014	750
Kenya	542	0.03	82	0.010	41
Kuwait	70,903	52.40	2,295	1.348	4,540
Lao People's Democratic Republic	26	0.01		-	6
Lebanon	9,045	3.40		0.172	73
Lesotho	795	0.59	1,529	0.015	-
Liberia	103	0.06	105	0.002	
Libyan Arab Jamahiriya	6,112	2.05	238	0.116	4,300
Luxembourg	2,561	7.15	492	0.049	143
Madagascar	316	0.04	104	0.006	4
Malawi	139	0.02	100	0.003	8
Malaysia	1,790	0.13	80	0.034	27
Maldives	27	0.18	676	0.001	2
Mali	30	-	22	0.001	
Malta	109	0.32	92	0.002	4
Mauritania	322	0.20	608	0.006	
Mauritius	118	0.12	116	0.002	2
Mexico	19,440	0.29	135	0.369	274
Mongolia	217	0.13	171	0.004	
Morocco	1,303	0.06	75	0.025	69
Mozambique	25	-	9	-	-
Nepal	132	0.01	67	0.003	-
Netherlands	254,101	18.05	1,574	4.829	11,575
New Zealand	9,659	2.96	417	0.184	483
Nicaragua	58	0.02	30	0.001	-
Niger	48	0.01	27	0.001	
Nigeria	26,696	0.32	312	0.507	3,216
Norway	180,783	44.32	3,503	3.436	17,204
Oman	1,321	1.48	339	0.025	41
Pakistan	3,956	0.05	159	0.075	68
Panama	986	0.54	311	0.019	9
Papua New Guinea	588	0.20	249	0.011	2
Paraguay	405	0.13	98	0.008	
Peru	3,056	0.17	186	0.058	4
Philippines	3,631	0.08	108	0.069	29
Poland	4,161	0.12	30	0.079	45
Portugal	935	0.10	40	0.018	31
Qatar	1,465	6.34	243	0.028	1,510
Romania	1,361	0.06	26	0.026	3
Rwanda	1,904	0.37	1,831	0.036	
Saint Lucia	7	0.05	62	-	
Saint Vincent and the Grenadines	25	0.24	425	-	-
Samoa	25	0.16			
Sao Tome and Principe	21	0.18		-	1
Saudi Arabia	146,459	16.35	1,451	2.783	37,460
Senegal	275	0.05	108	0.005	6
Seychelles	31	0.47	261	0.001	-
Sierra Leone	280	0.08	295	0.005	-
Singapore	407	0.17	38	0.008	33
Solomon Islands	41	0.18	376	0.001	-

CONTRIBUTOR	PERFORMANCE INDICATORS				
	Contributions to operational activities for development	Dollars per capita	Contributions In dollars per \$1 million of GNP	Percentage of total	Contributions to other economic and social activities*
Member States (cont.)					
Somalia	50	0.01		0.001	3
South Africa	5,369	0.18	80	0.102	
Spain	6,044	0.16	30	0.115	1,080
Sri Lanka	1,222	0.08	306	0.023	1
Sudan	71		8	0.001	9
Suriname	109	0.31	109	0.002	1
Swaziland	46	0.08	121	0.001	2
Sweden	273,635	33.07	2,445	5.200	31,638
Syrian Arab Republic	668	0.07	56	0.013	180
Thailand	3,264	0.07	105	0.062	47
Togo	484	0.20	474	0.009	2
Trinidad and Tobago	947	0.81	185	0.018	7
Tunisia	875	0.14	105	0.017	34
Turkey	8,571	0.19	130	0.163	48
Uganda	26	-	7	-	12
Ukrainian SSR	3,476	0.07		0.066	45
USSR	27,511	0.10	23	0.523	3,698
United Arab Emirates	4,264	4.78	159	0.081	800
United Kingdom	429,783	7.69	971	8.168	27,824
United Republic of Cameroon	559	0.07	99	0.011	
United Republic of Tanzania	571	0.03	119	0.011	33
United States	958,061	4.21	371	18.208	215,790
Upper volta	103	0.02	93	0.002	
Uruguay	753	0.26	91	0.014	2
Vanuatu	425	3.63	7,083	0.008	
Venezuela	4,141	0.28	76	0.079	130
Viet Nam	79	-		0.001	1
Yemen	328	0.06	123	0.006	2
Yugoslavia	8,388	0.38	143	0.159	162
Zaire	737	0.03	116	0.014	
Zambia	732	0.13	227	0.014	4
Zimbabwe	25	-	5	-	5
Total	4,985,053	1.14	447	94.742	550,021
Non-member States					
Bermuda	16	0.26	24	-	-
Democratic People's Republic of Korea	408	0.02	-	0.008	-
Kiribati	17	0.29	337	-	
Republic of Korea	1,779	0.05	30	0.034	40
Switzerland	46,168	7.14	434	0.877	9,465
Tonga	16	0.17	323	-	-
Other	1,078	0.15	38	0.020	161
Total	49,514	0.56	213	0.940	9,666
TOTAL (all countries)	5,034,567	1.12	442	95.683	559,687
Inter/non-governmental					
Arab Gulf Programme for UN Development Organizations	22,000	-	-	0.418	
European Communities	87,651	-	-	1.666	76,999
Other Intergovernmental	69,922	-	-	1.329	7,087
Non-governmental	47,596	-	-	0.905	16,844
Total	227,169	-	-	4.317	100,930
GRAND TOTAL	5,261,736	1.18	462	100.000	660,617

*Includes contributions from Governments and other sources to UNHCR, UNRWA, UNDRO, UNEP and Trust Fund for Special Economic Assistance Programmes.

NOTE: Three dots (...) Indicate that data are not available or are not separately reported; a dash (-) indicates that the amount is nil or negligible or the item is not applicable.

The resolution superseded a draft submitted by Algeria for the Group of 77 developing countries,⁽¹⁾ which was withdrawn by the sponsor. By that draft, the Assembly would have strongly reiterated its appeals to Governments to increase their contributions rapidly and substantially on a more continuous and assured basis, and would have made a special request to those developed countries whose overall performance was not commensurate with their capacity to increase significantly their contributions in real terms. It would have invited all developed countries and other countries in a position to do so to inform it in 1982 of the steps they intended to take to expand their contributions, with a view to realizing the agreed targets and funding levels of various programmes and funds. United Nations governing bodies would have been invited to recommend specific ways of increasing resources on a predictable, continuous and assured basis, including the establishment of funding targets whenever possible. The Director-General would have been asked for recommendations in that regard, including the feasibility of establishing targets.

Speaking in the Second (Economic and Financial) Committee, where the 17 December resolution originated, the USSR said it had not opposed the text on the understanding that the targets referred to did not apply to the USSR and that the resolution should be implemented on the basis of resources already allocated for such activities, without entailing additional expenditures.

In the Committee's debate, calls for increased resources for operational activities were made by a number of developing countries, including China, Cuba, the Gambia, Kenya, the Niger, Sri Lanka, the Sudan and Tunisia.

Bangladesh appealed to all developed donor countries to contribute and said the centrally planned economies of Eastern Europe could not shy away from their responsibilities. Bhutan noted that most developed countries had failed to meet agreed contribution targets while the developing countries had gradually increased their contributions even though their economies had not significantly improved. Elaborating on this point, Mauritania noted that Kuwait, Qatar and Saudi Arabia had been among the major contributors to operational activities in per capita terms and in share of GNP. Pakistan remarked that the 11 per cent increase in contributions reported by the Director-General for 1980⁽⁵⁾ represented near stagnation in real terms, after discounting the effects of inflation, and that the major developed countries had fallen behind in terms of the ratio of their contributions to their

gross domestic product; Pakistan suggested that a target be established for such contributions.

Indonesia hoped the discouraging trend in contributions for multilateral assistance did not signal a change of heart but was a sign that, for a time, uncertainty and domestic concerns had overshadowed the sense of international responsibility. The Philippines expressed hope that the decline in funds was a passing trend resulting from budgetary restrictions. However, Madagascar thought the drop in voluntary contributions to United Nations agencies was due to centrifugal forces in international economic relations, resulting in an erosion of multilateral economic co-operation.

Among developed countries, Belgium remarked that real growth of resources for operational activities would probably be small in coming years, not because States were unaware of needs but because most industrialized countries were facing virtually insurmountable budgetary difficulties because of the continuing economic crisis. Japan made a similar point but added that it had excluded official development assistance from its zero-growth budget policy. Italy believed the major donors should try to keep the level of their contributions at least constant in real terms and to increase them whenever possible.

The United States, observing that it had given nearly twice as much as the second largest contributor to the United Nations development system, said the most significant untapped source of additional revenue could be found among the capital-surplus developing countries and the industrialized socialist States. Australia, France and the Federal Republic of Germany made similar points, the last adding that the industrialized centrally planned economies had contributed barely more than India.

Responding, the USSR asked whether it was right to say that the socialist countries, whose economy was based exclusively on the work of their own people and the development of their own resources, had a responsibility equal to that of the imperialist countries, which had plundered the resources of their colonies for centuries and were still exploiting them.

Several developed countries-including Denmark (for the Nordic States) and the United Kingdom-made the point that operational activities were still largely dependent on contributions by a small group of donor countries. Yugoslavia believed that the more economically advanced developing countries should become net contributors as soon as possible, thereby becoming direct partners in assisting less fortunate developing countries. The Philippines sug-

gested a study of proposals to finance assistance through such means as assessments on arms sales, an international tax on ocean-resource exploitation, a brain-drain tax and the linking of the International Monetary Fund's special drawing rights to development aid.

Canada supported the concept of central funding for development assistance by the United Nations system and regretted what it saw as a tendency by certain specialized agencies to canvass for direct contributions to their technical co-operation programmes, bypassing UNDP. France and Poland also endorsed central funding as opposed to a proliferation of special funds; Poland added that all funds should be administered by UNDP and their activities integrated within country and intercountry programming, while retaining each fund's specialization in its own field. The United Kingdom criticized the proliferation of funds as drawing resources away from other funds and absorbing scarce resources for bureaucracy. Central funding was also supported by Italy.

Different views were expressed on the possibility of moving from annual to multiyear pledging. Denmark, speaking for the Nordic States, said they attached importance to stability and predictability in the flow of funds and had therefore proposed that the UNDP Governing Council reconvene its study group on long-term financing. Support for reconvening this group was expressed by Madagascar. Canada stated its willingness to explore proposals for multiyear pledging, provided that it was not limited to the traditional major donors and that others made contributions in convertible currency. France thought it would not be easy to meet the requirements of predictability and continuity, especially since national budgets were adopted annually, but said it might be possible in the medium term and through increased co-ordination to achieve a reasonable degree of predictability. India favoured measures to ensure greater automaticity in multiyear funding.

Hungary, however, thought it unrealistic to demand that Governments commit themselves several years in advance with regard to the amount of their contributions. The United Kingdom thought the price of achieving predictability might have to be a revision of assumptions about continued growth.

Several Eastern European countries thought UNDP could make better use of contributions in national currencies (p. 456).

Egypt expressed alarm at signs that some major donors were moving away from traditional support of multilateral aid in favour of greater reliance on bilateral assistance. Ethiopia said the countries which, for political reasons, were

trying to strengthen bilateralism at the expense of multilateralism should reconsider their attitude and stop exerting pressure on multilateral organizations. However, a number of Western donor countries believed there was no cause for concern, since they viewed bilateral and multilateral assistance as complementary.

Draft resolution withdrawn: ⁽¹⁾Algeria, for Group of 77, A/C.2/36/L.89.

Report: ⁽²⁾Director-General for Development and International Economic Co-operation, transmitted by S-G note. A/37/445.

Resolution and decision: Res.: ⁽³⁾GA. 36/199, paras. 3-8, 17 Dec. (p. 429). Dec.: ⁽⁴⁾ACC, 1981/24, 30 Oct. (transmitted by-secretariat note, A/C.2/36/5).

Yearbook reference: ⁽⁵⁾1980, p. 579.

Pledging Conference for Development Activities. The 1981 United Nations Pledging Conference for Development Activities was held at United Nations Headquarters on 3 and 4 November to receive government pledges for 1982 to 19 United Nations funds and programmes concerned with development and related assistance. As at 30 June 1982, pledges and payments to these funds by individual Governments totalled \$1,014,563,000,⁽²⁾ down from a corresponding figure of \$1,106,907,000 in payments received for 1981 ⁽³⁾ (see table on p. 427). Few funds and programmes experienced real growth and contributions to 12 of them-including the largest, UNDP and UNICEF-declined.

(For contributions by country as at 31 December 1981, refer to the SUBJECT INDEX for page references to individual funds and programmes.)

The General Assembly, in a resolution of 17 December 1981,⁽⁴⁾ expressed deep concern that voluntary contributions to the funds and programmes included in the United Nations pledging conferences for development activities had been stagnating and falling short in many cases of targets set by intergovernmental bodies. That situation, it added, had serious consequences for the organizations concerned with respect to their capacity to maintain the level of their operational programmes in support of the growing needs of developing countries for multilateral concessional assistance through the United Nations system.

The original draft of this resolution,⁽¹⁾ submitted by Algeria on behalf of the Group of 77 and later withdrawn by the sponsor, would have had the Assembly express deep concern that contributions to the funds and programmes included in the pledging conferences had been stagnating and in many cases declining in real terms, despite the existence of agreed targets and funding levels, with serious consequences for the capacity of the organizations concerned to maintain the real value of their operational programmes.

1981 AND 1982 CONTRIBUTIONS TO FUNDS AND PROGRAMMES INCLUDED IN THE UNITED NATIONS PLEDGING CONFERENCE FOR DEVELOPMENT ACTIVITIES

(1981, as at 31 December 1981; 1982, as at 30 June 1982;
in thousands of US dollars)

FUND OR PROGRAMME	1981 PAYMENT		1982 PLEDGE	
	Amount	Number of donor countries	Amount	Number of donor countries
United Nations Development Programme	689,641	137	657,084	127
Special Measures Fund for the Least Developed Countries	12,887	4	16,353	8
Energy Account	2,844	2	972	2
United Nations Children's Fund	193,803	122	156,722	109
United Nations Fund for Population Activities	126,885	71	131,440	86
United Nations Capital Development Fund	29,668	38	24,802	39
United Nations Interim Fund for Science and Technology for Development ¹	16,240	33	4,488	31
United Nations Industrial Development Fund	14,285	83	11,150	82
United Nations Fund for Drug Abuse Control	6,668	35	5,170	37
United Nations Trust Fund for Sudano-Sahelian Activities	3,993	10	563	6
United Nations Habitat and Human Settlements Foundation	3,071	32	1,576	36
Voluntary Fund for the United Nations Decade for Women	2,145	34	1,676	34
United Nations Trust Fund for African Development Activities	1,856	20		
Trust Fund for the United Nations Centre on Transnational Corporations	1,192	6	491	3
United Nations Revolving Fund for Natural Resources Exploration	862	3	1,019	5
Special Voluntary Fund for the United Nations Volunteers	581	12	583	18
United Nations Trust Fund for the International Research and Training Institute for the Advancement of Women	205	9	328	9
United Nations Special Fund for Land-locked Developing Countries	40	11	69	14
Special Account for Financing the Plan of Action to Combat Desertification	39	4	-	-
Transport and Communications Decade in Africa	2	2	77	8
Total	1,106,907		1,014,563	

¹Funds for 1982 were pledged to the United Nations Financing System for Science and Technology for Development.

NOTE: Figures exclude contributions from intergovernmental and non-governmental sources. No contributions were received in 1981 or 1982 to the Trust Fund for the Economic Commission for Western Asia Regional Activities.

Draft resolution withdrawn: ⁽¹⁾Algeria, for Group of 77, A/C.2/36.L.89.

Note: ⁽²⁾S-G, A/CONF.110/2 & Corr.1,2.

Report: ⁽³⁾Director-General for Development and International Economic Co-operation, transmitted by S-G note, A/37/445.

Resolution: ⁽⁴⁾GA, 36/199, para. 3, 17 Dec. (p. 429).

Meeting records: Pledging Conference for Development Activities, A/CONF.110/SR.1-3 (3, 4 Nov.).

Arrangements for future pledging conferences.

By a decision adopted without vote on 17 December 1981,⁽¹⁾ the General Assembly took note of a Secretariat note of 4 November-stating the intention of adding the United Nations Trust Fund for Social Defence (p. 774) to the list of programmes and funds included within the scope of future United Nations pledging conferences for development activities. ⁽²⁾ This action was similarly recommended on 10 December by the Second (Economic and Financial) Committee, as orally proposed by the Chairman.

Decision: ⁽¹⁾GA, 36/446, 17 Dec., text following.

Note: ⁽²⁾Secretariat, A/C.2/36/3.

Meeting records: GA: 2nd Committee, A/C.2/36/SR.3-6, 10-26, 28-32, 47 (24 Sep.-10 Dec.); plenary, A/36/PV.103 (17 Dec.).

General Assembly decision 36/446

Adopted without vote

Approved by Second Committee (A/C.2/36/694/Add.8) without vote. 10 December (meeting 47); oral proposal by Chairman; agenda item 69 (I).

United Nations pledging conferences for development activities

At Its 103rd plenary meeting, on 17 December 1981, the General Assembly, on the recommendation of the Second Committee, took note of the note by the Secretariat on arrangements for future United Nations pledging conferences for development activities.

Arab Gulf Programme for UN Development Organizations. In early 1981, an Arab Gulf Programme for United Nations Development Organizations was established to provide support for the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP) and other United Nations organizations concerned with the development of human resources. Founding members were Bahrain, Iraq, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. Originally known as the Arab Gulf Development Foundation for the United Nations, it made its initial contribution to UNICEF in 1981 (p. 1009).

Review of operational activities

REPORT OF THE DIRECTOR-GENERAL. Operational activities for development of the United Nations system were reviewed in 1981 in the first annual report to the General Assembly on this topic by the Director-General for Development and International Economic Co-operation.⁽²⁾ The report analysed trends in expenditures and contributions, and provided information and recommendations on measures under way or contemplated to enhance the efficiency of operational activities.

A synthesis of measures reported by various organizations, adopted in October by the Consultative Committee on Substantive Questions (Programme Matters) of the Administrative Committee on Co-ordination (ACC), was included in the report. Among the measures mentioned were: formulation of long-range strategies and plans of action, and of medium-term plans; organizational surveys aimed at cost-saving; decentralization of management responsibilities to regional or country offices; involvement of recipient Governments in the formulation and implementation of field projects, and other measures to make country programming more responsive to immediate needs; improved project design to ensure that assumptions made at the planning stage remained valid; strengthened management information and evaluation; and better recruitment techniques and headquarters backstopping for projects.

The report also included observations by the Director-General on broad issues of efficiency and effectiveness in operational activities. Pointing to the decentralized nature of the United Nations system as well as the need for common approaches and co-ordinated actions on certain issues, he thought the Assembly should begin by identifying such issues and then elaborate common approaches to them. He made the point that the pursuit of administrative economy was not the sole component of efficiency or effectiveness; other elements included the objective of improving quality and responsiveness, links between operational activities and headquarters-based research and analysis functions, and the adequacy and predictability of resources. Presenting his report to the Second (Economic and Financial) Committee on 9 November, the Director-General cautioned against dismantling services and getting rid of expertise that might be needed in future when operational activities resumed their upward growth.

GENERAL ASSEMBLY ACTION. By a resolution of 17 December,⁽³⁾ the General Assembly took note with appreciation of the Director-General's report. After reiterating the need for increased contributions (p. 420), the Assembly welcomed a

June decision of the UNDP Governing Council urging a reduction in the Programme's administrative budget (p. 448) and urged other governing bodies, as a general guideline, to seek to minimize administrative and overhead costs with a view to increasing the proportion of resources available to meet the assistance requirements of developing countries. It favoured measures leading to a greater use of developing countries' capacities in procuring material and equipment, providing training and services, finding local contractors and recruiting personnel. It requested the Director-General to include in his 1983 report to the Assembly recommendations on ways to increase the participation of developing countries in programme execution. It invited governing bodies to take action to reduce administrative and other support costs and improve efficiency, and asked for information on what was being done in that regard.

The resolution was adopted without vote, following similar approval by the Second Committee on 7 December. The text was submitted by a Vice-Chairman on the basis of informal consultations on a draft sponsored by Algeria on behalf of the Group of 77,⁽¹⁾ subsequently withdrawn.

According to the original draft, the Assembly would have urged governing bodies responsible for operational activities to minimize (instead of seek to minimize) administrative and overhead costs, and would have urged them to make greater use (instead of inviting them to adopt appropriate measures leading to a greater use) of the capacities of developing countries in regard to equipment and personnel.

Introducing the draft, Algeria said it reflected the deep concern of the developing countries at the financial crisis hampering operational activities for development.

In the Second Committee debate on this topic, many States emphasized the need for improved administration of development assistance activities in order to enhance their credibility and make them more attractive to donors. The Federal Republic of Germany remarked that the extent of contributions would largely depend on keeping administrative expenditures within reasonable limits. France regarded rigorous management of development assistance funds as essential if Governments were to retain confidence in United Nations organizations and regretted that the Director-General's report contained little information about measures taken in that regard. Austria asked for more such information in the 1982 report. Italy said there could be no improvement in the trend in contributions unless the organizations improved their efficiency and co-ordination.

Denmark, speaking for the Nordic States, believed the various agencies should join their resources in field offices to achieve savings and increased efficiency. The United Kingdom also opposed wasteful duplication of bureaucracy at field offices and hoped the Director-General would report on the extent to which the problem had been reduced by the appointment of resident co-ordinators for the development assistance activities of the United Nations system (p. 430).

Belgium regretted that the Director-General's report had not fulfilled expectations for proposals to reduce administrative and support costs and to harmonize agency procedures; if there was to be real growth in resources for development, maximum resources must be allocated to projects by cutting non-essential costs. Canada considered that the Director-General and the resident co-ordinators of development assistance in the field were not getting the full support of all parts of the United Nations system; it believed the Assembly should remain the final authority in defining the system's development objectives and that the specialized agencies should be asked for reports on implementation of Assembly resolutions. Austria, France and Italy supported this request for reports.

Ecuador was among those which thought headquarters bureaucracies should be reduced; it deplored the attitude of agency heads who expressed satisfaction at increases in their budgets but announced 20 per cent cuts in field programmes. Others calling for a cut in excessive administrative costs included Kenya and Mongolia.

Some speakers urged caution regarding attempts to reduce administrative expenses. Bangladesh, Bhutan and Indonesia feared that the quality of services might deteriorate if administrative expenses were cut back excessively. The Netherlands thought the field network should be reduced only as a last resort. Pakistan said it was hard to enhance efficiency when the level of resources was not predictable; it also saw a need to preserve a basic infrastructure of policy formulation, administrative capacity and field organization. The Philippines suggested that estimates be drawn up of the threshold levels at which further lowering of support costs would harm the effectiveness or quality of assistance. Sri Lanka did not believe cost-cutting should be at the expense of field office efficiency.

Bhutan and others stressed the importance of improved monitoring and evaluation of operational activities. Tunisia thought that evaluation should be regarded as an integral part of measures to improve the effectiveness of development assistance.

Draft resolution withdrawn: ⁽¹⁾Algeria, for Group of 77. A/C.2/36/L.89.

Report: ⁽²⁾Director-General for Development and International Economic Co-operation, transmitted by S-G note, A/36/478 & Corr.1.

Resolution: ⁽³⁾GA, 36/199, 17 Dec., text following.

Meeting records: GA: 2nd Committee, A/C.2/36/SR.3, 6, 33-39, 42, 46 (24 Sep.-7 Dec.); plenary, A/36/PV.103 (17 Dec.).

General Assembly resolution 36/199

Adopted without vote Meeting 103 17 December 1981

Approved by Second Committee (A/36/812) without vote, 7 December (meeting 46); draft by Vice-Chairman (A/C.2/36/L.131), based on informal consultations on draft by Algeria, for Group of 77 (A/C.2/36/L.89); agenda item 70 (a).

Operational activities for development

The General Assembly,

Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation,

Recalling also its resolution 35/56 of 5 December 1980, the annex to which contains the International Development Strategy for the Third United Nations Development Decade,

Recalling further its resolutions 33/201 of 29 January 1979 and 35/81 of 5 December 1980 on a comprehensive policy review of operational activities for development,

Recalling its resolutions 2688 (XXV) of 11 December 1970 on the capacity of the United Nations development system and 3405 (XXX) of 28 November 1975 on new dimensions in technical co-operation,

Having noted with deep concern the outcome of the 1981 United Nations Pledging Conference for Development Activities, held on 3 and 4 November 1981,

Having examined the annual report for 1981 of the Director-General for Development and International Economic Co-operation on operational activities for development of the United Nations system,

Reiterating that a substantial part of world resources, material as well as human, continues to be diverted to armaments with detrimental effect on international security and on efforts to achieve the new international economic order, including operational activities for development of the United Nations system, and calling upon Governments to take effective measures in the field of real disarmament that would increase the possibilities of allocation of resources now being used for military purposes to economic and social development, especially development of developing countries,

1. Takes note with appreciation of the annual report for 1981 of the Director-General for Development and International Economic Co-operation on operational activities for development of the United Nations system, and takes note of the areas identified by the Director-General in which further progress can be made;

2. Reaffirms that the operational activities for development of the United Nations system should contribute effectively to the implementation of the International Development Strategy for the Third United Nations Development Decade, which should provide the framework within which those activities should be planned and conducted;

3. Expresses its deep concern that over all voluntary contributions from Governments and other sources to the funds and programmes that are included in the United Nations pledging conferences for development activities have been stagnating and falling short in many cases of targets which have been set by the relevant intergovernmental bodies, with serious consequences for the organizations concerned with respect to their capacity to maintain the level of their opera-

tional programmes in support of the growing needs of developing countries for multilateral concessional assistance through the United Nations system;

4. Strongly reiterates the need for a substantial and real increase in the flow of resources for operational activities on an increasingly predictable, continuous and assured basis and, in this context, urges all countries, particularly those developed countries whose overall performance is not commensurate with their capacity, to increase rapidly and substantially their contributions to the system's operational activities for development;

5. Invites all countries to inform the General Assembly at its thirty-seventh session of the steps they have taken or intend to take in response to the present resolution and other relevant resolutions of the Assembly, taking into account targets which have been set by the relevant intergovernmental bodies;

6. Decides to review and appraise on a regular basis the mobilization of resources for operational activities for development, taking into account targets which have been set by the relevant intergovernmental bodies and, for this purpose, requests the Director-General for Development and International Economic Co-operation to include in his annual report to the General Assembly a compilation of information provided by Governments, in accordance with paragraph 5 above, and other relevant information, together with his comments and recommendations;

7. Expresses its deep concern at the slow progress towards placing the organs, organizations and bodies of the United Nations system engaged in operational activities for development on a more stable financial basis and, in this context, urges all countries that are able to do so to indicate, while making their pledges, their probable contributions for a multiyear period, taking into account the need to ensure increased resources in real terms on an increasingly predictable, continuous and assured basis;

8. Reiterates its invitation to the governing bodies of the relevant organs, organizations and bodies of the United Nations system, as appropriate, to consider new and specific ways and means of mobilizing increased resources for operational activities for development on an increasingly predictable, continuous and assured basis and requests the Director-General for Development and International Economic Co-operation to take into account the outcome of these considerations in the preparation of his report to be submitted to the General Assembly at its thirty-eighth session;

9. Welcomes paragraph 4 of decision 81/16 of 27 June 1981 of the Governing Council of the United Nations Development Programme, in which the Council urged the Administrator to reduce the size of the administrative budget of the Programme, and urges all the governing bodies of the organs, organizations and bodies of the United Nations system engaged in operational activities for development, as a general guideline, to seek to minimize the administrative and overhead costs with a view to increasing the proportion of resources available to meet the assistance requirements of developing countries;

10. Invites all organs, organizations and bodies of the United Nations system engaged in operational activities for development to adopt appropriate measures leading to a greater use of the capacities of developing countries in local or regional procurement of material and equipment, in training and in services, in facilitating the increased use of local contractors, and in the recruitment of training, technical and managerial personnel, bearing in mind decision 81/28 of 30 June 1981 of the Governing Council of the United Nations Development Programme;

11. Requests the Director-General for Development and International Economic Co-operation to include in his report to the General Assembly at its thirty-eighth session recommendations on specific ways and means of increasing the participation of developing countries in the execution of programmes and projects of the operational activities for development of the United Nations system, bearing in mind paragraphs 8,9 and 10 of Assembly resolution 35/81;

12. Invites the governing bodies of the organs, organizations and bodies of the United Nations system engaged in operational activities to take the action requested in paragraphs 8,9 and 11 of General Assembly resolution 35/81, and invites the Secretary-General and the heads of those organs, organizations and bodies to provide information on the action taken by the governing bodies, and requests the Director-General for Development and International Economic Co-operation to include that information, together with his own recommendations, in his reports to the Assembly at its thirty-seventh and thirty-eighth sessions and, in preparing the recommendations requested in paragraph 18 of that resolution, to take into account the responses made by the above-mentioned governing bodies and the comments made thereon by delegations during the thirty-sixth session of the Assembly;

13. Welcomes the establishment by the Secretary-General of the consultative process in pursuance of paragraph 6 of General Assembly resolution 34/213 of 19 December 1979, in which the Assembly called for consultations with Governments, through the resident co-ordinator, and for the participation of all organizations concerned both at the country level and subsequently through the Administrative Committee on Co-ordination, calls upon the executive heads of the relevant organs, organizations and bodies of the United Nations system to co-operate fully in that process, and requests the Director-General for Development and International Economic Co-operation to include in his annual report information on the outcome of those consultations;

14. Requests the Director-General for Development and International Economic Co-operation to provide in his annual report comprehensive statistical information on operational activities for development of the United Nations system on the same basis as that contained in the annual report for 1981, and to include separately in his report information pertaining to the United Nations Trust Fund for Special Economic Assistance Programmes and the Fund of the United Nations Environment Programme, as well as information relating to administrative, programme and other support costs incurred by organizations engaged in operational activities for development.

Role of resident co-ordinators

By the end of 1981, resident co-ordinators had been designated by the Secretary-General in most countries receiving United Nations development assistance. Their functions, defined in 1979,⁽³⁾ involved responsibility for and co-ordination of operational activities for development carried out by the United Nations system at the country level, in co-operation with national authorities. The first co-ordinators were designated in 1980.⁽⁶⁾

The UNDP Governing Council, on 27 June 1981,⁽⁵⁾ noted with appreciation the progress achieved in the designation of resident co-ordinators as further evidence of the restructuring of the economic and social sectors of the United Nations system.

The Economic and Social Council in a resolution on UNDP adopted on 22 July,⁽²⁾ requested the organizations participating in the United Nations development system to strengthen co-ordination between their headquarters and in the field, in particular to enable the resident co-ordinators to act as the central co-ordinating authority on behalf of the United Nations development system in the field.

In his 1981 report to the General Assembly on operational activities for development,⁽¹⁾ the Director-General for Development and International Economic Co-operation stated that the co-ordinators were consulting Governments on the best way of enabling them to exercise their responsibilities. The outcome of those exploratory contacts would be brought to the attention of ACC in the context of its future review of arrangements for the exercise of the co-ordinators' functions.

The Assembly, in its resolution of 17 December on operational activities for development,⁽⁴⁾ welcomed the establishment of this consultative process and requested the Director-General to inform it of the outcome.

In the Second Committee debate on operational activities, Australia and Bangladesh saw the resident co-ordinators as playing an important role in avoiding waste, duplication and competition between organizations. Argentina, Ecuador and Zambia thought that agencies should discontinue the establishment of regional offices with functions similar to those of the co-ordinators. The Philippines thought the co-ordinators' key function was to facilitate the integration of United Nations assistance into the Government's development programmes and said it was better to adopt an experimental approach rather than rigid guidelines for their work.

Report: ⁽¹⁾Director-General for Development and International Economic Co-operation, transmitted by S-G note, A/36/478.

Resolutions and decision:

Resolutions: ⁽²⁾ESC: 1981/59, para. 5, 22 July (p. 435). GA: ⁽³⁾34/213, 19 Dec. 1979 (YUN 1979, p. 528); ⁽⁴⁾36/199, para. 13, 17 Dec. 1981 (p. 430).

Decision: ⁽⁵⁾UNDP Council (report, E/1981/61/Rev.1): 81/19, 27 June.

Yearbook reference: ⁽⁶⁾1980, p. 613.

counted for nearly half of the system's expenditures on technical co-operation. The largest amounts went to agriculture and health (see tables below).

The General Assembly, in a resolution on UNDP of 17 December 1981,⁽³⁾ stressed that the realization of the goals and objectives of the International Development Strategy for the Third United Nations Development Decade, approved by it in 1980,⁽²⁾ required a renewed emphasis on technical co-operation and a significant increase in the resources provided for that purpose.

Report: ⁽¹⁾UNDP Administrator, DP/1982/63.

Resolutions: GA: ⁽²⁾35/56, annex, 5 Dec. 1980 (YUN 1980, p. 503), ⁽³⁾36/200, para. 3, 17 Dec. 1981 (p. 436).

UNITED NATIONS SYSTEM TECHNICAL CO-OPERATION
EXPENDITURES IN 1981, BY EXECUTING AGENCY
(In thousands of US dollars)

Executing agency	Non-UNDP	UNDP	Total
UNIDO	21,099	66,900	87,999
UNCTAD	2,205	17,100	19,305
UN Centre on Transnational Corporations	1,035	-	1,035
ECA	9,071	7,800	16,871
ECE	157	900	1,057
ECLA	6,989	2,100	9,089
ECWA	1,748	500	2,248
ESCAP	8,503	5,200	13,703
UNHCR	8	-	8
UNCHS	2,326	11,000	13,326
Other United Nations	49,382	91,500	140,882
Subtotal United Nations	102,523	203,000	305,523
IAEA	16,087	4,900	20,987
ILO	50,653	54,000	104,653
FAO	133,692	182,500	316,192
UNESCO	47,674	52,200	99,874
WHO	274,949	23,600	298,549
World Bank and IDA	516,522	35,500	554,022
ICAO	21,881	39,800	61,681
UPU	1,074	3,300	4,374
ITU	7,640	32,300	39,940
WMO	8,538	12,400	20,938
IMCO	1,822	7,100	8,922
WIPO	1,258	500	1,758
International Trade Centre	11,125	-	11,125
UNDP	30,850	56,900	87,750
UNICEF	4,708	-	4,708
UNFPA	39,109	-	39,109
Subtotal other UN system	1,169,582	505,000	1,674,582
World Tourism Organization	8	400	408
Asian Development Bank	n.a.	2,500	2,500
Arab Fund for Economic and Social Development	n.a.	600	600
Governments	26,414	20,100	46,514
Non-governmental organizations	12,825	-	12,825
Subtotal non-UN system	39,247	23,600	62,847
Total	1,311,352	731,600	2,042,952

n.a. = not available

⁽¹⁾Including \$1,705,000 financed by UNDP-administered trust funds and \$8,038,676 financed by the European Economic Community.

⁽²⁾Represents expenditures by United Nations Volunteers, Office for Projects Execution and United Nations Revolving Fund for Natural Resources Exploration.

⁽³⁾Including government cash counterpart expenditures of \$9,798,000.

NOTE: Figures for UNDP are provisional data covering indicative planning figures. Special Programme Resources. Special Measures Fund for the Least Developed Countries. Special Industrial Services and cost-sharing

Technical co-operation

Expenditures by the United Nations system for technical co-operation amounted to \$2,043 million in 1981, compared to \$1,800 million in 1980, according to information provided to the UNDP Governing Council by the Programme's Administrator.⁽¹⁾ Of the total, UNDP financed \$732 million, other extrabudgetary financing accounted for \$1,097 million (including \$519 million from the World Bank) and the remaining \$213 million was supplied from the regular budgets of United Nations organizations. The Food and Agriculture Organization of the United Nations, the World Health Organization and the United Nations Department of Technical Co-operation for Development ac-

UNITED NATIONS SYSTEM TECHNICAL CO-OPERATION
EXPENDITURES IN 1981, BY SECTOR
(In thousands of US dollars)

Sector	Non-UNDP	UNDP	Total
Political affairs	-	200	200
General development	28,054	91,700	119,754
Natural resources	52,639	79,500	132,139
Agriculture, forestry and fisheries	125,564	175,900	301,464
Industry	27,697	80,700	108,397
Transport and communications	47,694	104,100	151,794
International trade and development finance	13,874	17,700	31,574
Population	127,199	500	127,699
Human settlements	4,790	12,700	17,490
Health	266,755	33,700	300,455
Education	28,793	49,100	77,093
Employment	34,105	39,400	73,505
Humanitarian and relief	85	2,900	2,985
Social conditions and equity	5,621	5,400	11,021
Culture	8,173	6,600	14,773
Science and technology	23,492	31,500	54,992
Unspecified	516,817	-	516,817
Total	1,311,352	731,600 ¹	2,042,952

¹Including government cash counterpart expenditure of \$9,798,000

NOTE: Figures for UNDP are provisional data covering Indicative planning figures. Special Programme Resources. Special Measures Fund for the Least Developed Countries. Special Industrial Services and cost-sharing.

Information on technical co-operation expenditures

The Economic and Social Council endorsed on 22 July 1981⁽¹⁾ a 27 June decision of the UNDP Governing Council⁽²⁾ by which the UNDP Administrator was requested, pending alternative arrangements, to continue to provide information on regular and extrabudgetary technical co-operation expenditures by specialized agencies financed from sources other than UNDP.

Resolution and decision: Res.: ⁽¹⁾ESC, 1981/59, para. p. 22 July (p. 435). Dec.: ⁽²⁾UNDP Council (report, E/1981/61/Rev.1). 81/34. 27 June.

UN Development Programme

UNDP activities

For the United Nations Development Programme (UNDP) -the largest source of multi-lateral technical co-operation - 1981 marked the final year of the Programme's second development co-operation cycle, a five-year forward plan of comprehensive programming for technical co-operation at the country and intercountry levels. The first cycle extended from 1972 to 1976 and the second from 1977 to 1981, while the third was to extend from 1982 to 1986. Expenditures for the second cycle were virtually on target.

In his report to the UNDP Governing Council for 1981,⁽³⁾ the UNDP Administrator noted that project-related expenditures were increasingly directed towards lower income countries, especially in Africa and Asia. Least developed countries, and others given similar treatment, ac-

counted for 32.6 per cent of all allocations to individual countries in the 1977-1981 cycle. The dollar value of the programmes they received more than doubled over the previous cycle, as measured by the indicative planning figures (IPFs) by which UNDP allocated funds to country and intercountry programmes. These countries were to account for 40.2 per cent of IPF allocations in the third development cycle, while all countries with an annual gross national product of under \$500 per capita were projected to receive almost 80 per cent of country IPF allocations in the same period. Third cycle IPFs were confirmed by the UNDP Governing Council in June 1981 (p. 444).

The share of total UNDP field expenditures going to industry, transport and communications, human settlements and, especially, general development issues, policy and planning increased in the second cycle as compared to the first, while the share of expenditures for agriculture, population, health and education declined somewhat. For natural resources, international trade and development finance, employment, and science and technology, the proportion of field expenditure remained relatively unchanged between the first two cycles.

Other quantitative indicators for the first two cycles showed: a rough doubling of voluntary contributions and expenditures; a substantial rise in cost-sharing contributions to UNDP-supported projects by developing country and third party Governments; a loss in the value of contributions received, particularly severe in 1981, due to exchange-rate fluctuations; a significant decline in the share of project expenditures spent on international project personnel, counterbalanced by a growth in the training and equipment components; an across-the-board increase in the share of project inputs provided by developing countries, particularly in terms of experts and sub-contracts; and a total of more than \$42 billion of investment commitments reported during the period 1972-1981 as a follow-up to UNDP aid.

UNDP continued to shift the mode of its country and intercountry assistance from a project to a programme orientation. Previously, programmes had been elaborated on the basis of a list of projects rather than a comprehensive assessment of the countries' technical co-operation needs; little effort had been made to identify linkages between national objectives, sectoral diagnoses and specific projects. Recent qualitative improvements in programming included: efforts to assess technical co-operation needs more rigorously; an integrated approach to sectoral assistance based on wide-ranging participation by project-implementing agencies; increased

use of project personnel from the receiving country and emphasis on technical co-operation among developing countries; provision for additionality and co-ordination with other sources of assistance; and closer relationships with related intercountry activities.

Field expenditures of the main programme^a rose by 8 per cent from the previous year, to a record level of \$732 million in 1981. Country projects accounted for \$600.1 million, or 82 per cent, of total field expenditures. For intercountry programmes, \$97.5 million was spent on regional projects, \$9.6 million on interregional and \$15 million on global projects. Programme support and administrative services costs for 1980-1981 amounted to 13.6 per cent of main programme expenditures and were projected to increase to 14.5 per cent for 1982-1983 (p. 447).

The number of UNDP projects approved in 1981 declined compared to the previous year, from 1,321 in 1980 costing \$466.1 million to 1,114 in 1981 costing \$406.3 million. Of the total cost, new country projects in Asia and the Pacific accounted for 37.5 per cent; Africa, 31 per cent; Arab States, 11 per cent; Latin America, 10.8 per cent, and Europe, 0.7 per cent. The share of new regional, interregional and global projects was 9 per cent.

Field work was completed in 1981 on 194 UNDP-supported projects costing \$150,000 or more: 78 in Africa, 52 in Asia and the Pacific, 32 in Latin America, 17 in the Arab States, 12 in Europe and 3 global projects.

The year 1981 was the first billion dollar year in the Programme's history, with expenditures of all UNDP-managed operations totalling \$1,043.8 million, against income of \$890.7 million (p. 446). However, voluntary contributions paid by Governments to the main UNDP account decreased for the first time, from \$691.8 million in 1980 to \$688.7 million in 1981 (p. 451). Total income for the year in this account was \$804.3 million, a 2 per cent decrease from the \$821.4 million received in 1980 (p. 446).

UNDP COUNCIL ACTION. The UNDP Governing Council held its twenty-eighth session at United Nations Headquarters from 9 June to 1 July. Its Budgetary and Finance Committee met concurrently, from 8 June to 1 July.

The Council approved 14 new country programmes whose sectoral allocations showed a continued emphasis on agriculture, with natural resources, industry and human resource development as the next most important sectors (p. 436).

The Council took note of an intercountry programme for Asia and the Pacific proposed for the third programme cycle- the first such programme to have been conceived, formulated and submitted in accordance with the UNDP policy

of enlarged government participation in programme planning (p. 442). Six new global projects were approved (p. 443).

Despite indications that resources available in the third programming cycle might fall short of the total envisaged, the Council decided to retain, for purposes of forward planning, the level of resources initially envisaged for the 1982-1986 programme cycle, which assumed a 14 per cent average annual growth of voluntary contributions from the 1977-1981 level (p. 444).

On other programme matters, the Council endorsed revised country programming procedures (p. 445), requested stronger ties between UNDP and multilateral financial institutions (p. 443) and called for a further report on a proposal to upgrade the UNDP fisheries vessels pool (p. 444). It took note of a report on evaluation of technical co-operation activities (p. 445) and decided that full consideration should be given to making Governments rather than international organizations responsible for executing more UNDP projects (p. 446).

Taking note of the report of the Administrator for 1980, ⁽²⁾ the Council commended him for his efforts to improve programme performance, for the growing field service functions of UNDP and for the substantial continued growth in programme delivery. ⁽⁷⁾

Among its financial actions, the Council approved supplementary appropriations for 1980-1981 amounting to \$32 million for the main programme and other UNDP-managed activities, raising the administrative budget for that biennium to \$204.4 million. For 1982-1983, it approved appropriations totalling \$262.7 million (p. 448).

To ease the burden on smaller agencies executing UNDP projects, which often had to spend more to administer those projects than they were reimbursed by the Programme, the Council approved support cost flexibility arrangements that would permit higher reimbursement rates under specified conditions (p. 449). For 1982-1983, it approved an allocation of \$3.7 million for sectoral support activities designed to complement project and programming activities financed by the agencies themselves (p. 450).

The Council adopted revised UNDP Financial Regulations and, at its request, the General Assembly authorized it in December to adopt financial regulations in respect of all funds administered by UNDP (p. 451). Noting with concern the increasing level of unpaid pledges, it invited Governments to pay amounts due for

^a The UNDP main programme consisted of projects financed under IPFs Special Programme resources, the Special Measures Fund for the Least Developed Countries, Special Industrial Services and government cost-sharing

1981 and prior years (p. 456). It was unable to agree on additional action to reduce its holdings of non-convertible currencies contributed by some Governments (p. 456).

To improve management and administrative functions, the Council authorized a strengthening of the Division of Management Information Services (p. 457) and decided to continue financing the Inter-agency Procurement Services Unit (p. 457). It also took action on matters concerning the recruitment of project professional staff (p. 458). A UNDP study programme was established to promote greater understanding of development problems and to generate new resources and ideas (p. 458).

The Council adopted measures to streamline and rationalize its work, including steps to enable it to concentrate on policy issues (p. 458).

Other actions by the Council related to several funds and programmes managed by or in co-operation with UNDP: the United Nations Volunteers (p. 461), the United Nations Capital Development Fund (p. 468), the United Nations Special Fund for Land-locked Developing Countries (p. 415), the United Nations Sudano-Sahelian Office (p. 486), the joint venture with the United Nations Environment Programme to combat desertification in the Sudano-Sahelian region (p. 829), the United Nations Revolving Fund for Natural Resources Exploration (p. 675), the UNDP Energy Account (p. 711), the United Nations Interim Fund for Science and Technology for Development (p. 742) and the United Nations Fund for Population Activities (p. 781).

In addition, the Council: reviewed United Nations technical co-operation programmes (p. 460) and requested that it continue to be given information on programmes not financed by UNDP (p. 432); approved new policies, rules and procedures for the use of UNDP country programme funds for technical co-operation among developing countries (p. 467); called for continued assistance to Palestinians (p. 273) and to national liberation movements (p. 1099), and welcomed plans for a report on the development problems of Namibia (p. 1170); authorized preparatory and follow-up action on the United Nations Conference on the Least Developed Countries (p. 405); appealed for international assistance to drought-stricken areas of Africa (p. 486) and authorized UNDP aid to Uganda (p. 520), while deferring action on Lebanon (p. 529); and authorized assistance to maritime transport training institutions (p. 568).

ECONOMIC AND SOCIAL COUNCIL ACTION. By a resolution of 22 July,⁽⁵⁾ adopted without vote, the Economic and Social Council reaffirmed the central funding and co-ordinating role of UNDP

in the field of technical co-operation within the United Nations system and recommended that intergovernmental bodies take full account of the need to preserve that role when considering new funding arrangements for technical co-operation.

The Council noted the Governing Council's report and decisions,⁽⁴⁾ particularly its decision on preparation for the 1982-1986 programming cycle; welcomed decisions on recruitment of professional staff, government execution of projects, project evaluation, establishment of a study programme and rationalization of the Governing Council's work; and endorsed the request for information on technical co-operation expenditures by executing agencies. It urged renewed efforts to place UNDP on a sound financial basis (p. 452), favoured improved inter-agency co-ordination through resident co-ordinators (p. 430), and commended to the General Assembly's attention the view that the United Nations Capital Development Fund should be authorized to meet its administrative and programme support costs from its own resources (p. 468).

The Council's Third (Programme and Co-ordination) Committee approved this resolution, which was introduced by India on behalf of 22 nations, without vote on 17 July.

GENERAL ASSEMBLY ACTION. The Economic and Social Council resolution was endorsed by the General Assembly on 17 December, by a resolution adopted without vote.⁽⁶⁾ Noting with satisfaction the Governing Council's report and decisions, the Assembly stressed the need for renewed emphasis on technical co-operation and a significant increase in resources. It further decided that, beginning in 1983, a policy review of UNDP-managed funds and programmes should be undertaken biennially-with a brief report on them, including a financial statement, to be made available in intervening years-and invited the Governing Council to act accordingly. The Assembly reiterated the need for a substantial increase in contributions to UNDP (p. 452) and encouraged greater efforts to increase its efficiency and effectiveness, taking account of the need to restrain administrative expenditures (p. 449).

The Assembly's Second (Economic and Financial) Committee approved the resolution without vote on 1 December. The draft, submitted by a Vice-Chairman and orally revised by him, was based on informal consultations on a text introduced by Yugoslavia on behalf of 32 nation⁽¹⁾- mostly developing countries-and subsequently withdrawn. The drafts differed in their provisions on contributions and administrative expenditures; the oral revision affected the reference to administrative expenditures.

Draft resolution withdrawn⁽¹⁾Algeria, Angola, Argentina, Bangladesh, Bhutan, Burundi, Central African Republic, Chad, Ecuador, Egypt, Finland, Gambia, India, Italy, Jamaica, Liberia, Malawi, Mali, Netherlands, Niger, Nigeria, Norway, Pakistan, Rwanda, Saint Lucia, Sri Lanka, Sudan, Turkey, Uganda, Yugoslavia, Zambia, Zimbabwe, A/C.2/36/L.107.

Reports: UNDP Administrator. ⁽²⁾DP/510 & Add.1, ⁽³⁾DP/1982/6 & Add.1,2; ⁽⁴⁾UNDP Council, E/1981/61/Rev.1.

Resolutions and decision: Res.: ⁽⁵⁾ESC, 1981/59, 22 July, text following; ⁽⁶⁾GA, 36/200, 17 Dec., text following. Dec.: ⁽⁷⁾UNDP Council, 81/14, 27 June.

Meeting records: ESC: 3rd Committee, E/1981/C.3/SR.9, 10-12, 17 (13-17 July); plenary, E/1981/SR.39 (22 July). GA: 2nd Committee, A/C.2/36/SR.3, 6, 33-39, 42,44,45 (24 Sep.-1 Dec.); plenary, A/36/PV.103 (17 Dec.).

Economic and Social Council resolution 1981/59

Adopted without vote Meeting 39 22 July 1981

Approved by Third Committee (E/1981/C.3) without vote, 17 July (meeting 17); 22-nation draft (E/1981/C.3/L.14); agenda item 17.

Sponsors: Argentina, Bahamas, Bangladesh, Burundi, Canada, Denmark, Fiji, Finland, India, Indonesia, Italy, Kenya, Malawi, Mexico, Nepal, Netherlands, Norway, Pakistan, Sweden, Turkey, United States, Yugoslavia.

Report of the Governing Council of the United Nations Development Programme

The Economic and Social Council,
Recalling General Assembly resolutions 3201(S-VI) and 3202(S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 35/56 of 5 December 1980, containing the International Development Strategy for the Third United Nations Development Decade, and 35/81 of 5 December 1980, on the comprehensive policy review of operational activities for development,

Mindful of the continuing urgent problems of development faced by the peoples of developing countries, and reaffirming that the attainment of the individual and collective self-reliance of the developing countries would make an important contribution to the ultimate solution of those problems,

Bearing in mind the role of the United Nations Development Programme in multilateral technical co-operation for the economic and social development of developing countries, as defined by the General Assembly in its resolutions 2888(XXV) of 11 December 1970 and 3405(XXX) of 28 November 1975,

Recalling its resolution 2024(LXI) of 4 August 1978 on operational activities for development,

Recognizing that the United Nations Development Programme is making an important contribution to the accelerated development of developing countries,

Having considered the report of the Governing Council of the United Nations Development Programme on its twenty-eighth session,

1. Takes note with satisfaction of the report of the Governing Council of the United Nations Development Programme on its twenty-eighth session and the decisions contained therein;

2. Notes in particular Governing Council decision 81/16 of 27 June 1981 on the preparation for the third programming cycle, 1982-1988, by which decision 80/30 of 26 June 1980 was reaffirmed;

3. Urges all Governments to renew their efforts to provide the United Nations Development Programme with the resources necessary to establish the sound financial basis needed to implement the Programme's planned activities for the third programming cycle, 1982-1986, which, for the purpose of forward planning, also assumes an overall average growth of resources of at least 14 per cent;

4. Reaffirms the central funding and co-ordinating role of the United Nations Development Programme in the field of technical co-operation within the United Nations system in conformity with the consensus of 1970 and General Assembly resolutions 32/197 of 20 December 1977, 33/202 of 29 January 1979 and 35/81 of 5 December 1980, and recommends to the intergovernmental bodies concerned that the need to preserve this role should be taken fully into account in the consideration of new funding arrangements for technical co-operation activities;

5. Requests all international organizations participating in the United Nations development system to strengthen their mutual co-ordination, both between headquarters and at the field level, with a view to improving the integration of technical assistance, in particular to enable the resident co-ordinators to act as the central co-ordinating authority on behalf of the United Nations development system at the field level;

8. Commends to the attention of the General Assembly the view that the United Nations Capital Development Fund should be authorized to meet the administrative and programme support costs pertaining to its activities from its own resources;

7. Welcomes Governing Council decisions 81/20 on the improvement of the methods and procedures for the recruitment of project professional staff and consultants; 81/21 on government execution and management, project design, monitoring and evaluation, and experts financed by the United Nations Development Programme; 81/30 on the establishment of a United Nations Development Programme study programme; and 81/37 on the streamlining and rationalization of the work of the Governing Council, all dated 27 June 1981;

8. Notes with satisfaction that the Governing Council, in its decision 81/37, decided that "New and specific ways and means of mobilizing increased resources on an increasingly predictable, continuous and assured basis" will be the subject of its agenda item on policy review for its twenty-ninth session;

9. Endorses Governing Council decision 81/34 of 27 June 1981, by which the Administrator of the United Nations Development Programme was requested to continue to provide information on agency regular and extrabudgetary technical co-operation expenditures financed from sources other than the United Nations Development Programme, until alternative arrangements for the provision of such data have been made within the United Nations system.

General Assembly resolution 36/200

Adopted without vote Meeting 103 17 December 1981

Approved by Second Committee (A/36/812) without vote, 1 December (meeting 45): draft by Vice-Chairman (A/C.2/36/L.121), orally revised, based on informal consultations on 32-nation draft (A/C.2/36/L.107); agenda item 70 (b).

United Nations Development Programme

The General Assembly,

Recalling its resolutions 3201(S-VI) and 3202(S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 35/56 of 5 December 1980, the annex to which contains the International Development Strategy for the Third United Nations Development Decade, 35/81 of 5 December 1980 on the comprehensive policy review of operational activities for development and 35/83 of 5 December 1980 on the United Nations Development Programme,

Reaffirming the unique and important contribution which the United Nations Development Programme is making to the development efforts of developing countries,

Having considered the report of the Governing Council of the United Nations Development Programme on its twenty-eighth session and Economic and Social Council resolution 1981/59 of 22 July 1981 on the report of the Governing Council,

Concerned at the shortfall of voluntary contributions in relation to the assumed overall average annual growth of resources,

Aware that, together with efforts to obtain additional voluntary contributions, steps are being taken to increase further the quality, efficiency and effectiveness of the United Nations Development Programme,

Noting that the Governing Council of the Programme has decided to retain for the purposes of forward planning for the third programming cycle, 1982-1986, an assumed overall average annual growth of resources of at least 14 per cent,

Noting with appreciation the statement made before the Second Committee on 24 September 1981 by the Administrator of the United Nations Development Programme,

Reaffirming the validity of the consensus of 1970, as set forth in the annex to its resolution 2688(XXV) of 11 December

1. Takes note with satisfaction of the report of the Governing Council of the United Nations Development Programme on its twenty-eighth session and the decisions contained therein;

2. Endorses Economic and Social Council resolution 1981/59;

3. Stresses that the realization of the goals and objectives of the International Development Strategy for the Third United Nations Development Decade requires a renewed emphasis upon technical co-operation and a significant increase in the resources provided for that purpose;

4. Endorses also decision 81/37 of 27 June 1981 of the Governing Council of the United Nations Development Programme on streamlining and rationalizing the work of the Governing Council;

5. Commends the efforts made by the Administrator of the United Nations Development Programme to increase further the quality, efficiency and effectiveness of the Programme, and encourages the Administrator to continue to intensify those efforts, taking account, *inter alia*, of the need to restrain administrative expenditures in order to maximize programme delivery in accordance with paragraph 4 of decision 81/16 of 27 June 1981 of the Governing Council of the Programme;

6. Expresses its appreciation to all Governments of both developed and developing countries which, at the 1981 United Nations Pledging Conference for Development Activities, announced contributions or their intention to contribute to the United Nations Development Programme for 1982, in particular those Governments which have consistently increased their voluntary contributions to the Programme;

7. Expresses its deep concern nevertheless that the likely shortfall in 1982 in overall voluntary contributions may adversely affect the proposed programme delivery for the third programming cycle of the United Nations Development Programme;

8. Urges all Governments, especially those whose voluntary contributions may not reflect their capacity to contribute, to renew their efforts to provide the United Nations Development Programme with the resources necessary to establish a sound financial basis for the implementation of the Programme's planned activities for the third programming cycle, 1982-1986, which for the purpose of forward planning would assume an overall average annual growth of resources of at least 14 per cent;

9. Strongly reiterates the need for a substantial and real increase in the flow of resources for the United Nations Development Programme on an increasingly predictable, continuous and assured basis, and in that context welcomes decision 81/37 of the Governing Council of the Programme in which the Council decided to review this issue at its twenty-ninth session;

10. Reaffirms the request of the Governing Council of the United Nations Development Programme, in its decision 81/16, to the Administrator of the Programme to continue consultations with donor countries with a view to reaching the level of resources envisaged for 1982-1986 in order to

maintain the level of programme planning for participating countries, as approved by the Governing Council for the third programming cycle, 1962-1986;

11. Decides that, beginning in 1983, a broad policy review of those funds and programmes which are under the guidance of the Governing Council of the United Nations Development Programme and managed by the Administrator of the Programme should be undertaken on a biennial basis, on the understanding that a brief report, including a financial statement, on those funds and programmes should be made available to the Governing Council in the intervening years, and invites the Governing Council to act accordingly.

Country programmes

The UNDP Governing Council, on 15 and 26 June 1981,⁽²⁾ approved country programmes proposed by the Administrator for Bangladesh, Bhutan, Bulgaria, the Congo, Cuba, Egypt, Kenya, Maldives, Mauritius, Nepal, the Philippines, Poland, Rwanda and Viet Nam. It authorized him to proceed with appraisal and approval of requests for assistance falling within the outlines of the respective country programmes while ensuring that expenditures were kept in conformity with the IPFs for each country and contained within the financial resources actually available.

With respect to the Viet Nam programme, it requested the Administrator to report in 1982 on steps set forth in his programme recommendation, which envisaged that UNDP missions would be sent to determine precisely what work was needed and what inputs were required for projects in that country. The Council also asked him to submit to it those projects which required its consideration and approval.

On 24 June,⁽¹⁾ the Council took note of an April report by the Administrator on trends and problems in these 14 new country programmes.⁽³⁾

The new country programmes ranged in size from \$175 million for Bangladesh- the second largest UNDP country programme and the largest for any least developed country- to \$4.8 million each for Bulgaria and Poland. Most of them covered the period 1982-1986, though a few were to begin earlier. Agriculture was the largest single sector in all programmes except those of Bulgaria and Cuba, where industry accounted for about half of the projected expenditure. The focus in the agricultural sector was on food production and self-sufficiency in basic foodstuffs. Natural resources, industry and human resource development were the next most important sectors.

Only in a few of these countries were UNDP resources to be augmented by Governments and third-party cost-sharing. A government cost-sharing contribution of \$3.5 million was envisaged in the Congo, while in Maldives and Nepal additional financing was expected from multi-bilateral sources.

(continued on p. 447)

UNDP INDICATIVE PLANNING FIGURES, 1981 EXPENDITURES
AND PROGRAMME COMPONENTS

STATE, TERRITORY OR OTHER	INDICATIVE PLANNING FIGURES -		PROJECT EX- PENDITURES (thousands of US dollars)	1981 PROGRAMME				EQUIPMENT ORDERED (thousands of US dollars)	SUB-CONTRACTS AWARDED (thousands of US dollars)
	1977-1981	1982-1986		EXPERTS		FELLOWSHIPS			
	(thousands of US dollars)	(thousands of US dollars)		By country of assignment	By na- tionality	By host country	By na- tionality		
Africa									
Angola	10,950	41,500	5,966	117	2	-	29	95	-
Benin	16,250	33,500	4,009	60	15	3	36	237	52
Botswana	8,500	8,500	2,092	37	-	23	10	65	-
Burundi	18,750	48,500	5,782	86	1	3	42	113	-
Cape Verde	4,000	11,250	1,422	25	-	-	11	2	-
Central African Republic	11,750	25,500	2,965	33	2	3	14	51	-
Chad	19,000	52,000	3,966	13	1	1	120	32	-
Comoros	7,200	12,000	2,909	34	-	-	12	93	3
Congo	7,500	11,000	2,583	47	8	3	40	259	110
Equatorial Guinea	4,256	-	1,396	10	-	-	11	57	-
Ethiopia	42,000	112,000	15,436	171	27	28	204	486	-
Gabon	7,500	6,000	2,548	43	-	-	3	48	-
Gambia	7,000	14,250	1,713	37	2	-	6	100	-
Ghana	19,000	40,000	4,979	40	44	5	41	47	-
Guinea	21,750	44,500	7,736	65	13	2	56	50	66
Guinea-Bissau	6,120	21,750	2,491	48	-	37	49	-	-
Ivory Coast	15,000	16,500	3,419	47	1	42	20	43	77
Kenya	27,500	52,000	7,398	126	23	109	77	269	8,011
Lesotho	13,250	22,250	3,305	63	2	8	12	51	64
Liberia	10,000	13,500	1,883	31	1	7	23	110	-
Madagascar	23,750	49,000	5,812	95	12	2	60	142	75
Malawi	19,750	53,000	6,309	100	1	7	110	342	10
Mali	24,000	65,000	6,218	64	27	1	46	377	238
Mauritania	9,750	24,500	3,759	63	8	-	32	73	-
Mauritius	5,250	7,000	1,409	26	11	27	23	13	40
Mozambique	19,000	74,000	8,010	145	-	1	7	104	78
Namibia	7,750	7,750	501	5	-	-	70	-	-
National liberation movements**	20,500	15,000	1,784	-	-	-	66	-	-
Niger	19,750	45,000	6,437	81	2	39	46	457	55
Nigeria	45,500	55,000	13,743	203	24	15	120	51	4
Rwanda	19,750	45,000	8,166	91	6	-	40	419	18
Sao Tome and Principe	1,500	2,000	411	6	-	-	3	-	-
Senegal	11,750	33,000	3,404	43	38	90	56	1,130	835
Seychelles	1,600	1,600	341	8	-	-	2	-	-
Sierra Leone	13,250	32,500	4,160	77	12	-	32	99	28
Somalia	18,250	48,000	7,810	94	3	8	51	32	3
South Africa	-	-	-	-	4	-	-	89	-
Swaziland	5,750	5,750	1,616	31	2	7	26	154	-
Togo	11,000	21,750	3,332	25	8	16	22	89	-
Uganda	30,000	59,500	12,282	57	21	2	69	173	-
United Republic of Cameroon	17,250	27,500	6,922	94	12	45	48	289	402
United Republic of Tanzania	33,500	72,000	11,248	167	19	92	211	244	-
Upper Volta	23,750	55,000	6,765	73	7	10	41	380	145
Zaire	34,500	79,000	10,216	109	6	-	121	30	-
Zambia	15,000	21,250	4,499	67	3	81	19	41	21
Zimbabwe	5,600	24,250	2,294	34	6	3	1	-	-
Other Africa	-	-	-	-	-	-	1	673	-
Subtotal	714,728	1,509,850	221,446	2,891	374	720	2,139	7,609	10,335

STATE, TERRITORY OR OTHER	INDICATIVE PLANNING FIGURES		PROJECTEX- PENDITURES (thousands of US dollars)	1981 PROGRAMME				EQUIPMENT ORDERED (thousands of US dollars)	SUB-CONTRACTS AWARDED
	1977-1981 (thousands of	1982-1986 us dollars)		EXPERTS		FELLOWSHIPS			
				By country of assignment	By na- tionality	By host country	By na- tionality		
Asia and the Pacific									
Afghanistan	38,000	71,500	5,402	51	6	2	289	146	-
Australia		-	-	-	210	145	-	1,167	1,819
Bangladesh	65,500	201,000	22,010	287	47	26	353	120	1,345
Bhutan	12,250	36,500	2,947	29	-	-	76	130	-
Brunei		200	(7)		-	-	7	3	-
Burma	41,500	102,000	10,175	124	12	64	103	218	-
China	15,000	142,000	15,157	111	13	3	423	91	
Cook Islands		1,400	489	15	-		17	14	-
Democratic Kampuchea	25,500	-	10,588	7	-			-	-
Democratic People's Republic of Korea	8,850	24,750	5,405	-	3	3	-	-	
Fiji	5,000	5,000	1,523	40	6	75	40	147	25
Hong Kong	500	500	243	8	1	14	23	1,117	400
India	97,000	252,000	24,834	262	589	559	418	2,712	12,321
Indonesia	69,500	106,000	15,203	258	55	115	477	442	480
Iran	20,000	-	979	-	12	-	18	-	-
Japan	-	-	-	6	112	246	1	15,460	3,311
Kiribati	1,140	1,300	257	7	-	2	15	-	-
Lao People's Democratic Republic	17,750	52,500	5,343	63	5	-	21	203	
Malaysia	15,000	15,000	3,138	98	24	105	173	92	-
Maldives	2,500	7,000	830	26	-		41	50	-
Mongolia	10,000	10,000	1,648	22		-	22	54	-
Nauru		60		1	-	-	3	-	
Nepal	32,500	98,000	8,586	189	54	10	205	131	291
New Caledonia	-	-	-	-	-	1	-	-	-
New Zealand	-		-	-	85	45	5	165	136
Niue	1,000	1,000	282	10	-	1	7	7	13
Pakistan	52,500	118,000	12,161	145	119	33	210	316	222
Papua New Guinea	8,750	13,500	2,072	32	-	57	120	57	-
Philippines	30,500	46,000	8,414	187	173	409	358	420	176
Republic of Korea	18,000	18,000	3,181	59	15	25	98	25	25
Samoa	5,250	5,250	1,420	22	3	5	28	67	-
Singapore	7,500	7,500	1,925	39	8	281	58	1,150	
Solomon Islands	3,145	4,000	1,049	19	-	6	27	116	-
South Pacific Islands	-	-	670	1		-	-	-	-
Sri Lanka	31,500	76,000	7,271	86	99	77	185	253	306
Thailand	29,500	43,000	8,007	357	218	272	175	934	1,202
Tokelau		950	86	-	-	-	2	-	-
Tonga	2,128	2,500	759	19	1	2	36	2	-
Trust Territory of the Pacific Islands	1,000	1,000	171	7		-	-	-	-
Tuvalu	1,140	1,140	395	4	-	1	16		-
Vanuatu	2,000	2,000	604	19		2	10	13	-
Viet Nam	44,000	118,000	7,064	42	17	2	38	22	-
Other Asia and the Pacific	3,000	-	-	-		-	1	-	-
Subtotal	718,403	1,584,550	190,281	2,652	1,887	2,588	4,107	25,844	22,072
Arab States									
Algeria	20,000	20,000	6,167	182	10	18	98	4	8
Bahrain	2,500	2,500	1,830	24	2	2	17	-	33
Democratic Yemen	14,500	17,250	3,286	50	-	-	62	326	-
Djibouti	2,200	5,250	878	13		-	8	9	
Egypt	31,500	56,000	9,174	116	159	155	213	187	226
Iraq	15,000	15,000	2,991	49	14	2	20	13	-
Jordan	15,000	15,000	3,749	67	30	45	102	79	-
Kuwait	-	-	2,767	48	-	12	21	31	-

STATE, TERRITORY OR OTHER	INDICATIVE PLANNING FIGURES -		1981 PROGRAMME						
	1977-1981 (thousands of US dollars)	1982-1986 (thousands of US dollars)	PROJECT EX- PENDITURES (thousands of US dollars)	EXPERTS		FELLOWSHIPS		EQUIPMENT ORDERED (thousands of US dollars)	SUB-CONTRACTS AWARDED (thousands of US dollars)
				By country of assignment	By na- tionality	By host country	By na- tionality		
Arab States (cont.)									
Lebanon	10,000	-	3,829	60	21	9	55	167	-
Libyan Arab Jamihiriya	5,000	5,000	2,672	42	-	-	1	5	-
Morocco	20,000	27,000	3,640	95	13	54	37	-	14
Oman	4,000	4,000	1,696	27	-	-	6	10	52
Qatar	-	-	334	22	-	2	-	7	-
Saudi Arabia	10,000	10,000	6,781	91	-	13	68	31	480
Sudan	33,000	58,500	12,805	117	63	6	77	132	-
Syrian Arab Republic	15,000	15,000	4,880	76	27	14	47	136	-
Tunisia	15,000	15,000	3,826	82	55	56	89	44	-
United Arab Emirates	1,000	1,000	2,326	33	-	5	2	61	-
Yemen	23,750	30,000	11,778	110	-	11	99	43	-
Other Arab States region	-	-	802	-	-	-	2	-	-
Subtotal	237,450	296,500	86,211	1,304	394	404	1,024	1,285	813
Europe									
Albania	4,250	10,250	154	-	-	-	25	-	-
Austria	-	-	-	-	76	201	1	1,689	21
Belgium	-	-	-	-	290	224	1	739	214
Bulgaria	7,500	6,000	1,382	25	35	56	124	9	24
Cyprus	5,000	5,000	1,191	33	10	23	10	26	-
Czechoslovakia	2,500	2,500	769	8	88	14	110	103	555
Denmark	-	-	-	-	91	61	-	1,402	753
Finland	-	-	-	-	54	65	-	236	17
France	-	-	-	-	846	922	11	8,426	5,645
German Democratic Republic	-	-	-	-	11	25	-	91	340
Germany, Federal Republic of	-	-	-	-	280	584	-	12,347	432
Greece	7,500	6,000	1,500	49	28	26	180	13	-
Hungary	3,500	3,500	420	7	92	59	43	187	715
Iceland	-	-	-	-	14	-	-	-	15
Ireland	-	-	-	-	48	46	-	3	547
Israel	-	-	-	-	55	19	1	131	235
Italy	-	-	-	-	250	285	-	5,341	2,563
Liechtenstein	-	-	-	-	-	-	-	38	-
Luxembourg	-	-	-	-	1	30	-	-	-
Malta	2,500	2,500	457	12	5	25	10	-	-
Netherlands	-	-	-	-	275	254	-	1,995	2,031
Norway	-	-	-	-	80	30	-	384	1,050
Poland	7,500	6,000	1,062	11	165	68	84	508	210
Portugal	4,000	4,000	1,129	47	81	18	66	55	125
Romania	7,500	7,500	860	22	28	18	76	223	27
Spain	-	-	-	-	110	157	-	220	1,877
Sweden	-	-	-	-	223	196	-	2,048	376
Switzerland	-	-	-	3	119	203	1	6,072	490
Turkey	20,000	20,000	6,707	118	47	24	182	56	-
USSR	-	-	-	-	96	63	-	80	586
United Kingdom	-	-	-	3	1,223	1,259	32	20,064	8,742
Yugoslavia	7,500	7,500	1,388	39	136	95	62	2	1,130
Subtotal	79,250	80,750	17,019	377	4,857	5,050	1,019	62,488	28,720
Latin America									
Antigua and Barbuda	-	1,100	537	31	-	5	7	-	-
Argentina	20,000	20,000	5,032	65	181	58	53	16	536
Bahamas	-	2,400	1,011	21	-	1	26	4	-

STATE, TERRITORY OR OTHER	INDICATIVE PLANNING FIGURES		PROJECT- PENDITURES (thousands of US dollars)	1981 PROGRAMME				EQUIPMENT ORDERED (thousands of US dollars)	SUB-CONTRACTS AWARDED
	1977-1981	1982-1986		EXPERTS	FELLOWSHIPS				
					By country of assignment	BY na- tionality	By host country		
Latln America (cont.)	(thousands of US dollars)								
Barbados	2,500	2,500	385	9	3	32	8	25	-
Belize	1,000	1,400	328	6	-	1	1	-	-
Bermuda		550	179	9	-	-	1	19	-
Bolivia	15,500	19,500	5,294	115	40	4	34	50	229
Brazil	30,000	30,000	9,293	165	69	120	85	101	369
British Virgin Islands		300	174	1	1		1	-	-
Caribbean multi- island		4,516	1,729	27	-	-	-	32	-
Cayman Islands	-	560	108	5	1	-	4		
Chile	20,000	20,000	4,640	95	197	51	83	32	763
Colombia	20,000	22,000	5,726	149	117	30	78	409	109
Costa Rica	5,000	5,000	635	30	24	98	58	7	253
Cuba	13,500	20,500	1,712	31	16	3	16	22	31
Dominica		2,300	595	14	-	-	6	-	-
Dominican Republic	7,500	12,000	1,665	64	2	7	17	41	-
Ecuador	15,000	15,000	4,552	106	19	16	38	257	30
El Salvador	9,250	15,250	2,185	36	10	1	81	69	-
Grenada		2,100	679	2	-	1	4	-	-
Guadeloupe	-	-	-	-	-		1		-
Guatemala	8,000	13,000	1,937	29	11	11	25	49	-
G u y a n a	5,000	8,500	965	27	24	1	9	11	206
Haiti	18,750	38,000	4,907	102	42	2	27	48	8
Honduras	9,250	16,000	2,129	64	11	4	28	12	49
Jamaica	7,500	7,500	1,961	30	23	11	27	102	10
Mexico	20,000	20,000	4,696	134	28	125	36	109	493
Montserrat		700	92	-	-	1	3	-	-
Netherlands Antilles	-	1,500	932	22			1		
Nicaragua	5,323	9,500	3,221	49	13	2	25	113	-
Panama	7,500	7,500	1,547	33	9	10	8	91	9
Paraguay	7,500	9,750	2,128	35	4	-	28	12	278
Peru	15,000	25,000	3,072	70	123	8	49	61	11
Puerto Rico	-	-	-	-	-	20	1	-	6
St. Kitts-Nevis- Anguitia		1,300	162	3	-	-	13	-	-
Saint Lucia	-	2,100	691	5	-	-	12	3	-
Saint Vincent and the Grenadines		3,250	665	8	2	-	6	6	-
Suriname	3,500	3,500	798	19	1		12	3	-
Trinidad and Tobago	5,000	5,000	2,143	36	14	11	20	38	
Turks and Calcos Islands		850	99	2			6	-	
Uruguay	10,000	10,000	2,561	59	49	3	20	2	8
Venezuela	10,000	10,000	3,782	65	10	27	20	14	327
Other Latin America	23,447				-	-	-	-	-
Subtotal	315,020	389,926	85,187	1,781	1,044	664	978	1,758	3,725
North America									
Canada	-	-	-	-	269	211	-	2,708	3,858
United States	-	-	-	-	1,007	1,775		39,517	12,147
Subtotal	-			-	1,276	1,986	-	42,225	16,005
Total	2,064,851	3,861,576	600,144	9,005	9,832	11,412	9,267	141,209	81,670
INTERCOUNTRY									
Global	50,200	114,800	14,954	64	-	-	-	-	-
Interregional	33,600	73,500	9,605	361	-	-	-	-	-

STATE, TERRITORY OR OTHER	INDICATIVE PLANNING FIGURES		1981 PROGRAMME						
	1977-1981	1982-1986	PROJECT EX- PENDITURES (thousands of US dollars)	EXPERTS		FELLOWSHIPS		EQUIPMENT ORDERED (thousands of US dollars)	SUB-CONTRACTS AWARDED
	(thousands of US dollars)	(thousands of US dollars)		By country assignment	By na- tionality	By host country	By na- tionality		
Regional									
Africa	109,400	263,400				-	-	-	-
Asia and the Pacific	95,700	296,100			-	-	-	-	-
Arab States	33,970	57,600				-	-	-	-
Europe	10,330	16,200			-	-	-	-	-
Latin America	63,000	76,500			-	-	-	-	-
Subtotal	312,400	730,000	97,499	1,260	-	-	-	-	-
Total	396,200	918,300	122,058	1,705	-	-	-	-	-
OTHER									
Stateless persons		-	-	-	11	-	-	-	-
Other and undefined	499	222,124	9,798	3	20	31	26	1	19
Total	499	222,124	9,798	3	31	31	26	10	19
GRAND TOTAL	2,461,550	5,002,000	732,000	10,713	9,863	11,443	9,293	141,219	81,689

*These countries have partially or wholly relinquished their IPFs.
 *Recognized by the Organization of African Unity.

GENERAL NOTES TO TABLE:

Indicative planning figures: Figures for 1982-1986 are illustrative; actual figures may vary from those in the table, depending on the total financial resources available to UNDP. Figures for "Other Asia and the Pacific" and "Other Latin America" are undistributed IPFs: figure under "Other and undefined" is for future participants, etc. Amounts are given as of April 1982.

1981 programme: Data cover expenditures financed under IPFs. Special Programme Resources. Special Measures Fund for the Least Developed Countries. Special Industrial Services and government cost-sharing.

Project expenditures: Figure under "Other Arab States region" is for Palestinian people; figure under "Other and undefined" is government cash counterpart.

Experts: Data cover professional project personnel serving in the field, including members of firms and organizations working under sub-contract to participating and executing agencies, as well as UNDP operational assistance personnel and associate experts. Totals under country of assignment differ from those under nationality because some experts had more than one assignment during the year.

Fellowships: Numbers include participants in seminars, training courses and related projects. "By nationality" column gives number of fellowships awarded by country or area receiving assistance. Totals under host country differ from those under nationality because some fellowship awards called for study in two or more countries. Figure under "Other Arab States region" refers to stateless persons.

Equipment ordered: Data are for country of procurement. Figure under "Other Africa" relates to unspecified countries in the French franc area.

Sub-Contracts: Data show cost of new sub-contracts by headquarters of contractor, as well as net additions to sub-contracts awarded in previous years. The cost of sub-contracts to the following Institutions are included under the countries indicated: International Centre for Diarrhoeal Diseases Research, Bangladesh, \$950,000; International Crop Research Institute for the Semi-Arid Tropics, India, \$5,700,000; International Centre for Insect Physiology and Ecology, Kenya, \$7,925,000. Included under "Other and undefined" is \$19,000 for a contract with an international organization.

Three dots (...) indicate that data are not available or are not separately reported.

Regional classification as provided by UNDP.

Highlights of the new country programmes follow.

-Bangladesh. Increasing allocation to agriculture; emphasis on training, planning and investment-oriented activities.

-Bhutan. Major emphasis on training; further emphasis on sector analyses and feasibility studies to plan and attract investments, filling technical deficiencies and revenue-generating activities, particularly for foreign exchange.

-Bulgaria. Particular efforts to use programme to offer training facilities for technical and scientific personnel from developing countries and sending expert consultants to those countries.

-Congo. Agriculture to receive half of programmed resources.

-Cuba Directed to development of science and technology, including research development and application on pilot basis, programme to provide access to advanced foreign technology.

-Egypt. Sectoral priorities: agriculture and industry, emphasizing food security and improving living conditions of the rural poor; further emphasis on training.

-Kenya. Concentration on selected areas, with emphasis on short- and medium-term objectives, minimizing assistance for long-term undertakings such as research.

-Maldives. Sectoral priorities: agriculture and fisheries, transport, education and training; emphasis on development of human resources and economic and social infrastructure.

-Mauritius. Increasing emphasis on short-term expertise, training and equipment; sectoral emphasis on agriculture and health.

-Nepal Sectoral emphasis on rural areas including agricultural production, forestry and integrated rural development; pre-investment activities, training, institutions and their planning capability.

-Philippines. Emphasis on training, institution building and pre-investment, particularly for

energy and investments generating employment and exports.

- Poland. Emphasis on research and development and pre-investment activities; sectoral emphasis on health and agriculture.

- Rwanda. Emphasis on pre-investment activities, reinforcing government institutions and avoiding parallel structures.

- Viet Nam. Focus on increasing production of food and consumer goods, promotion of scientific research to apply technical innovations and enhance self-reliance, and restoration of infrastructure.

Expenditures on country projects, amounting to \$600,144,000, represented 81.98 per cent of total UNDP project expenditures in 1981 (see table on p. 437). On a regional basis, main UNDP field expenditures on country projects, exclusive of \$9.8 million in government cash counterpart contributions, were as follows: Africa, \$221.4 million (36.89 per cent); Asia and the Pacific, \$190.3 million (31.71 per cent); Arab States, \$86.2 million (14.36 per cent); Latin America and the Caribbean, \$85.2 million (14.2 per cent); and Europe, \$17 million (2.83 per cent).

In the debate on operational activities for development in the General Assembly's Second Committee, Nepal found the country programme approach helpful in establishing a link between the technical co-operation and pre-investment programme and national development plans. The Netherlands suggested that, to give a more complete picture of UNDP and related assistance, the Assembly consider inviting recipient countries to attach to their country programmes, for information purposes, statistics on UNDP aid from sources other than IPFS.

Viet Nam, supported by the Lao People's Democratic Republic, said the United States and other countries had tried in the Governing Council to prevent the Viet Nam country programme from being adopted, despite the fact that UNDP and other United Nations agencies were generally regarded as non-political bodies that should not be used as instruments of pressure. The United States replied that Viet Nam would have fewer economic problems if it were not occupying a neighbouring country.

Decision: UNDP Council (report, E/1981/61/Rev.1), 81/23: ⁽¹⁾sect. I, 24 June; ⁽²⁾sect. II, 15 & 26 June.
Report: ⁽³⁾UNDP Administrator, DP/522.

Intercountry programmes

Regional programmes. By a decision of 26 June 1981,⁽¹⁾ the UNDP Governing Council took note of a \$226 million intercountry programme for Asia and the Pacific for the third programming cycle, 1982-1986, presented by the Administrator.⁽²⁾ The Administrator was requested to proceed with appraisal and approval of requests for assistance falling within the programme's out-

lines, ensuring that expenditures were in conformity with the region's IPF and contained within available financial resources.

Activities under the programme were to concentrate on seven key sectors. Ranked in the order of resources allocated to each, they were: energy, natural resources and environment; transport and communications; human resources development; agriculture, fisheries and forestry; planning and administration; technology and industry; and trade and economic co-operation. A total of 159 projects were identified, of which 133 were costed. In planning the programme, Governments gave the highest priority to energy and food production.

In the paper presenting this programme, the Administrator noted that it was the first inter-country programme for the region entirely conceived, formulated and submitted under the principles of enlarged government participation. Programming commenced early in 1980 and culminated at the Intergovernmental Meeting of Development Assistance Co-ordinators of Asia and the Pacific (New Delhi, India, February 1981), attended by Governments, executing agencies and UNDP representatives. In addition, missions were assigned to 34 countries, entities and territories in the region; regional and sub-regional intergovernmental organizations were consulted; and Governments, executing agencies and UNDP reviewed regional projects and current and future project planning and implementation.

Regional projects accounted for \$97,499,000 of UNDP expenditures in 1981.

In the debate on operational activities for development in the General Assembly's Second Committee, Hungary saw the organization of intergovernmental consultations on regional programmes as a positive step which allowed recipient countries to be more actively involved; it thought such consultations might be held midway in the 1982-1986 cycle to review results and prepare for the following cycle.

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/23 sect. III, 26 June.
Report: ⁽²⁾UNDP, DP/523.

Interregional programme. Interregional activities during the second programming cycle, 1977-1981, and proposed activities for the third cycle, 1982-1986, were summarized in a UNDP report of March 1981.⁽²⁾

During the second cycle, priority was given to the development of ocean fisheries and aquaculture, which absorbed one third of available resources, and international trade projects, which accounted for one quarter. Next in importance were a special public works programme for the least developed countries, training and ad-

visory services in transport and communications, and health projects. Training assumed a growing importance, with particular attention given to course design, selection procedures, training techniques and evaluation.

Over the five years, 105 projects were operational, some in more than one phase, and there was a continuing trend towards larger-scale activities. Expenditures for the second cycle were estimated at approximately \$32 million against the IPF for interregional projects, with an additional \$4.6 million for special measures for the least developed countries. Project expenditures in 1981 totalled \$9,605,000.

The interregional programme proposed for 1982-1986 continued to give priority to international trade and fisheries. However, greater diversification was planned, with continuing emphasis on training and human resources development but with the addition of new sectoral themes in energy planning and water and sanitation. Activities were to continue, at least for the early years of the cycle, on the National Household Survey Capability Programme (p. 1072) and an expanded immunization programme. Other areas suggested for exploration were research and advisory services in science and technology, hydrology and marine telecommunications.

On 27 June,⁽¹⁾ the Council took note of the Administrator's report, which also covered the global programme (see below).

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/23 sect. V, 27 June.

Report ⁽²⁾UNDP, DP/524 & Add.1.

Global programme. The UNDP Governing Council approved six global projects on 26 June 1981 and authorized the Administrator to arrange for their execution.⁽¹⁾ The projects were: special programme for research and training in tropical diseases (phase II); development of long-range means of control of crop and livestock pests and diseases (International Centre for Insect Physiology and Ecology, Kenya); testing and demonstration of small-scale, solar-powered pumping systems; research and development in integrated resource recovery; West African sorghum and millet improvement programme (phase III) (International Crop Research Institute for the Semi-Arid Tropics, India); and research, graining and production programme for nutritional quality maize.

For the third programming cycle, 1982-1986, an illustrative global IPF of \$114.8 million was established by the Council. This was more than double the \$52.9 million figure approved for 1977-1981. High priority was given during the earlier cycle to agricultural development. In addition, global projects in health-related areas

were aimed at providing new institutional structures of importance to future development.

Besides agriculture and health, energy was identified as the third priority area for 1982-1986; a commitment to those three areas was likely to absorb 80 to 90 per cent of available resources, according to a report by the Administrator giving details of the programme.⁽³⁾ The Council took note of this report on 27 June.⁽²⁾

Decision: UNDP Council (report, E/1981/61/Rev.1), 81/23: ⁽¹⁾sect. IV 26 June. ⁽²⁾sect. V, 27 June.

Report: ⁽³⁾UNDP, DP/524 & Add.1.

Pre-investment activities

With the aim of encouraging follow-up investments in UNDP-assisted projects, the Governing Council, on 27 June 1981,⁽¹⁾ requested the Administrator to strengthen relationships with multilateral financial institutions and regional development banks and other sources of finance. It authorized the use of \$100,000 from the 1981 Special Programme Resources in addition to a similar amount authorized in 1980⁽³⁾ to implement co-operative arrangements with participating and executing agencies directed towards generating additional information required to make such projects attractive to potential investors. It invited Governments, in preparing their country programmes, to give due priority to pre-investment activities.

The Council endorsed a revised definition of pre-investment agreed upon by an Inter-agency Consultative Meeting in December 1980 and presented by the Administrator in a March 1981 report.⁽²⁾ Pre-investment projects were defined as those that clearly identified, as an objective, the task of collecting, analysing and presenting economic, financial, technical, institutional and social data, in any development sector, in a form which would facilitate decision-making concerning the feasibility of committing capital for the creation of physical assets, production of goods and services or the development of human and natural resources. These were distinguished from investment-oriented projects such as natural resource surveys, sector studies, master plans, regional plans, research and pilot schemes.

During 1981, UNDP entered into new co-operative arrangements to stimulate pre-investment activities with the International Labour Organisation, the United Nations Educational, Scientific and Cultural Organization, the United Nations Industrial Development Organization and the United Nations Department of Technical Co-operation for Development. It strengthened arrangements with development finance institutions through an increased flow of project and country programme information related to possible investment

follow-up opportunities. In co-operation with the Economic Development Institute of the World Bank, it offered two training courses in investment development, in April/May and November, for UNDP resident representatives and their deputies.

Investment commitments of \$4,799.6 million were reported in relation to UNDP projects in 1981, mainly in the industrial sector. This was 18 per cent above the 1980 level.

During the debate on operational activities for development in the General Assembly's Second (Economic and Financial) Committee, the USSR said it opposed the control of UNDP activities by the World Bank and similar institutions on the excuse-mentioned in the Governing Council's decision of 27 June-of strengthening relationships between UNDP and those organizations. The Byelorussian SSR also thought that caution should be exercised in relations with the World Bank, where one group of countries predominated.

Argentina supported the Council decision, stating that it attached great importance to pre-investment activities. Japan favoured more efforts to help Governments plan technical co-operation projects in areas where there were good possibilities of a link with sources of capital.

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/22 27 June.

Report: ⁽²⁾UNDP Administrator, DP/521.

Yearbook reference: ⁽³⁾1980, p. 581.

Fisheries vessels pool

On 30 June 1981,⁽¹⁾ the UNDP Governing Council requested the Administrator to report in 1982 on the continued need to develop the Programme's fisheries vessels pool, consisting of 16 fisheries research and training vessels used for UNDP projects throughout the world and managed by the Food and Agriculture Organization of the United Nations. After examining a May 1981 note by the Administrator proposing the purchase of four to seven modern vessels equipped with advanced electronic instruments to replace vessels that were becoming obsolete,⁽²⁾ the Council asked him to formulate proposals on financing, utilization and maintenance, based on the assumption of full international competitive bidding. The Administrator's proposal had been that such bidding be pursued only if contracts could not be concluded through a limited call for bids aimed at permitting the maximum use of accumulated non-convertible currencies in the Programme's accounts.

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/44, 30 June.

Note: ⁽²⁾UNDP Administrator, DP/563.

Programme planning and execution

Preparations for the 1982-1986 programme cycle. On 27 June 1981,⁽⁴⁾ the UNDP Governing Council took note of consultations carried out by the UNDP Administrator which indicated that resources available to UNDP in the third programming cycle, 1982-1986, might fall short of the total envisaged by the Council in 1980 when it decided on the allocation of resources for the cycle.⁽⁶⁾ The Council decided none the less to retain, for purposes of forward planning, the level of resources envisaged for the third cycle, which assumed a 14 per cent average annual growth of voluntary contributions from the 1977-1981 level. Accordingly, it confirmed the figures it had approved in 1980 for third-cycle country, intercountry and unallocated indicative planning figures (IPFs) (see table on p. 437), as well as for Special Programme Resources, Special Industrial Services p. 587) and sectoral support (p. 450).

In order to conserve resources, the Council urged the Administrator to reduce the administrative budget during the third cycle (p. 448) and requested host Governments to increase significantly their contributions towards local costs of UNDP field offices. It also called for measures to increase contributions and make further use of non-convertible currencies (p. 452).

On 30 June, in adopting the 1982-1983 administrative budget,⁽⁵⁾ the Governing Council appropriated \$2.5 million to meet the costs resulting from the need to dismiss staff members in some countries and hire additional ones elsewhere as a consequence of the redistribution of programme resources during the third cycle (p. 448).

The Economic and Social Council, on 22 July ⁽²⁾ and the General Assembly, on 17 December,⁽³⁾ urged all Governments to renew their efforts to provide UNDP with the resources necessary to establish the sound financial basis needed to implement the Programme's planned activities for 1982-1986. The Assembly expressed deep concern that the likely shortfall in 1982 might adversely affect programme delivery and reaffirmed the Governing Council's request that the Administrator continue consultations with donor countries with a view to reaching the level of resources envisaged for 1982-1986.

The Assembly resolution, based on a text submitted by a Vice-Chairman of the Second (Economic and Financial) Committee, differed in several respects from an earlier draft sponsored by 32 nations.⁽¹⁾ It referred to the adverse effect of a contributions shortfall on proposed programme delivery for the third cycle, whereas the initial draft said the shortfall might seriously affect the impact of the operational activities of the United Nations development system for the

benefit of developing countries. The provision reaffirming the Governing Council request for continued consultations with donor countries was not in the original text.

In the Committee's debate on operational activities for development, Canada said that, as an annual growth of even 8 or 9 per cent in contributions might not be achieved, the Council would have to address the difficult question of reduced IPFs and administrative costs would have to be kept as low as possible. Bulgaria supported a proposal to meet the situation by assigning 80 per cent of IPFs for 1982 and making any necessary corrections later in the cycle.

Ecuador opposed any reduction in IPFs, observing that each UNDP dollar generated local expenditures in ratios of 4 to 1 and even sometimes 10 to 1. Bangladesh said the decision to restrict IPF expenditures had already affected implementation of the Bangladesh country programme and dealt a severe blow to the central role of UNDP in technical co-operation. Italy hoped the Governing Council could find a way to keep programme delivery at a maximum.

Argentina, observing that the impact of the reduction of available funds seemed to fall almost entirely on Latin America, objected to any distinction between developing countries which led to a reduction for those considered most developed. Suriname observed that, ever since the Governing Council had decided in June 1980 to shift the Programme's emphasis to lower-income countries, many developing countries, including Suriname, had seen their hopes of a nominal increase in their third-cycle IPFs diminish.

Draft resolution withdrawn: ⁽¹⁾Algeria, Angola, Argentina, Bangladesh, Bhutan, Burundi, Central African Republic, Chad, Ecuador, Egypt, Finland, Gambia, India, Italy, Jamaica, Liberia, Malawi, Mali, Netherlands, Niger, Nigeria, Norway, Pakistan, Rwanda, Saint Lucia, Sri Lanka, Sudan, Turkey, Uganda, Yugoslavia, Zambia, Zimbabwe, A/C.2/36/L.107.

Resolutions and decisions:

Resolutions: ⁽²⁾ESC: 1981/59, paras. 2 & 3, 22 July (p. 435); ⁽³⁾GA: 36/200, 17 Dec. (p. 435).

Decisions: UNDP Council (report, E/1981/61/Rev.1): ⁽⁴⁾81/16, 27 June; ⁽⁵⁾81/27, paras. 5-8, 30 June.

Yearbook reference: ⁽⁶⁾1980, p. 582.

Programming procedures. The UNDP Governing Council endorsed on 27 June 1981⁽¹⁾ the Administrator's recommendations for revised country programming procedures. These centred around the concept of continuous programming, designed to maintain the relevance of UNDP technical co-operation to evolving national objectives, needs and priorities through a process of continuing review and assessment. Also endorsed were the Administrator's proposals for simplified programme documents, annual progress reports to the Council on programme imple-

mentation in each region, and criteria and procedures to allow extension of country programmes beyond their established duration when necessary. He was asked to ensure the timing of country programmes was decided in full agreement with the Government concerned.

In a March report setting out these proposals, ⁽²⁾ the Administrator stated that a continuing dialogue between the United Nations system and Governments- their ministries as well as their central planning and co-ordinating authorities-should be the corner-stone of continuous programming. That dialogue should be the basis for formulation of the country programme, continuing review of its implementation and identification of new activities. He indicated that the revised procedures would be followed during the third programming cycle, 1982-1986.

During the debate in the General Assembly's Second Committee on operational activities for development, Poland praised the country programming approach as one which safeguarded the sovereignty of the countries concerned and synchronized assistance with their development objectives, while retaining co-ordinating authority of UNDP over rational spending of funds.

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/15, 27 June.

Report: ⁽²⁾UNDP Administrator, DP/518 & Corr.1 & Add.1.

Project evaluation. In a March 1981 report to the Governing Council,⁽²⁾ the UNDP Administrator summarized work done on thematic evaluations of technical co-operation activities. He noted that seven studies had been completed and that reports were in preparation on rural co-operatives, innovation and reform in education, and export promotion. A study on industrial training was in progress, while two others-on national agricultural research institutes and on manufactures industries-were in the planning phase. All these studies were conducted in collaboration with the Governments concerned, executing agencies and UNDP. The cost of carrying out the thematic evaluations for 1980-1981 was expected to be \$400,000.

On 27 June,⁽¹⁾ the Governing Council took note with appreciation of the report and of an appended extract from an evaluation of the International Trade Centre (p. 547) which suggested ways of making more effective its technical co-operation projects for strengthening national trade promotion organizations.

In the General Assembly, during the debate in the Second Committee on operational activities for development, Tunisia said much remained to be done to ensure that internal

monitoring systems were effectively used; evaluation should be regarded as an integral part of measures to improve the effectiveness and quality of operational activities.

Decision: ⁽¹⁾JNDP Council (report, E/1981/61/Rev.1), 81/29, 27 June.

Report: ⁽²⁾UNDP Administrator, DP/515 & Add.1.

Government execution of projects. While most UNDP projects continued to be executed by intergovernmental organizations, expenditures on projects directly executed by Governments increased by 32 per cent in 1981 over the 1980 level, to an amount of \$10.3 million. Approvals of such projects in 1981 totalled \$12.3 million, signalling a continuing increase.

In a decision of 27 June,⁽⁴⁾ the UNDP Governing Council requested the Administrator, in co-operation with other United Nations organizations: to give full consideration, in the designation of executing agents, to implementation of UNDP assistance by the host Governments; to review and analyse in greater detail the reasons for lack of progress in implementing government execution and to report to the Council in 1982 on proposals for amending financial and administrative arrangements with a view to increasing the use of government execution; and to examine how government implementation would affect the work-load of UNDP field offices, particularly in the least developed countries, and make proposals for any additional staff that might be needed. The Council took note of the Administrator's view that any additional costs would be offset by savings in the support costs UNDP paid to executing agencies as reimbursement for their expenses in implementing a project. The decision also dealt with alternatives to use of internationally recruited experts (p. 458).

In a February report to the Council,⁽¹⁾ the Administrator identified some reasons for the general lack of government execution and proposed that such execution become the preferred approach for implementing all UNDP assistance, unless there were reasons for deciding otherwise. Under this approach, another executing agent would be chosen only if the Government rejected responsibility for executing a project.

The Governing Council's decision was welcomed by the Economic and Social Council on 22 July.⁽²⁾

During the year the UNDP/Inter-Agency Task Force, established in 1977 to assist in efforts towards a better articulation of operational activities for development within the United Nations system, collaborated in the review of government execution undertaken at the Governing Council's request.

In the debate on operational activities for de-

velopment held in the General Assembly's Second Committee, several speakers commented on likely benefits from expanded government execution. Bangladesh thought it would increase resources for development, as the savings in support costs would be made available to the countries concerned. Hungary believed that project execution might be simplified and accelerated if Governments were responsible for execution. Pakistan remarked that the Governing Council had shown a reluctance to accept increased financing of government execution through UNDP reimbursement of support costs, despite a clear directive from the Assembly in 1980⁽³⁾ and the Administrator's estimate that savings would result. The USSR thought that government execution could help rectify the practice of entrusting projects to a group of Western countries. The Gambia and India also believed that Governments of recipient countries should assume responsibility for executing more projects.

Indonesia remarked that Governments were inhibited from assuming greater responsibility for project execution by procedural, administrative and financial restraints; it hoped recommendations would be made to solve those problems.

Report: ⁽¹⁾UNDP Administrator, DP/558 & Corr.1.

Resolutions and decision: Res.: ⁽²⁾ESC, 1981/59, para. 7, 22 July (p. 435); ⁽³⁾GA, 35/81, para. 10, 5 Dec. 1980 (YUN 1980, p. 612). Dec.: ⁽⁴⁾UNDP Council (report, E/1981/61/Rev.1), 81/21, 27 June.

UNDP finances

Financial situation

Income received by UNDP in 1981 totalled \$890.7 million, against expenditures of \$1,043.8 million, according to the Programme's financial reports and accounts.⁽²⁾ These figures covered all funds for which UNDP was responsible, including the Programme's central account and 13 special-purpose trust funds. Income of the central account was \$804.3 million, a 2 per cent decrease from the \$821.4 million received in 1980.

While field expenditures of the central account rose in 1981 by 8 per cent from the previous year to a record level of \$732 million (p. 447), voluntary contributions pledged by Governments decreased for the first time, from \$691.8 million in 1980⁽⁵⁾ to \$688.7 million in 1981 (p. 451). According to the Administrator's review of the financial situation in 1981⁽⁴⁾ income was \$136.3 million less than anticipated.

After considering the Administrator's report on the 1980 financial situation,⁽³⁾ the Governing Council, on 30 June 1981,⁽¹⁾ noted with satisfaction the continuing steady growth in programme delivery but expressed concern at the increasing level of unpaid pledges. It invited Governments to pay amounts due, past and current, before the

end of 1981 (p. 456). It also authorized additional funds for the Special Industrial Services programme (p. 587).

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1). 81/25,30 June.

Reports: ⁽²⁾Board of Auditors and financial statements, A/37/5/Add.1; UNDP Administrator, ⁽³⁾DP/547 & Corr. 1, ⁽⁴⁾DP/1982/49.

Yearbook reference: ⁽⁵⁾1980, p. 588.

Expenditures

Expenditures of UNDP in 1981 totalled \$1,043.8 million,⁽¹⁾ or 11.7 per cent above the 1980 level.⁽³⁾ Of this, \$962.8 million was from the Programme's central accounts, \$75.2 million was from special-purpose trust funds and \$5.9 million was spent on the Junior Professional Officers' Programme.

Expenditures in 1981 exceeded income by \$153.2 million. For the central accounts, the excess of expenditure over income was \$133.2 million. The deficit was financed by applying unspent income from previous years.

Excluding \$25.25 million in transfers between accounts, the \$937.5 million spent against the central accounts included the following principal elements: \$731.6 million (78 per cent) in project costs, \$104.6 million (11.2 per cent) for UNDP administrative and programme support costs (see below), \$94.3 million (10.1 per cent) for agency support costs (p. 449) and \$5.6 million (0.6 per cent) for sectoral support activities (p. 450). (A country and regional breakdown of project costs is given in the table on p. 437, and a breakdown by executing agency in the table on p. 431.)

Expenditures on project costs by component (excluding government cash counterpart expenditure of \$9.8 million) were: project personnel, \$372.7 million (51.6 per cent); equipment, \$161.2 million (22.3 per cent); sub-contracts, \$88.5 million (12.3 per cent); training, \$72.3 million (10 per cent); miscellaneous, \$27.1 million (3.8 per cent). Also, UNDP administered or supported in varying degree some \$1,008 million in project expenditures under other United Nations system or bilateral development programmes, almost 18 per cent more than in 1980.⁽⁵⁾

The major elements of UNDP expenditures are given in the table in the next column.

Reports: ⁽¹⁾Board of Auditors and financial statements, A/37/5/Add.1; ⁽²⁾UNDP Administrator, DP/1982/6/Add.1.

Yearbook reference: ⁽³⁾1980, p. 587.

Administrative budgets. Programme support and administrative services costs constitute the UNDP administrative budget, which is adopted on a biennial basis. Expenditures under this budget in 1981 came to \$104.6 million. The administrative budget amounted to 13.6 per cent

of main programme expenditures for 1980-1981 and was projected to increase to 14.5 per cent for 1982-1983, due mainly to a fall in contributions to UNDP which forced reductions in programme delivery while administrative services for delivery had to be maintained.

On 30 June 1981, the UNDP Governing Council approved appropriations covering the administrative costs of the main programme and of five other activities managed by UNDP: the United Nations Volunteers (p. 461), the United Nations Capital Development Fund (p. 470), the United

UNDP EXPENDITURES, 1981

(in US dollars)

UNDP Account:

Programme expenditure:

Project costs:	
Indicative planning figures	649,839,803
From government cost-sharing contributions	50,985,837
Special Measures Fund for the Least Developed Countries	14,959,240
From government cash counterpart contributions	9,797,763
Special Programme Resources	4,458,347
Special Industrial Services	1,563,234

Subtotal project costs 731,604,224

Reimbursement of programme support costs to participating and executing agencies	94,258,702
UNDP sectoral support	5,569,880
Expert hiatus financing and extended sick leave	896,661
UNDP/UNEP joint venture Institutional support	397,597
Adjustments to 1980 programme expenditure and programme support costs (net)	201,998

Subtotal programme expenditure 832,929,062

UNDP administrative and programme support	104,606,834
Transfer to Operational Reserve	25,000,000
Transfer to UN Volunteers	250,000

Total UNDP Account 962,785,896

Trust funds:

UN Capital Development Fund	48,778,856
UN Trust Fund for Sudano-Sahelian Activities	8,511,441
UN Interim Fund for Science and Technology for Development	6,175,668
UN Revolving Fund for Natural Resources Exploration	5,756,346
UNDP Trust Fund for the Nationhood Programme for Namibia	1,763,196
UN Volunteers	1,608,408
UNDP Energy Account	927,702
UN Trust Fund for Operational Programme in Lesotho	881,244
UNDP Trust Fund for Projects Financed by the Voluntary Fund for the UN Decade for Women	681,094
UN Trust Fund for Operational Personnel in Swaziland	143,255
UN Special Fund for Land-locked Developing Countries	47,260
UN Korean Reconstruction Agency (residual assets)	8,176
Trust Fund For Assistance to Colonial Countries and Peoples	(120,240)*

Total trust funds 75,162,406

Junior Professional Officers' Programme 5,877,330

GRAND TOTAL 1,043,825,632

*Net refund of expenditure due to adjustment to 1980 programme expenditure (\$126,156) less 1981 programme expenditure (\$7,916).

Nations Revolving Fund for Natural Resources Exploration (UNRFRNRE) (p. 674), the United Nations Sudano-Sahelian Office (UNSO) (p. 485), and the joint venture organized by UNSO, UNDP and the United Nations Environment Programme (UNEP) (p. 828) (see table below).

Supplementary appropriations for 1980-1981. The Governing Council approved net supplementary appropriations for 1980-1981 amounting to \$31,960,700, raising to \$204,354,800 the total appropriations for the programmes managed by UNDP.⁽⁶⁾ This included \$28,995,100 in supplementary appropriations for the main programme, raising its appropriations for the biennium to \$192,798,900. The Administrator had proposed a net increase of \$31,259,100 for the main programme.⁽³⁾

The Administrator ascribed most of the rise to unforeseen increases in salaries, wages and other costs. In addition, he requested 63 new posts, of which the Council approved 50, including 25 in a new field office at Pyongyang, Democratic People's Republic of Korea, and 7 in the Division of Management Information Services at UNDP headquarters (p. 457). This brought the total number of established posts to 4,382.

Administrative budget for 1982-1983. The Council approved a net appropriation of

\$262,659,100 for the period 1982-1983, of which \$245,465,300 was for the main programme.⁽⁷⁾ Added to the main programme allocation was \$2,500,000 for transitory measures in 1982 due to a reallocation of posts between field offices resulting from changing programme allocations during the 1982-1986 development cycle (p. 444). The latter sum was to be used to compensate staff members whose employment contracts had to be terminated in countries receiving reduced resource allocations and to hire up to 100 additional staff members in countries whose programmes were to be increased.

The Council decided to reduce the Administrator's proposed appropriations⁽²⁾ by \$7 million gross, calling on him to exercise extreme caution and to ensure that expenditures were closely controlled. It approved 9 of the 13 additional posts which had been requested but not approved for 1981, including 2 for the Emergency Co-ordination Unit at headquarters and a regional information officer for the Arab States. The Administrator requested no additional posts for 1982-1983, ascribing the proposed budget increase to inflation and similar causes.

Future budgets. The Governing Council, on 27 June,⁽⁵⁾ urged the Administrator to reduce the administrative budget in the third programming cycle, 1982-1986, and decided that the budget in

UNDP ADMINISTRATIVE BUDGETS, 1980-1981 AND 1982-1983 (in US dollars; as adopted on 30 June 1981)

REVISED 1980- 1981 APPROPRIATIONS

PROGRAMME	SUPPLEMENTARY			TOTAL			1982-1983 APPROPRIATIONS		
	Gross	Estimated income	Net	Gross	Estimated income	Net	Gross	Estimated income	Net
Resources of UNDP									
UNDP (excluding Office for Projects Execution)	32,662,800	3,667,700	28,995,100	240,278,600	47,479,700	192,798,900	303,129,100	57,663,800	245,465,300
Transitory measures in 1982 due to reallocation of posts between duty stations	—	—	—	—	—	—	2,500,000		2,500,000
Office for Projects Execution (including support services)	3,202,900	3,202,900	—	12,320,500	12,320,500	—	15,151,200	15,151,200	—
UN Volunteers	817,600	423,900	393,700	4,432,100	682,000	3,750,100	5,461,500	871,000	4,590,500
UN Capital Development Fund	1,668,800	202,700	1,466,100	3,314,000	414,200	2,899,800	4,359,100	558,300	3,800,800
UNSO-UNDP/UNEP joint venture	—	—	—	1,822,100	1,006,100	816,000	2,395,300	1,469,800	925,500
Subtotal UNDP	38,352,100	7,497,200	30,854,900	262,167,300	61,902,500	200,264,800	332,996,200	75,714,100	257,282,100
Resources of UNRFRNRE	938,700	85,200	853,500	2,513,400	266,400	2,247,000	3,075,500	309,100	2,766,400
Resources of UNSO	267,600	15,300	252,300	2,117,000	274,000	1,843,000	3,022,700	412,100	2,610,600
Total	39,558,400	7,597,700	31,960,700	266,797,700	62,442,900	204,354,800	339,094,400	76,435,300	262,659,100

*Includes estimated support cost reimbursements of \$2.4 million in respect of UNCDF-funded activities, \$1,272,700 in respect of UNSO-funded activities and \$300,000 in respect of UNRFRNRE-funded activities.

**Includes UNEP half-share of the cost of the joint venture institutional support.

that cycle should not rise in real terms beyond the level approved for 1982-1983. The need for additional resources tied to any increase in programme delivery should be met by redeployment of staff and other facilities.

The General Assembly, in its 17 December resolution on UNDP,⁽⁴⁾ commended the Administrator's efforts to increase the quality, efficiency and effectiveness of UNDP and encouraged him to continue to intensify those efforts. The text, as adopted following informal consultations, incorporated a phrase that had not been in the original 32-nation draft,⁽¹⁾ asking the Administrator to take account, *inter alia*, of the need to restrain administrative expenditures in order to maximize programme delivery in accordance with the Council's 27 June decision. The words "*inter alia*" were added orally by a Vice-Chairman of the Second (Economic and Financial) Committee who submitted the final text.

In the Committee's debate on operational activities for development, a number of countries -including the Byelorussian SSR, Japan and the USSR-urged a reduction in administrative expenses so that more resources would be available for programmes. China considered that agencies applying a zero-growth policy to their administrative costs could economize still further by careful saving and strict budgeting; expansion of bureaucracies should be avoided. Madagascar welcomed the Administrator's decision not to increase UNDP administrative expenditure in real terms during 1982-1983 and to limit any future increase.

Draft resolution withdrawn: ⁽¹⁾Algeria, Angola, Argentina, Bangladesh, Bhutan, Burundi, Central African Republic, Chad, Ecuador, Egypt, Finland, Gambia, India, Italy, Jamaica, Liberia, Malawi, Mali, Netherlands, Niger, Nigeria, Norway, Pakistan, Rwanda, Saint Lucia, Sri Lanka, Sudan, Turkey, Uganda, Yugoslavia, Zambia, Zimbabwe, A/C.2/36/L.107.

Reports: UNDP Administrator, ⁽²⁾DP/548, ⁽³⁾DP/550.

Resolution and decisions:

Resolution: ⁽⁴⁾GA: 36/200, para. 5, 17 Dec. (p. 436).

Decisions: UNDP Council (report, E/1981/61/Rev.1):

⁽⁵⁾81/16, para. 4, 27 June; ⁽⁶⁾81/26, 30 June; ⁽⁷⁾81/27, 30 June.

Programme support costs. Agency support costs reimbursed by UNDP increased from \$87.9 million in 1980 to \$94.3 million in 1981, or 12.9 per cent of field programme expenditures (see table below), excluding sectoral support provided to agencies (p. 450). These support costs were reimbursements to agencies executing UNDP projects, in accordance with a 1980 formula which, from 1 January 1982, was to provide 13 per cent of project delivery costs, down from the previous 14 per cent.⁽⁴⁾

As the reimbursement did not cover the full cost of providing technical and administrative

support to UNDP projects, especially in the case of smaller agencies, the UNDP Governing Council, on 30 June 1981,⁽¹⁾ approved support cost flexibility arrangements to permit higher reimbursement rates to agencies executing a relatively small volume of UNDP projects. Eligible to benefit were autonomous organizations in the United Nations system whose annual delivery did not exceed \$15 million. A sliding scale was set according to which agencies handling less than \$5 million of UNDP projects could receive as much as 22 per cent of their cost, with the reimbursement rate dropping as project delivery increased. In reviewing requests for flexibility, the UNDP Administrator would ensure that no executing agency would receive less in total support cost reimbursement for delivering a higher programme level than it had received for delivering a lower level.

United Nations organizations not eligible for support cost flexibility arrangements would be entitled to limited compensation if the average annual currency exchange rate at their headquarters had appreciated by at least 11 per cent

AGENCY PROGRAMME SUPPORT COSTS REIMBURSED BY UNDP
AND PERCENTAGE OF PROGRAMME EXPENDITURES, 1981
(In thousands of US dollars)

Executing agency	Amount	Percentage
UNIDO	9,380	13.94
UNCTAD	2,390	14.01
ECA	1,099	14.00
ECE	123	14.01
ECLA	298	14.01
ECWA	64	13.97
ESCAP	684	13.12
UNCHS	1,536	14.00
Other UN	12,806	13.89
Subtotal United Nations	26,380	13.91
IAEA	992	19.57
ILO	7,547	13.92
FAO	25,044	13.26
UNESCO	7,290	13.94
WHO	3,301	13.96
World Bank	3,596	9.66
ICAO	5,565	13.95
UPU	648	19.37
ITU	4,369	13.49
WMO	1,882	15.20
IMCO	986	13.95
WIPO	127	24.90
UNDP	3,845	7.29
Subtotal other UN system	65,192	12.91
World Tourism Organization	57	14.11
Asian Development Bank	344	14.01
Arab Fund for Economic and Social Development	86	14.03
Governments	199*	1.92
Subtotal non-UN system	686	2.91
Total	94,258	12.88

*Programme support Costs paid to executing agencies as co-Operating agencies participating in government-executed projects.

NOTE: Percentages are based on field programme expenditures (UNDP column on p. 431) less government cash counterpart contributions.

vis-à-vis the United States dollar between one year and the next.

The Council also approved reimbursement of support costs to the UNDP Office for Projects Execution based on the rates in effect for other executing agencies.

The new arrangements were based on proposals made by the Administrator in a March report to the Council.⁽³⁾ In that report he also described consultations between UNDP and agencies on devising a format for ex post facto reporting of actual support costs incurred by agencies, and said he intended to submit a format in 1982 so that reporting could begin in 1983.

With regard to a request by the International Telecommunication Union for additional support cost reimbursement of \$87,955 for 1980 as a consequence of currency exchange losses, the Council, noting that the exchange rate of the dollar vis-à-vis the Swiss franc had considerably improved in 1981, decided to review the request in 1982 in conjunction with 1981 data.⁽²⁾

Decisions: UNDP Council (report, E/1981/61/Rev.1), 30 June: ⁽¹⁾81/40, ⁽²⁾81/43.

Report: ⁽³⁾UNDP Administrator, DP/556 & Add.1.2. yearbook reference: ⁽⁴⁾1980, p. 592.

Sectoral support activities. In 1981, UNDP allocated \$1,925,000 to eight executing agencies for sectoral support activities—principally regional advisers and short-term missions of experts—designed to complement similar activities undertaken by the agencies from their own resources. This was in addition to the largest programme of this type, Senior Industrial Development Field Advisers (SIDFAS), managed by the United Nations Industrial Development Organization (p. 587).

The UNDP Governing Council, on 30 June,⁽¹⁾ approved the Administrator's proposal to allocate \$3,689,000 for sectoral support for 1982-1983, primarily for the smaller agencies. This amount, up slightly from \$3,650,000 for 1980-1981, was out of a total of \$12 million allocated for all sectoral support, the balance of which was for the SIDFA programme.

The need for sectoral support activities was confirmed by the Administrator in an April 1981 report to the Council.⁽²⁾ He considered that UNDP should continue to finance such activities in the third programming cycle, 1982-1986 (p. 444), mainly for agencies which had neither an established field structure nor access to regular programme funds for technical co-operation. He proposed that funds be made available primarily to agencies which had received allocations in 1980-1981, with the addition of the World Intellectual Property Organization, the United Nations Centre for Human Settlements and the Universal Postal Union.

Decision ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1) 81/39, paras 1-3, 30 June Report: ⁽²⁾UNDP Administrator, DP/555

Accounts

Accounts of executing agencies for 1979. The UNDP Governing Council, on 30 June 1981,⁽²⁾ took note with satisfaction of the audit reports of participating and executing agencies relating to funds allocated to them by UNDP as at 31 December 1979.⁽¹⁾ Noting the Administrator's observations on the auditors' comments, it requested him to continue submitting observations and to consult with executing agencies that used commercial external auditors on the possibility of including in future audit reports observations on substantive matters as well as on financial planning and control mechanisms, ways of improving reporting to decision-making bodies, management controls and electronic data processing systems.

Audit reports: ⁽¹⁾DP/557.

Decision: ⁽²⁾UNDP Council (report, E/1981/61/Rev.1), 81/41, 30 June.

Accounts for 1980. By a resolution of 30 November 1981 on the 1980 accounts of various United Nations programmes and funds,⁽³⁾ the General Assembly accepted the UNDP accounts for the year ended 31 December 1980,⁽²⁾ concurred with observations and comments by the Advisory Committee on Administrative and Budgetary Questions (ACABQ),⁽¹⁾ and requested remedial action where required by the Board of Auditors in its comments on the accounts.

Investment and contract procedures were among the matters discussed by the Board, ACABQ and the Assembly's Fifth (Administrative and Budgetary) Committee in connection with the accounts. Also considered were two matters pertaining to contributions-collection of contributions and non-convertible currencies (p. 456)—in which the UNDP Governing Council took decisions. The UNDP administration responded in its financial statements and in the Fifth Committee.

Investments. The Board noted that the Administrator was exploring the possibility of transferring responsibility for placing UNDP funds for investment from the United Nations to UNDP. The UNDP administration said it intended to carry out such a review by the end of 1981, after which it might consult with United Nations officials if a change was desirable. ACABQ recommended that it be given the opportunity to review any proposal to change the current arrangement.

In the Fifth Committee, Ghana agreed that any proposals should first be submitted to ACABQ, though any change in arrangements should be left to the UNDP Governing Council.

The ACABQ recommendation was also supported by Bangladesh and Japan.

Contracts. The Board recommended that UNDP discourage the practice of submitting contracts involving significant amounts of money for ex post facto approval. ACABQ also favoured a tightening of procedures in this regard. UNDP responded that 17 out of 173 cases reviewed by its Contracts Committee in 1980 had been submitted ex post facto; its representative informed the Fifth Committee in October that the number of such approvals as of that time in 1981 had been halved, and the administration was reviewing measures to reduce such cases to a minimum.

In the Fifth Committee, Bangladesh considered it important to prevent anomalies or negligence in the approval of contracts ex post facto. Ghana felt that UNDP had been lax in controlling the award of contracts. Japan called for a tightening of approval procedures. India urged UNDP to expand its coverage of potential suppliers, particularly in developing countries, so that the system of international competitive bidding would live up to its name.

Reports: ⁽¹⁾ ACABQ, A/36/480; ⁽²⁾ Board of Auditors and financial statements, A/36/5/Add. 1 & Corr. 1.
Resolution: ⁽³⁾ GA, 36/65, 30 Nov. (p. 1302).

Financial regulations

Revised UNDP Financial Regulations were approved by the UNDP Governing Council on 30 June 1981.⁽⁵⁾ The modifications were aimed at meeting the long-term requirements of UNDP, including its needs in programme and project management. The initial redrafting was done by the Administrator; ⁽²⁾ the text approved by the Council took into account comments by ACABQ. ⁽³⁾ Certain proposed changes concerning contributions in non-convertible currencies (p. 456) were left for a decision in 1982 because of a lack of consensus in the Council.

Acting at the Council's request, the General Assembly, by a resolution adopted without vote on 18 December 1981,⁽⁴⁾ authorized the Council to adopt financial regulations in respect of all funds administered by UNDP. It also decided that the Financial Regulations of UNDP would apply to the United Nations Capital Development Fund (p. 471) and the United Nations Special Fund for Land-locked Developing Countries (p. 416) until the Council adopted special financial regulations for them. The Fifth Committee, acting on a draft by the Secretary-General, approved the text on 16 December, also without vote.

In a note of 3 December,⁽¹⁾ the Secretary-General indicated that the two funds were the only ones administered by UNDP on which action was needed, as in other cases the Assem-

bly had either specified that the UNDP Financial Regulations would apply or had not stated that the Financial Regulations of the United Nations would apply.

Notes: ⁽¹⁾ S-G, A/C.5/36/80; ⁽²⁾ UNDP Administrator, DP/552 & Add.1 & Add.1/Corr.1, Add.2 & Add.21 Corr.1, Add.3.
Report: ⁽³⁾ ACABQ DP/553.
Resolution and decision: Res.: ⁽⁴⁾ GA. 36/227. 18 Dec., text following. Dec.: ⁽⁵⁾ UNDP Council (report, E/1981/61/Rev.1), 81/28, 30 June.
Meeting records: CA: 5th Committee, A/C.5/36/SR.79 (16 Dec.); plenary, A/36/PV.105 (18 Dec.).

General Assembly resolution 36/227

Adopted without vote Meeting 105 18 December 1981

Approved by Fifth Committee (A/36/843) without vote. 16 December (meeting 79); draft by Secretary-General (A/C.5/36/80): agenda item 12.

Financial regulations in respect of the funds administered by the United Nations Development Programme

The General Assembly,

Having considered the report of the Governing Council of the United Nations Development Programme on its twenty-eighth session, In particular Governing Council decision 81/28 of 30 June 1981 concerning the Financial Regulations of the United Nations Development Programme,

1. Authorizes the Governing Council of the United Nations Development Programme to adopt financial regulations in respect of all funds administered by the Programme and requests it to report such regulations to the General Assembly;

2. Decides to adopt, on a Provisional basis, the following measures in implementation of its resolutions 2186(XXI) of 13 December 1966 and 2321 (XXII) of 15 December 1967:

(a) The financial regulations of the United Nations Capital Development Fund, after they have been reviewed by the Advisory Committee on Administrative and Budgetary Questions, shall be adopted by the Governing Council of the United Nations Development Programme, which shall report such regulations to the General Assembly; In the preparation of those regulations, account shall be taken of the special requirements of the operations of the Fund;

(b) Pending the adoption by the Governing Council of financial regulations for the Fund, the Financial Regulations of the United Nations Development Programme shall apply:

3. Decides that until the United Nations Special Fund for Land-locked Developing Countries becomes operational In the manner specified In General Assembly resolution 31/177 of 21 December 1976:

(a) The financial regulations for the Fund, after they have been reviewed by the Advisory Committee on Administrative and Budgetary Questions, shall be adopted by the Governing Council of the United Nations Development Programme, which shall report such regulations to the General Assembly; in the preparation of those regulations, account shall be taken of the special requirements of the operations of the Fund;

(b) Pending the adoption by the Governing Council of financial regulations for the Fund, the Financial Regulations of the United Nations Development Programme shall apply.

Contributions

Governments paid a total of \$776.3 million to the central UNDP accounts in 1981 (see table beginning on p. 453), a slight increase over the \$772.7 million recorded for 1980. The main source of funds was voluntary contributions for the main UNDP account, received from 147 Governments in the amount of \$688.7 million; this compared to

\$691.8 million paid in 1980, representing the first such decline in the Programme's history. Another \$12.9 million was paid by four Governments to the Special Measures Fund for the Least Developed Countries (LDCs), up from \$11.7 million in 1980. The rest of the contributions came from recipient countries: \$62.7 million as cost-sharing contributions from 67 Governments and three intergovernmental organizations (a 7.6 per cent increase over the previous year); \$10.8 million from 28 Governments and an intergovernmental body in cash counterpart contributions for projects; and \$1.3 million from five Governments in assessed programme costs.

For 1982, a total of \$416,299,290 was pledged for the main UNDP account by 108 Governments as at 31 December 1981, mostly at the 1981 United Nations Pledging Conference for Development Activities, held on 3 and 4 November (p. 426). In addition, eight Governments pledged \$17,355,860 for the Fund for LDCs, bringing total pledges for 1982 to \$433,655,150.

The UNDP Governing Council, although noting with concern indications that UNDP resources might fall short of the amount needed to sustain the programme at the level envisaged for the 1982-1986 cycle (p. 444), decided on 27 June 1981⁽⁴⁾ to retain, for purposes of forward planning, the previously envisaged level. This was based on the assumption that voluntary contributions would grow by an annual average of 14 per cent from the level set for 1977-1981.

The Council requested the Administrator to continue consultations with donor countries with a view to reaching the level envisaged for 1982-1986. It asked all countries to reconsider the magnitude of their third-cycle contributions and urged donors which lagged behind in the first part of the cycle to increase their contributions later in the cycle so that the overall objective could be reached. All countries, particularly those whose previous contributions were below their capacity, were asked to consider increasing their contributions substantially.

The Council's decision also contained provisions on contributions in non-convertible currencies (p. 456).

In another action of 27 June,⁽⁵⁾ the Council decided that the policy review item for its 1982 session would be entitled "New and specific ways and means of mobilizing increased resources on an increasingly predictable, continuous and assured basis".

The Economic and Social Council, in its 22 July resolution on UNDP,⁽²⁾ urged Governments to renew their efforts to provide UNDP with the resources necessary to establish the sound financial basis needed to implement activities planned for the third programming cycle.

The General Assembly, on 17 December,⁽³⁾ expressed deep concern that the likely shortfall in 1982 contributions might adversely affect programme delivery for the third cycle. It urged Governments, especially those whose contributions might not reflect their capacity, to renew their efforts to provide UNDP with the resources needed to establish a sound financial basis for the upcoming cycle. It strongly reiterated the need for a substantial and real increase in resources on an increasingly predictable, continuous and assured basis, and welcomed the Governing Council's decision to review the issue in 1982. It reaffirmed the Council's request that the Administrator consult with donors in order to reach the resource level envisaged for 1982-1986.

The reaffirmation of the Council's request was added, as a result of informal consultations in the Second (Economic and Financial) Committee, to the initial draft of the resolution as submitted by 32 nations, mainly developing countries.⁽¹⁾ Another difference concerned the paragraph on the need for a substantial and real increase in resources: the earlier draft did not mention the Council decision to review the issue but would have had the Assembly appeal to all Governments to contribute on an increasingly predictable, continuous and assured basis.

During the Committee's debate on operational activities for development, many countries, including Bangladesh, Ecuador, Egypt, Ethiopia, the Gambia, India, Indonesia, Italy, Kenya, Madagascar, the Niger, Pakistan, the Philippines, Rwanda, the Sudan, Suriname, Tunisia, the Upper Volta and Yugoslavia, warned of the consequences of a shortfall in contributions to UNDP and urged donors to make adequate contributions.

Ecuador said only by maintaining the 14 per cent growth target would UNDP assistance reach \$2 billion by 1986, a figure consistent with the minimum requirements of the developing world. The Niger thought that the 14 per cent goal was still remote.

Argentina, Australia and France pointed out that they had substantially increased their contributions. Austria estimated that one quarter to one third of the anticipated shortfall might be due to currency exchange rate fluctuations with respect to the United States dollar; to maintain its contribution at the 1981 dollar level, Austria had had to raise it by more than 20 per cent in terms of its national currency. Denmark, speaking for the Nordic States, said they could not increase their contributions, which accounted for nearly 30 per cent of UNDP resources; in the long run, UNDP could not continue to depend on a limited number of donors.

(continued on p. 456)

CONTRIBUTIONS TO THE UNITED NATIONS DEVELOPMENT PROGRAMME, 1981 AND 1982
 (as at 31 December 1981; in US dollar equivalent)

CONTRIBUTOR	1981 PAYMENT						1982 PLEDGE		
	UNDP Account	Fund for LDCs	Government cost-sharing	Government cash counterpart	Assessed programme costs	Total	UNDP Account	Fund for LDCs	Total
Afghanistan	33,000	—	—	—	—	33,000	33,000	—	33,000
Albania	4,285	—	—	—	—	4,285	5,000	—	5,000
Algeria	616,807	—	727,539	111,663	—	1,456,009	731,500	—	731,500
Antigua and Barbuda	18,401	—	—	—	—	18,401	—	—	—
Argentina	1,748,297	—	541,000	1,929	—	2,291,226	2,214,908	—	2,214,908
Australia	11,264,368	—	5,537	—	—	11,269,905	—	—	—
Austria	6,000,000	—	—	—	—	6,000,000	6,000,000	—	6,000,000
Bahamas	91,500	—	405,745	—	—	497,245	11,500	—	11,500
Bahrain	56,000	—	822,582	—	—	878,582	56,000	—	56,000
Bangladesh	122,767	—	—	—	—	122,767	183,900	—	183,900
Barbados	—	—	100,000	9,261	—	109,261	22,615	—	22,615
Belgium	31,165,217	—	—	—	—	31,165,217	—	—	—
Belize	15,000	—	22,800	—	—	37,800	25,253	—	25,253
Benin	9,958	—	33,145	—	—	43,103	5,000	2,000	7,000
Bermuda	15,766	—	—	—	—	15,766	—	—	—
Bhutan	2,990	—	—	—	—	2,990	3,440	—	3,440
Bolivia	15,000	—	2,639,166	1,500,000	—	4,154,166	20,000	—	20,000
Botswana	22,293	—	—	—	—	22,293	24,000	1,143	25,143
Brazil	1,609,050	—	5,359,598	287,326	—	7,255,974	—	—	—
British Virgin Islands	10,480	—	—	—	—	10,480	—	—	—
Brunei	—	—	(15,036)	—	—	(15,036)	—	—	—
Bulgaria	762,911	—	—	—	—	762,911	850,939	—	850,939
Burma	807,711	—	—	—	—	807,711	122,117	—	122,117
Burundi	21,744	—	200,000	—	—	221,744	30,000	—	30,000
Byelorussian SSR	190,409	—	—	—	—	190,409	189,341	—	189,341
Canada	37,657,563	—	—	—	—	37,657,563	41,525,424	—	41,525,424
Cape Verde	7,000	—	—	—	—	7,000	4,000	—	4,000
Cayman Islands	14,800	—	—	—	—	14,800	—	—	—
Central African Republic	1,899	—	—	—	—	1,899	—	—	—
Chile	750,000	—	31,514	—	—	781,514	820,000	—	820,000
China	1,400,000	—	—	—	—	1,400,000	1,500,000	—	1,500,000
Colombia	1,044,235	—	1,196,770	145,321	—	2,386,326	1,259,208	—	1,259,208
Congo	21,930	—	867,243	—	316,619	1,205,792	—	—	—
Cook Islands	38,721	—	6,240	—	—	44,961	—	—	—
Costa Rica	60,000	—	—	—	—	60,000	220,000	—	220,000
Cuba	715,995	—	—	—	—	715,995	710,700	—	710,700
Cyprus	102,000	—	—	—	—	102,000	—	—	—
Czechoslovakia	630,238	—	—	—	—	630,238	601,375	—	601,375
Democratic People's Republic of Korea	213,415	—	—	—	—	213,415	198,020	—	198,020
Democratic Yemen	6,612	—	—	—	—	6,612	7,603	—	7,603
Denmark	47,106,101	—	—	—	—	47,106,101	46,197,183	2,112,676	48,309,859
Djibouti	2,000	—	—	—	—	2,000	2,000	—	2,000
Dominica	12,438	—	—	—	—	12,438	—	—	—
Dominican Republic	—	—	98,880	—	—	98,880	—	—	—
Ecuador	569,215	—	1,162,463	162,562	—	1,894,240	406,813	—	406,813
Egypt	711,164	—	342,284	689,009	—	1,742,457	636,445	21,166	657,611
El Salvador	24,700	—	227,900	—	—	252,600	—	—	—
Fiji	50,000	—	—	—	—	50,000	50,000	—	50,000
Finland	7,959,181	—	—	—	—	7,959,181	8,488,372	—	8,488,372
France	23,652,174	—	—	—	—	23,652,174	30,442,478	—	30,442,478
Gabon	91,233	—	179,187	—	—	270,420	—	—	—
German Democratic Republic	953,043	—	—	—	—	953,043	909,091	—	909,091
Germany, Federal Republic of	47,633,645	—	259,384	—	—	47,893,029	—	—	—
Ghana	218,324	—	—	22,273	—	240,597	—	—	—
Greece	626,001	—	54,390	—	—	680,391	810,000	—	810,000

CONTRIBUTOR	1981 PAYMENT						1982 PLEDGE		
	UNDP Account	Fund for LDCs	Government cost- sharing	Government cash counterpart	Assessed programme costs	Total	UNDP Account	Fund for LDCs	Total
Grenada	-	-	-	-	-	-	6,967	-	6,967
Guatemala	341,000	-	-	3,360	-	344,360	189,000	-	189,000
Guinea	-	-	26,938	-	-	26,938	-	-	-
Guyana	140,938	-	61,961	-	80,000	282,899	132,533	-	132,533
Haiti	6,500	-	45,800	-	-	52,300	6,500	-	6,500
Holy See	2,000	-	-	-	-	2,000	2,000	-	2,000
Honduras	10,156	-	(8,500)	-	-	1,656	82,000	-	82,000
Hong Kong	8,000	-	-	-	-	8,000	8,000	-	8,000
Hungary	470,575	-	-	-	-	470,575	707,429	-	707,429
Iceland	79,096	-	-	-	-	79,096	455,696	-	455,696
India	7,590,361	-	623,500	29,992	-	8,243,853	7,909,605	-	7,909,605
Indonesia	2,005,459	-	55,000	(4 , 6 9 9)	-	2,055,760	1 ,000,000	-	1 ,000,000
Iran	-	-	(75,378)	(186,838)	-	(262,216)	-	-	-
Iraq	-	-	2,464	-	-	2,464	762,712	-	762,712
Ireland	1,227,455	-	-	-	-	1,227,455	-	-	-
Israel	54,878	-	-	-	-	54,878	63,636	-	63,636
Italy	24,078,341	-	100,000	-	-	24,178,341	27,731,092	-	27,731,092
Ivory Coast	142,633	-	1,173,186	-	-	1,315,819	-	-	-
Jamaica	68,197	-	48,630	29,288	-	146,115	77,495	-	77,495
Japan	58,000,000	-	183,453	-	-	58,183,453	-	-	-
Jordan	220,000	-	298,507	-	-	518,507	240,000	-	240,000
Kenya	71,429	-	-	-	-	71,429	72,816	-	72,816
Kiribati	16,860	-	-	-	-	16,860	-	-	-
Kuwait	570,000	-	2,467,280	-	-	3,037,280	570,000	-	570,000
Lao People's Democratic Republic	-	-	-	-	-	-	19,600	-	19,600
Lebanon	473,076	-	239,224	-	398,164	1 ,1 10,464	340,000	-	340,000
Lesotho	65,762	-	-	-	-	65,762	38,916	-	38,916
Liberia	71,000	-	-	-	-	71,000	104,000	-	104,000
Libyan Arab Jamahiriya	1,150,000	-	821,547	-	-	1,971,547	-	-	-
Luxembourg	108,261	-	-	-	-	108,261	99,600	-	99,600
Madagascar	272,156	-	(20,437)	-	-	251,719	-	-	-
Malawi	38,466	2,064	-	-	-	40,530	24,800	2,000	26,800
Malaysia	385,000	-	79,384	9,153	-	473,537	385,000	-	385,000
Maldives	1,800	-	-	-	-	1,800	1,800	-	1,800
Mali	2,000	-	-	-	-	2,000	-	-	-
Malta	64,480	-	-	-	-	64,480	-	-	-
Mauritius	81,891	-	-	-	-	81,891	-	-	-
Mexico	1,574,949	-	328,901	-	-	1,903,850	1,673,810	-	1,673,810
Monaco	4,674	-	-	-	-	4,674	3,929	-	3,929
Mongolia	187,119	-	-	-	-	187,119	187,937	-	187,937
Montserrat	18,554	-	-	-	-	18,554	-	-	-
Morocco	630,435	-	101,714	567,153	-	1,299,302	306,731	-	306,731
Mozambique	-	-	-	-	-	-	45,763	-	45,763
Nepal	40,000	-	-	-	-	40,000	-	-	-
Netherlands	63,874,760	-	6,015,031	-	-	69,889,791	67,291,667	-	67,291,667
Netherlands Antilles	684	-	736,088	7,490	-	744,262	-	-	-
New Zealand	1,239,316	-	-	-	-	1,239,316	1,239,316	-	1,239,316
Nicaragua	1,000	-	-	-	-	1,000	1,000	-	1,000
Niger	8,389	-	143,697	-	-	152,086	-	-	-
Nigeria	942,589	-	3,963,528	-	-	4,906,117	758,725	-	758,725
Norway	48,841,467	4,312,251	-	-	-	53,153,718	54,385,965	3,508,772	57,694,737
Oman	75,000	-	1,344,034	-	-	1,419,034	75,000	-	75,000
Pakistan	1,994,121	-	-	-	-	1,994,121	2,229,603	-	2,229,603
Panama	569,400	-	345,800	-	-	915,200	356,000	-	356,000
Papua New Guinea	169,347	-	10,848	-	-	180,195	166,471	-	166,471
Paraguay	360,000	-	597,922	(807)	-	957,115	-	-	-
Peru	290,000	-	-	-	-	290,000	776,884	-	776,884
Philippines	1,367,170	-	-	15,000	-	1,382,170	700,000	-	700,000
Poland	1,167,902	-	-	-	-	1,167,902	1,250,102	-	1,250,102
Portugal	75,828	-	19,423	-	1,159	96,410	-	-	-
Qatar	400,000	-	(27,509)	-	-	372,491	200,000	-	200,000

CONTRIBUTOR	1981 PAYMENT						1982 PLEDGE		
	UNDP Account	Fund for LDCs	Government cost-sharing	Government cash counterpart	costs	Total	UNDP Account	Fund for LDCs	Total
Republic of Korea	600,000	-	7,000	290,543	-	897,543	893,000	-	893,000
Romania	838,301	-	-	-	-	838,301	672,727	-	672,727
Rwanda	20,000	-	29,657	-	-	49,657	-	-	-
St. Kitts - Nevis-Anguilla	12,950	-	-	-	-	12,950	-	-	-
Saint Vincent and the Grenadines	23,973	-	-	-	-	23,973	-	-	-
Samoa	3,000	-	-	-	-	3,000	-	-	-
Saudi Arabia	2,500,000	-	2,233,893	4,744,374	-	9,478,267	2,500,000	-	2,500,000
Senegal	250,272	-	-	-	-	250,272	-	-	-
Seychelles	1,000	-	-	-	-	1,000	1,000	-	1,000
Sierra Leone	225,259	-	-	-	-	225,259	-	-	-
Singapore	220,000	-	-	-	-	220,000	220,000	-	220,000
Solomon Islands	40,000	-	-	-	-	40,000	1,000	-	1,000
Somalia	5,618	-	10,260	861,296	-	677,174	-	-	-
Spain	840,000	-	-	-	-	840,000	1,243,740	-	1,243,740
Sri Lanka	600,000	-	214,521	113,284	-	927,805	660,000	-	660,000
Sudan	-	-	291,000	100,000	-	391,000	200,000	-	200,000
Suriname	82,500	-	32,000	-	-	114,500	82,500	-	82,500
Swaziland	15,787	-	478,697	-	-	494,484	16,043	-	16,043
Sweden	62,618,459	6,542,227	-	-	-	69,160,686	63,535,912	9,208,103	72,744,015
Switzerland	15,329,949	2,030,457	-	-	-	17,380,406	18,693,182	2,500,000	21,193,182
Syrian Arab Republic	283,526	-	-	-	-	283,526	-	-	-
Thailand	2,073,060	-	-	15,000	-	2,088,060	1,001,030	-	1,001,030
Togo	303,299	-	35,935	100,671	-	439,905	7,774	-	7,774
Tokelau	971	-	-	-	-	971	-	-	-
Trinidad and Tobago	165,838	-	1,355,812	-	-	1,521,650	186,667	-	166,667
Trust Territory of the Pacific Islands	-	-	(4,515)	-	-	(4,515)	-	-	-
Tunisia	274,954	-	-	-	144,911	419,865	487,600	-	487,600
Turkey	1,189,144	-	2,053,382	-	-	3,222,526	-	-	-
Turks and Caicos Islands	25,533	-	-	-	-	25,533	-	-	-
Ukrainian SSR	476,023	-	-	-	-	476,023	473,352	-	473,352
USSR	3,913,043	-	-	-	-	3,913,043	3,786,816	-	3,786,816
United Arab Emirates	675,000	-	3,764,130	-	-	4,439,130	675,000	-	675,000
United Kingdom	34,175,971	-	-	-	-	34,175,971	-	-	-
United Republic of Cameroon	288,389	-	3,782,808	257,978	-	4,309,175	317,410	-	317,410
United Republic of Tanzania	219,492	-	1,827,098	-	-	2,046,590	121,212	-	121,212
United States	106,000,000	-	400,000	-	-	106,400,000	-	-	-
Upper Volta	-	-	-	139,641	-	139,641	-	-	-
Uruguay	649,800	-	258,545	128,701	-	1,037,046	-	-	-
Venezuela	2,245,981	-	1,870,494	38,565	-	4,155,040	2,200,000	-	2,200,000
Viet Nam	5,000	-	-	-	-	5,000	10,000	-	10,000
Yemen	8,000	-	2,802,252	-	-	2,810,252	10,000	-	10,000
Yugoslavia	2,403,414	-	-	783,782	-	3,167,176	-	-	-
Zaire	588,699	-	181,818	-	-	770,517	-	-	-
Zambia	-	-	-	-	-	-	276,000	-	276,000
Zimbabwe	-	-	-	-	-	-	50,000	-	50,000
Caribbean Development Bank	-	-	33,000	-	-	33,000	-	-	-
Mekong Committee*	-	-	-	32,400	-	32,400	-	-	-
OPEC Special Fund	-	-	5,776,354	-	-	5,776,354	-	-	-
West African Development Bank	-	-	273,110	-	-	273,110	-	-	-
Total	688,700,260	12,886,999	62,857,618	10,784,651	1,299,677	776,329,205	416,299,290	17,355,860	433,655,150

*Interim Committee for Co-ordination of Investigations of the Lower Mekong Basin.

**Total includes \$358,824 charged to indicative planning figures in respect of unpaid balances of assessed programme costs.

NOTE: 'Fund for LDCs' columns show contributions to the Special Measures Fund for the Least Developed Countries.

Bangladesh pointed out that exchange rate fluctuations and high inflation rates contributed to the negative growth rate of UNDP resources. Poland, warning against the proliferation of special funds and the resulting dispersion of resources, observed that the UNDP share of global technical co-operation funding had fallen below 60 per cent in 1980.

The USSR opposed fixing amounts for contributions to UNDP; in its opinion, proposed changes in current pledging arrangements undermined the principles of universality and voluntariness. Japan remarked that targets were recommendations rather than rigid legal commitments.

Speakers also touched on the consequences of a decrease in contributions for development assistance as a whole (p. 425) and for UNDP activities during the 1982-1986 programming cycle (p. 445).

Draft resolution withdrawn: ⁽¹⁾ Algeria, Angola, Argentina, Bangladesh, Bhutan, Burundi, Central African Republic, Chad, Ecuador, Egypt, Finland, Gambia, India, Italy, Jamaica, Liberia, Malawi, Mali, Netherlands, Niger, Nigeria, Norway, Pakistan, Rwanda, Saint Lucia, Sri Lanka, Sudan, Turkey, Uganda, Yugoslavia, Zambia, Zimbabwe, A/C.2/36/L.107.

Resolutions and decisions:

Resolutions: ⁽²⁾ ESC: 1981/59, para. 3, 22 July (p. 435). ⁽³⁾ GA: 36/200, paras. 7-10, 17 Dec. (p. 436).

Decisions: UNDP Council (report, E/1981/61/Rev.I), 275 June: ⁽⁴⁾81/16; ⁽⁵⁾81/37, sect. II.

Collection of contributions. Noting with concern the increasing level of unpaid pledges to UNDP, the Governing Council, in a decision of 30 June 1981,⁽¹⁾ invited Governments to pay amounts due for 1981 and prior years before the end of 1981 or to indicate the date in early 1982 on which they expected to make payment. It also called on Governments to pay their annual pledges as early as possible in the year for which the pledge was made and requested the Administrator to consult with donors on the extent to which payment schedules could be established.

The matter of unpaid contributions was also raised by the Board of Auditors in connection with the 1980 UNDP accounts (p. 450). The Board recommended intensified efforts to collect from Governments.⁽³⁾ The Advisory Committee on Administrative and Budgetary Questions, in its report on the accounts,⁽²⁾ said it had been informed that, of the total of \$102.3 million unpaid under the UNDP account as at 31 December 1980, \$89.2 million related to contributions for 1980. UNDP told the Fifth (Administrative and Budgetary) Committee that the amount of unpaid contributions for prior years had been reduced to less than \$14 million by the end of September 1981.

Ghana remarked in the Fifth Committee that the matter required a political solution and the

co-operation of States. Japan urged that Governments either pay their pledges in full or indicate that the amounts were uncollectable.

In the Second Committee's discussion of operational activities for development, Sri Lanka observed that the time-lag between pledges and the receipt of contributions had compounded the problem caused by inadequate resources for UNDP.

Derision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.I), 81/25, para. 2, 30 June.

Reports: ⁽²⁾ACABQ, A/36/480; ⁽³⁾Board of Auditors and financial statements, A/36/5/Add. 1 & Corr. 1.

Non-convertible currencies. A paragraph on the issue of non-convertible currencies held by UNDP, resulting mainly from the practice by some Governments of paying their voluntary contributions in their national currencies, was included in the Governing Council's decision of 27 June 1981⁽¹⁾ on preparation for the third programming cycle, 1982-1986 (p. 444). However, much of the wording was in square brackets, reflecting the Council's inability to reach a consensus on the matter. The provision was to the effect that donor countries not receiving UNDP assistance and contributing in non-convertible currencies should pay a gradually increasing share in convertible currencies, and that entities headquartered in net donor countries which contributed in non-convertible currencies should be reimbursed for services and equipment purchased by UNDP in the currencies in which their contribution was paid.

The issue of non-convertible currency holdings was also left unresolved when the Council considered revisions in the UNDP Financial Regulations (p. 451).

The Board of Auditors, in its report⁽²⁾ on the 1980 UNDP accounts (p. 450), recommended that UNDP intensify efforts to exchange for readily usable currencies its non-convertible currency holdings, the value of which had risen to \$45.2 million as at 31 December 1980. The UNDP administration said it was making every effort to increase the utilization of such currencies or to exchange them; its representative told the Fifth Committee in October that a reduction of several million dollars in holdings of such currencies was expected in 1981.

In the Committee, Italy called for action by the administration to use the accumulated currencies, while Japan regretted that no progress had been made on the matter. Morocco thought a solution must be found by the countries that had contributed the currencies. Yugoslavia welcomed the auditors' recommendations. India said it was unfortunate that the Administrator's proposal to use non-convertible currencies to

purchase ships in the socialist countries for the fisheries vessels pool (p. 444) had been rejected by the Governing Council for political reasons.

The USSR remarked that the issue had been trumped up by certain circles with the aim of discriminating against some national currencies, undermining the international character of UNDP activities and helping transnational corporations perpetuate their preferential position with regard to the award of UNDP contracts. The German Democratic Republic could not subscribe to the Board's recommendation and said the amount and form of voluntary contributions was at the sole discretion of Governments.

Nigeria said the UNDP administration had admitted that the task was beyond its capabilities; the problem called for action by either the Fifth Committee or the General Assembly.

The issue was also discussed in the Second Committee during the debate on operational activities for development. The Gambia called on the countries concerned to make their future contributions in convertible currencies. Denmark (speaking for the Nordic States) and Italy urged those concerned to reconsider their position, while Rwanda expressed concern at the lack of flexibility shown by those who paid in non-convertible currencies.

On the other hand, Bulgaria remarked that, given goodwill, there were no obstacles to utilizing all available currencies. The Byelorussian SSR thought the problem had been exaggerated and that the ability of the socialist countries to aid developing countries had not been fully exploited. Czechoslovakia said it could increase its contribution to UNDP if full use was made of the non-convertible currencies in which it contributed; the services its economic, scientific and technical organizations provided to UNDP could be financed entirely from that source. Hungary regretted what it viewed as attempts to exploit the issue, stating that, if Governments were required to contribute only in convertible currencies, their decisions on how much to contribute would be subject to foreign currency availability. Poland urged that no effort be spared to utilize contributions in national currencies.

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/16, para. 8.27 June.

Report: ⁽²⁾Board of Auditors and financial statements, A/36/5/Add.1 & Corr.1.

UNDP management and staffing

Strengthening the Division of Management Information Services

New management information systems, designed to supply UNDP administrators with current data required for decision-making and con-

trol, became operational in 1981. They consisted of computerized systems for programme and project management, accounts, income and cash management, administrative budget and personnel. They were designed and developed by the Integrated Systems Improvement Project (ISIP), established in 1977. The Division of Management Information Services took over the functions of ISIP in June 1980, and began maintaining and enhancing the new systems.

After receiving a report from the Administrator on implementation of the new systems as of April 1981,⁽⁵⁾ the UNDP Governing Council, on 30 June,⁽²⁾ approved the Administrator's staffing proposals for the Division, contained in his reports on supplementary budget estimates for 1980-1981⁽⁴⁾ and estimates for 1982-1983.⁽³⁾ As specified in the Council's decision on supplementary estimates for 1980-1981,⁽¹⁾ this called for the addition of 7 posts to the existing complement of 30. The number of posts was to be reduced by one in 1982-1983.

Decisions: UNDP Council (report, E/1981/61/Rev.1), 30 June: ⁽¹⁾81/26, para. 3 (a); ⁽²⁾81/38.

Reports: UNDP Administrator, ⁽³⁾DP/548, ⁽⁴⁾DP/550, ⁽⁵⁾DP/INF/30.

Inter-agency Procurement Services Unit

The UNDP Governing Council, on 30 June 1981, ⁽¹⁾ expressed support for continued development of the work of the Inter-agency Procurement Services Unit and decided that the Unit should continue to be financed from the UNDP budget, as a part of support services for UNDP-executed projects. As described in a March report by the Administrator⁽²⁾ in response to a 1979 Council request,⁽³⁾ the Unit's primary objective was to procure equipment at the lowest possible cost, consistent with the maintenance of adequate standards.

According to this report, more than \$200 million a year was spent by the United Nations system on common-user items. Among the benefits ascribed to the Unit were cost savings of 5 to 10 per cent through preferential discounts based on economy of scale, the establishment of motor-vehicle standards, increased procurement from developing countries, more equitable geographical distribution of procurement and utilization of accumulated non-convertible currencies.

China, speaking in the debate on operational activities for development in the General Assembly's Second (Economic and Financial) Committee, expressed the view that suppliers who delivered defective goods to UNDP should be subject to economic penalties. In Romania's view, greatly increased purchases of equipment from developing countries would enable UNDP to promote technical co-operation more effectively.

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/42 30 June.

Report: ⁽²⁾UNDP Administrator, DP/559.

Yearbook reference.: ⁽³⁾1979, p. 544.

Recruitment of professional staff

The UNDP Governing Council, recognizing the need to improve methods for recruiting project professional staff and consultants, especially from developing countries, decided on 27 June 1981⁽³⁾ to invite countries to establish or strengthen national expert recruitment services and requested the Administrator to assist. The Administrator was asked to submit in 1982 a report on what was being done to prepare and update rosters of project professional staff and consultants, and to provide national recruitment services with information on vacancies. He was requested to make recommendations for improving such recruitment and for ensuring that the best qualified experts were recruited world-wide for UNDP-supported projects.

In another decision of 27 June,⁽⁴⁾ dealing mainly with government execution of UNDP-financed projects (p. 446), the Council made suggestions on alternatives to the use of internationally recruited experts. It invited Governments, UNDP and United Nations organizations to make increasing use of qualified national professional staff, bearing in mind the importance of continuing to obtain the best-qualified advice and expertise. They were also invited to consider such other available options as non-resident nationals and institutional twinning, keeping in mind the requirements of each project and the availability of qualified national resources.

In a February report to the Council,⁽¹⁾ the Administrator noted that agencies had been instructed to give primary consideration, when recruiting professional staff for a UNDP-supported project, to use nationals of the assisted country having the required qualifications and experience.

The Economic and Social Council, in its 22 July resolution on UNDP,⁽²⁾ welcomed both Governing Council decisions.

In the General Assembly's Second Committee, during the debate on operational activities for development, Romania said that more experts should be recruited from developing countries, since they had worked in development conditions similar to those in which UNDP projects operated. The Byelorussian SSR believed that project staff should be recruited locally. The Ukrainian SSR said the Administrator must remedy an intolerable situation in which the human resources of the socialist countries were not being used.

Report ⁽¹⁾UNDP, DP/558 & Corr.1.

Resolution and decisions:

Resolution: ⁽²⁾ESC: 1981/59, para. 7, 22 July (p. 435).

Decisions: UNDP Council (report, E/1981/61/Rev.1), 27 June: ⁽³⁾81/20; ⁽⁴⁾81/21, para. 4.

Establishment of a study programme

The UNDP Governing Council requested the Administrator on 27 June 1981⁽²⁾ to establish a study programme on technical co-operation issues. The programme was to organize seminars attended by high-level national policy-makers, government representatives to international organizations, senior secretariat officials and field experts. They would informally discuss aspects of technical co-operation in order to promote greater understanding of development problems and to generate new resources and ideas. The programme was to be financed by voluntary contributions from Governments, international institutions and private foundations. An annex to the Council's decision set out the objectives, organization and management of the study programme.

The Governing Council's decision was welcomed by the Economic and Social Council on 22 July, in its resolution on UNDP.⁽¹⁾

On 15 October, the Administrator wrote to Governments and organizations requesting their support for the programme.

Resolution and decision: Res.: ⁽¹⁾ESC, 1981/59, para. 7, 22 July (p. 435). Dec.: ⁽²⁾UNDP Council (report, E/1981/61/Rev.1), 81/30, 27 June.

Relations with NGOs

The UNDP Administrator reported to the Governing Council in January 1981 on relations between UNDP and external institutions, mainly non-governmental organizations (NGOs).⁽²⁾ According to the report, Council members and the administration shared a common desire to see the number of co-operating organizations increase steadily. Additional steps were being taken, through UNDP resident representatives, to associate organizations from developing countries. Co-operating organizations included the Aga Khan Foundation, the International Co-operative Alliance, the Catholic Relief Services, the International Federation of Consulting Engineers, the Young Presidents' Organization, the International Federation of Institutes of Advanced Study and the Industry Council for Development.

The Governing Council took note of the Administrator's report on 27 June.⁽¹⁾

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/36 27 June.

Report: UNDP Administrator, DP/561.

Rationalization of the work of the Governing Council

The UNDP 'Governing Council, on 27 June 1981,⁽⁵⁾ adopted measures to streamline and rationalize its work.

The Council decided to allocate time to major policy issues and emerging developments in the activities under its supervision on which immediate action was necessary. Such policy reviews would be a major item on the agenda of each annual session, the precise topic to be defined a year in advance. A short part of each session would be held at a senior policy-maker level, and short sessions might be held on specific matters, including one in 1982 on country and intercountry programmes and another in 1983 on approval of new country programmes. The Budgetary and Finance Committee would meet one week prior to the annual Council sessions. An organizational meeting of one or two days would be held in New York each February.

The Council decided to establish the substantive agenda of each session under five main headings: policy review; programme implementation; programme planning; other funds and programmes; and financial, budgetary and administrative matters. Two topics—a policy review of other funds and programmes, and technical co-operation among developing countries—would be considered biennially.

The Council adopted measures to streamline the organization of its work and approved corresponding revisions to three of its rules of procedure. It also decided on steps to control documentation, including specific limits on the number of pages to be submitted to it in 1982, excluding country and intercountry programme papers.

The Economic and Social Council, in its 22 July resolution on UNDP,⁽²⁾ welcomed the Governing Council's decision. On 24 July, in connection with the calendar of future meetings, it requested the General Assembly to consider the feasibility of altering the dates of Governing Council sessions so that its reports might be submitted in good time for the mid-year sessions of the Economic and Social Council in 1982 and 1983.

The Assembly, in its resolution of 17 December on UNDP,⁽³⁾ endorsed the Governing Council's decision and decided that, beginning in 1983, a broad policy review of the funds and programmes under UNDP guidance should be undertaken biennially. This text omitted a phrase in an earlier draft sponsored by 32 countries⁽¹⁾ stressing the need for further streamlining and rationalization of the Governing Council's work.

Draft resolution withdrawn: ⁽¹⁾Algeria, Angola, Argentina, Bangladesh, Bhutan, Burundi, Central African Republic, Chad, Ecuador, Egypt, Finland, Gambia, India, Italy, Jamaica, Liberia, Malawi, Mali, Netherlands, Niger, Nigeria, Norway, Pakistan, Rwanda, Saint Lucia, Sri Lanka, Sudan, Turkey, Uganda, Yugoslavia, Zambia, Zimbabwe, A/C.2/36/L.107.

Resolutions and decisions: Res.: ⁽²⁾ESC, 1981/59, para. 7, 22

July (p. 435); ⁽³⁾GA, 36/200, paras. 4 & 11, 17 Dec. (p. 436). Dec.: ⁽⁴⁾ESC, 1981/192, para. (b), 24 July (p. 1089); ⁽⁵⁾JNDP Council (report, E/1981/61/Rev.I), 81/37, 27 June.

Publication: Rules Of Procedure Of the Governing Council Of the United Nations Development Programme (September 1981) (DP/1/Rev.3), Sales No. E.81.1.25.

UN technical co-operation programmes

In 1981, the United Nations continued its work to further the economic and social progress of the developing countries by supplying experts, awarding fellowships, providing advisory services, and organizing workshops and study tours. These activities covered a broad range of subjects, including development planning (p. 396), public administration (p. 398), rural development (p. 400), international trade (p. 535), shipping (p. 567), industrial development transnational corporations (. 604), mineral resources (p. 680), population (P. 787), environment (p. 841), statistics (p. 1072) and human rights (p. 937). Emphasis on the needs of the least developed countries (LDCs) was intensified.

The United Nations delivered a technical co-operation programme of approximately \$297 million in 1981, according to a report by the Secretary-General to the UNDP Governing Council.^(*) Of this total, \$204 million came from UNDP, \$46 million from special-purpose trust funds contributed by Governments, \$32 million from the United Nations Fund for Population Activities (UNFPA) and \$15 million from the United Nations regular programme of technical co-operation (see table on following page).

Slightly less than half of the United Nations programme—\$137 million, compared to \$134 million in 1980—was carried out by the Department of Technical Co-operation for Development (DTCD). The share of DTCD programmes funded by UNDP increased to 67 per cent (\$92 million) of the Department's total delivery, while that financed by trust funds and other sources decreased: UNFPA, 19 per cent (\$26 million); trust funds and other resources, 9 per cent (\$12 million); regular programme, 5 per cent (\$6 million).

The regional commissions delivered \$37 million, or 12 per cent of the United Nations programme, while the United Nations Centre for Human Settlements (Habitat) was responsible for \$13 million, or 4 per cent. The United Nations Industrial Development Organization (UNIDO) executed \$90 million in projects and the United Nations Conference on Trade and Development (UNCTAD) \$20 million, or 30 per cent and 7 per cent of the total, respectively.

Of expenditures on DTCD projects, the programme for Africa remained the largest, account-

ing for \$54 million or 39 per cent of the total. Expenditures in Asia and the Pacific amounted to \$36 million or 26 per cent, while those in the Americas, at \$20 million, represented a decrease from 21 per cent in 1980 to 15 per cent in 1981. Arab States accounted for \$9 million (7 per cent) and Europe for \$8 million (6 per cent). The remainder was spent on interregional (6 per cent) and global (0.3 per cent) projects. More than 35 per cent of DTCD field activities were concentrated in LDCs.

The sectoral breakdown of the DTCD programme changed only slightly. Natural resources and energy projects rose from 35 to 37 per cent of the programme and amounted to \$51 million. Projects in statistics increased to 22 per cent, or \$30 million. Projects in development administration (public administration and finance) remained at 9 per cent and involved expenditures of \$13 million, while development planning increased slightly from 19 to 20 per cent, with expenditures of \$27 million. Population projects amounted to 4 per cent or \$6 million, and social development projects were 2 per cent or \$3 million. Fellowships under the United Nations Educational and Training Programme for Southern Africa (p. 1117) and programmes in other sectors accounted for the remaining expenditures.

Under the United Nations regular programme of technical co-operation, financed as part of the United Nations regular budget, \$3.3 million was spent on industrial development activities. Projects in the area of natural resources accounted for over \$2.8 million of the programme's \$14.8 million total, while more than \$1.4 million was spent on development strategies, policies and planning. The programme also financed regional and subregional advisory services managed by the regional commissions, at a total expenditure of \$3.7 million. The \$1.3 million in activities by the Economic Commission for Africa was the largest of the regional components.

In 16 countries whose UNDP country programmes were to be reviewed by the Governing Council in 1982 and 1983, DTCD missions assisted national authorities in reviewing the objectives of their national and regional development plans in order to identify technical co-operation needs. Special efforts were made in 1981 to increase the level of investment-oriented work and to include assessment of investment potential as an integral part of the Department's missions and advisory services. Many activities related to technical co-operation among developing countries (TCDC) (p. 462) were undertaken by DTCD during the year, leading to the formulation of pilot or experimental projects and promoting new approaches. DTCD also provided training facilities and assistance to students: in 1981, the

number of fellowship awards increased to 3,531, and developing countries hosted more than 1,300 fellows.

The Governing Council, by a decision of 24 June,⁽¹⁾ endorsed the orientation of DTCD work and the use of the regular programme of technical co-operation for innovative activities for promoting TCDC and the global priorities recognized by United Nations bodies, special consideration being given to the needs of LDCs and the island and land-locked developing countries. The Council invited the UNDP Administrator to take account of the special competence, experience and expertise of DTCD in its fields of specialization when selecting executing agencies for implementing projects financed by UNDP or UNDP-managed funds, including those entrusted to UNDP in the future. It also endorsed a recommendation on co-ordination between DTCD and the United Nations Revolving Fund for Natural Resources Exploration (p. 675).

During the debate on operational activities for development in the General Assembly's Second (Economic and Financial) Committee, the USSR said DTCD had been ineffective in arranging for the training of personnel from developing countries in the USSR and other socialist countries.

UNITED NATIONS TECHNICAL CO-OPERATION
PROJECT EXPENDITURES IN 1981
(in thousands of US dollars)

	Regular programme	UNDP	UNFPA	Trust funds	Total
DTCD	6,466	92,220	25,807	12,081	136,574
ECA	1,331	7,717	2,300	285	11,633
ECE	-	878	-	157	1,035
ECLA	938	2,128	2,716	2,847	8,629
ECWA	723	458	437	143	1,761
ESCAP	670	5,214	707	7,191	13,782
UNCHS	620	10,971	-	1,591	13,182
UNCTAD	795	17,058	-	2,043	19,896
UNIDO	3,278	67,291	-	19,928	90,497
Total	14,821	203,935	31,967	46,266	296,989

⁽¹⁾Excludes \$858,821 in expenditures of the Special Trust Fund for the United Nations Centre on Transnational Corporations.

⁽²⁾Includes \$459,590 for the human rights advisory services portion of the regular programme, administered in Geneva.

Decision: ⁽¹⁾UNDP Council (report, E/1981/61/Rev.1), 81/11, 24 June.

Report: ⁽²⁾S-G, DP/1982/22 & Add.1.

UN Volunteers

By the middle of 1981, its tenth anniversary year, the United Nations Volunteers (UNV) programme reached for the first time the level of 1,000 volunteers serving in the field. The number dropped to 975 by 31 December. The number of countries receiving assistance from the programme increased from 87 in December 1980 to 91 by the end of 1981.

According to a report by the UNDP Administrator on the programme's 1981 activities,⁽³⁾ UNV increasingly emphasized service in least developed countries: 460 volunteers were assigned to such countries as of December. In terms of regional distribution, the programme expanded considerably in Asia and the Pacific, where 44 per cent of the serving volunteers were assigned as of December, compared to 35 per cent a year earlier. Africa accounted for 38 per cent, the Arab States 14 per cent, and Latin America and the Caribbean 4 per cent.

The programme continued work in its two principal areas, domestic development services and youth. Funds were earmarked from the UNDP indicative planning figure for Africa for a project, commencing in 1982, in which UNV would co-operate with organizations active in those areas. A review and programming meeting with organizations participating in a similar project in Asia and the Pacific was held at Kuala Lumpur, Malaysia, from 8 to 14 November 1981, to assess the project and chart its second phase, due to begin in 1983. Some 60 organizations from 14 Asian and Pacific countries participated in the project in 1981, and 95 volunteers were assigned. In Latin America, government representatives participating in a UNV-executed regional project on promotion of youth participation in social development activities decided to set up continuing machinery to facilitate exchange of information and promote co-operation in the field of youth.

Volunteers included engineers, agronomists, vocational teachers, medical doctors, nurses and midwives, social and community workers, mechanics and persons of many other skills and professions. The programme assigned an average of 39 new volunteers per month throughout the year, for an annual total of 470. At year's end, 760 volunteers- 78 per cent of the total-were nationals of 57 developing countries. More than 20 per cent of all volunteers were women.

The financial position of UNV deteriorated in 1981, since the level of annual contributions to the Special Voluntary Fund, established to support the programme's activities, remained static while the programme grew rapidly. Total contributions paid to the Fund in 1981 amounted to \$581,187 from 15 countries (see table on p. 462). In addition, UNDP allocated \$250,000 to the programme, and interest income, derived mainly from previous years' contributions, provided another \$540,125. Project expenditures totalled \$1,608,408, or \$235,616 more than total income. For 1982, a total of \$492,182 was pledged by 17 countries as at 31 December 1981.

Administrative costs continued to be met from the UNDP budget (p. 447). Acting on 30

June 1981, the UNDP Governing Council, through a supplementary appropriation of \$393,700, raised its 1980-1981 appropriation for this purpose to \$3,750,100 (net) and added four posts to the UNV staff of 37,⁽⁷⁾ and appropriated \$4,590,500 for 1982-1983, including the cost of six additional posts.⁽⁸⁾

Both the Governing Council and the General Assembly reconfirmed their support for UNV. The Council, on 18 June,⁽⁶⁾ noted the programme's progress in response to its related mandates in the fields of domestic development service and youth, requested the UNV Executive Co-ordinator to continue recruiting volunteers on the widest possible geographical basis and reiterated its invitation to donors to increase contributions to the Special Voluntary Fund. On 30 June, in its decision on support costs of executing agencies,⁽⁹⁾ the Council decided to review in 1982 the question of reimbursing UNV for costs related to non-UNDP-financed activities and requested the Administrator to present proposals.

The Economic and Social Council, on 22 July,⁽⁵⁾ took note of the Governing Council's 18 June decision as well as of the UNDP Administrator's report on the 1980 activities of UNV.⁽²⁾ This decision was adopted, without vote, on the recommendation of the Third (Programme and Co-ordination) Committee, as orally proposed by the Committee Chairman and approved without vote on 17 July.

The General Assembly, by a resolution of 17 December adopted without vote,⁽⁴⁾ noted with satisfaction the programme's successful achievement during its first decade and that it had achieved ahead of schedule the target of 1,000 volunteers in service. It considered UNV a valuable instrument of multilateral technical co-operation and reiterated its appeal to donors to contribute or increase their contributions to the Special Voluntary Fund so as to overcome the financial straits affecting it.

The Second Committee approved this text without vote on 27 November, as submitted by a Vice-Chairman on the basis of informal consultations on a lo-nation draft⁽¹⁾ introduced by the Philippines. The original draft, which was withdrawn, would have had the Assembly reaffirm its conviction (instead of consider) that the programme was a unique (rather than valuable) instrument of multilateral technical co-operation. Also, the original text called for enabling the programme to overcome financial constraints affecting its growth, whereas the adopted text used the phrase "affecting it". All three revisions were made orally on behalf of the original draft's sponsors and were carried over into the Vice-Chairman's draft.

In the Committee's debate on operational activities for development, a number of speakers commended UNV and urged its continued support. Among them, Bhutan said that although the programme had been working in that country for less than two years, it was already an important source of skilled manpower. Rwanda regretted that its nationals had been recruited outside its borders to serve with the programme, depriving Rwanda of their services when their United Nations contracts had terminated. The Syrian Arab Republic said volunteers had performed well in that country and would be used for training local supervisory staff under its development plan.

CONTRIBUTIONS TO THE SPECIAL VOLUNTARY FUND FOR
THE UNITED NATIONS VOLUNTEERS, 1981 AND 1982

(as at 31 December 1981; in US dollar equivalent)

Country	1981 payment	1992 pledge
Austria	7,700	7,700
Bangladesh	-	1,000
Belgium	222,222	-
Bhutan	500	575
Botswana	510	571
Brazil	10,000	10,000
Denmark	12,577	-
India	5,000	5,000
Indonesia	-	1,000
Italy	-	168,067
Lesotho	-	200
Liberia	10,275	2,000
Morocco	5,000	5,000
Netherlands	200,000	193,750
Norway	-	87,719
Philippines	1,000	-
Solomon Islands	-	500
Sri Lanka	-	3,000
Switzerland	103,865	-
Thailand	1,500	1,500
Trust Territory of the Pacific Islands	1,000	-
Tunisia	-	4,600
Uganda	36	-
Total	581,187	492,182

Draft resolution withdrawn: ⁽¹⁾Bangladesh, Belgium, Bhutan, Egypt, Italy, Liberia, Netherlands, Norway, Philippines, Syrian Arab Republic, A/C.2/36/L.77.

Reports: UNDP Administrator, ⁽²⁾DP/535, ⁽³⁾DP/1982/37.

Resolution and decisions:

Resolution: ⁽⁴⁾GA: 36/198, 17 Dec., text following.

Decisions: ⁽⁵⁾ESC: 1981/172, 22 July, text following.

UNDP Council (report. E/1981/61/Rev.1): ⁽⁶⁾81/1, 18 June; ⁽⁷⁾81/26, 30 June; ⁽⁸⁾81/27, paras. 4 (b) & 10, 30 June; ⁽⁹⁾81/40, para. 8, 30 June.

Meeting records: ESC: 3rd Committee, E/1981/C.3/SR.9, 10-12, 76 (13-17 July); plenary, E/1981/SR.39 (22 July). GA: 2nd Committee, A/C.2/36/SR.3, 6, 33-39, 42, 44 (24 Sep.-27 Nov.); plenary, A/36/PV.103 (17 Dec.).

Economic and Social Council decision 1981/172

Adopted without vote

Approved by Third Committee (E/1981/102) without vote. 17 July (meeting 16); draft orally proposed by Chairman; agenda item 17.

United Nations Volunteers programme

At its 39th plenary meeting, on 22 July 1981, the Council took note of:

(a) The annual report of the Administrator of the United Nations Development Programme for 1980 on the United Nations Volunteers;

(b) Decision 81/1 of 18 June 1981, adopted by the Governing Council of the United Nations Development Programme at its twenty-eighth session.

General Assembly resolution 36/198

Adopted without vote Meeting 103 17 December 1981

Approved by Second Committee (A/36/812) without vote, 27 November (meeting 44); draft by Vice-Chairman (A/C.2/36/L.114), based on informal consultations on lo-nation draft (A/C.2/36/L.77); agenda item 70 (f).

United Nations Volunteers programme

The General Assembly,

Recalling its resolution 2659(XXV) of 7 December 1970,

Having considered the report of the Governing Council of the United Nations Development Programme on its twenty-eighth session and its decision 81/1 of 18 June 1981 on the United Nations Volunteers programme,

1. Notes with satisfaction the successful achievement of the United Nations Volunteers programme during the first decade of service, that it is active in ninety-three countries, including the least developed countries, and that it has, in response to General Assembly resolution 34/107 of 14 December 1979, reached ahead of schedule the target of one thousand volunteers in service;

2. Notes the activities of the programme in the fields of youth and domestic development service;

3. Considers that the programme is a valuable instrument of multilateral technical co-operation in response to the needs of the developing countries, in particular the least developed and newly independent countries;

4. Reiterates its appeal to Governments, organizations and individuals to contribute or to increase their contributions to the Special Voluntary Fund for the United Nations Volunteers so as to enable the programme to overcome the financial constraints affecting it, and requests the Executive Co-ordinator to explore ways of ensuring increased resources and to make proposals thereon to the Governing Council of the United Nations Development Programme.

Technical co-operation among developing countries

UNDP continued in 1981 to play a leading role in efforts by the United Nations to promote the exchange of experts and skills among developing countries (p. 467). A committee of the General Assembly reviewed activities by the United Nations system in regard to technical co-operation among developing countries (TCDC) and made suggestions for future work. These activities paralleled action in favour of economic co-operation among developing countries, taken by the United Nations Conference on Trade and Development (UNCTAD) and others (p. 383).

Among its activities in Africa, UNDP was helping to strengthen an African aquaculture centre in Nigeria, a national centre in Mauritius where research and training facilities in sugar-cane production were provided for 12 African countries, and a project for rice production in West Africa. UNDP field offices helped Governments which participated in the November TCDC Meeting of the Southern Africa Development Co-ordination Council to prepare their country profiles.

Among Arab States, regional projects with a TCDC component included an Arab planning

institute in Kuwait, desert-locust survey and control, and an Arab institute for banking and financial studies, primarily serving the Gulf area. Thirty-nine TCDC projects in Asia and the Pacific were under way in 1981, with a UNDP contribution of about \$31.4 million, or approximately 34 per cent of all Asian and Pacific regional programmes in the 1977-1981 planning cycle. About 85 per cent of regional projects in Latin America and the Caribbean involved TCDC, including the Inter-American Research and Documentation Centre on Vocational Training (Montevideo, Uruguay) and support to the Caribbean Community secretariat.

Many interregional and global projects also promoted TCDC activities. A number of these involved support for institutions, such as the International Centre for Public Enterprises in Developing Countries (Ljubljana, Yugoslavia), or for links between institutions, as in a project to find ways in which management development bodies in developing countries might co-operate more closely. Others were training projects, including one designed to develop vocational training in telecommunications.

While most TCDC projects were regional or interregional, some were financed as part of the programmes of individual countries. One example was a computer software development and training project in India, begun in 1981 by the United Nations Financing System for Science and Technology for Development, in which Indians joined with Africans, Asians and Latin Americans to develop training courses.

ACTIVITIES OF THE COMMITTEE ON TCDC. The second session of the High-level Committee on the Review of Technical Co-operation among Developing Countries was held at United Nations Headquarters from 1 to 8 June 1981.⁽²⁾ The Committee's tasks were to review TCDC activities within the United Nations system, ensure that efforts to strengthen such activities were sustained, support new policies and approaches to further the development of TCDC, consider the availability of funds and their effective use by the United Nations system, and ensure co-ordination of TCDC activities within the system. These functions were defined by the Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, adopted in 1978 by the United Nations Conference on Technical Co-operation among Developing Countries, held at Buenos Aires, Argentina.⁽⁸⁾

The Committee adopted 10 decisions on 7 June 1981, aimed at promoting TCDC in general and in specific areas. In one of these, it urged action to reverse what it saw as insufficient progress in implementing the Buenos Aires Plan

of Action (p. 465). It sought to encourage potential sources for financing TCDC (p. 465), called for an exchange of information on government activities in this field (p. 466), invited developing countries to co-operate in strengthening institutional and administrative mechanisms (p. 466) and legal arrangements (p. 467) for TCDC, and suggested policy and procedural changes to facilitate the use of UNDP country programme funds for TCDC (p. 467).

In other decisions, the Committee called for activities to develop transport and communications between developing countries (p. 568) and to promote women's participation in development programmes through TCDC (p. 986), and recommended greater co-operation among developing countries in scientific and technological research (p. 749). Finally, it adopted a provisional agenda for its next (1983) session, concentrating on a review of progress and on organizational and support arrangements for

ECONOMIC AND SOCIAL COUNCIL ACTION. On 22 July, the Economic and Social Council, by a resolution⁽³⁾ adopted without vote, took note with satisfaction of the report of the Committee on TCDC and commended its decisions to the attention of the General Assembly. The Council's Third Committee had recommended this action on 17 July, also without vote, on the basis of a 16-nation draft introduced by India.

GENERAL ASSEMBLY ACTION. By a resolution of 19 November,⁽⁴⁾ adopted without vote, the General Assembly also took note of the report and urged Governments to implement the agreements reached by the Committee. It requested that the third session of the Committee be convened prior to the 1983 session of the UNDP Governing Council; invited participants in UNDP to send high-level representatives to the Committee's next session; and requested the executive heads of United Nations organs, organizations and bodies, including the regional commissions, to contribute to the preparation of the session and participate actively in it.

The Second Committee approved the resolution without vote on 11 November. The text was submitted by a Vice-Chairman, based on informal consultations on a draft introduced by Algeria on behalf of the Group of 77.⁽¹⁾ The adopted text added a clause stating that preparations by United Nations organs and organizations should be conducted "within their spheres of competence, programmes of work and available resources".

In the Committee's debates on development and international economic co-operation and on operational activities for development, several speakers, including Argentina, the Gambia and

Guinea, urged developed countries to support TCDC. India said it was unfortunate that developed countries paid only lip-service to TCDC and felt threatened by it. Romania regarded it as unsatisfactory that most TCDC activities were financed by the developing countries and felt that developed countries, development banks and the United Nations system should increase their contributions substantially.

Other speakers mentioned action which developing countries could take to strengthen TCDC. Egypt suggested that they create pools of skilled manpower and establish joint institutions for planning and education. The Philippines said the Committee on TCDC had reaffirmed the key principle that activities in this sphere had to be initiated, organized and directed primarily by developing countries. The Republic of Korea noted that during 1980 it had provided courses for 127 trainees from developing countries and had sent experts to 17 such countries; it would ensure that its companies operating overseas were mindful of the host countries' need for employment and training.

In other comments, Argentina stressed the supremacy of Governments in decision-making on the subject of TCDC. The Congo, though realizing that the current economic crisis did not favour TCDC, remarked that there was no substitute for a firm resolve to transfer the concept into well-established operational activities. The Gambia hoped the Committee on TCDC would consider the role of TCDC in promoting agricultural production, rural development, desertification control and the exchange of skills. Tunisia said TCDC was aimed at taking advantage of the complementarity of developing countries so that they could make better use of their resources. The Ukrainian SSR considered that TCDC was impeded by political, financial, economic and social problems which developing countries had to overcome by changing their economic and social structures and providing full employment through the development of domestic industries.

TRADE AND DEVELOPMENT BOARD ACTION. On 9 October,⁽⁶⁾ the Trade and Development Board of UNCTAD requested the UNCTAD Secretary-General to prepare, in collaboration with the International Labour Organisation and other agencies, an action-oriented study on the co-operative exchange of skills, including recommendations for further action, and to submit that study to the 1983 session of the Committee on TCDC. The Board invited UNDP to co-operate in the study. The suggestion that UNCTAD consider initiating such a study was made by the Committee in its 7 June decision on scientific and technological co-operation among developing countries (p. 749).

The Board's resolution was endorsed by the General Assembly on 16 December, in a resolution on UNCTAD.⁽⁵⁾

Draft resolution withdrawn: ⁽¹⁾Algeria, for Group of 77, A/C.2/36/L.16.

Report: ⁽²⁾Committee on TCDC, A/36/39.

Resolutions and decision:

Resolutions: ⁽³⁾ESC: 1981/58, 22 July, text following. GA: ⁽⁴⁾36/44, 19 Nov., text following; ⁽⁵⁾36/145, para. 13, 16 Dec. (p. 534). ⁽⁶⁾TDB (report, A/36/15): 242(XXIII), 9 Oct.

Decision: ⁽⁷⁾Committee on TCDC: 2/10, 7 June.

Yearbook reference: ⁽⁸⁾1978, p. 467.

Meeting records: ESC: 3rd Committee, E/1981/C.3/SR.9, 10-12, 16 (13-17 July); plenary, E/1981/SR.39 (22 July). GA: 2nd Committee, A/C.2/36/SR.3-6, 10-24, 25, 26, 28-32, 35 (24 Sep.-11 Nov.); plenary, A/36/PV.64 (19 Nov.).

Economic and Social Council resolution 1981/58

Adopted without vote Meeting 39 22 July 1981

Approved by Third Committee (E/1981/102) without vote, 17 July (meeting 16): 16-nation draft (E/1981/C.WL.15); agenda item 17.

Sponsors: Argentina. Bahamas. Bangladesh. Burundi. Fiji. India. Indonesia. Kenya. Malawi. Mexico. Nepal. Pakistan. Romania. Spain. Turkey. Yugoslavia.

High-level Committee on the Review of Technical

Co-operation among Developing Countries

The Economic and Social Council,

Recalling the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries and General Assembly resolution 33/134 of 19 December 1978, endorsing the recommendations contained in the Plan of Action,

Having examined the report of the High-level Committee on the Review of Technical Co-operation among Developing Countries on its second session,

Noting decisions 81/31 and 81/32 of 26 June 1981 of the Governing Council of the United Nations Development Programme concerning technical co-operation among developing countries,

1. Takes note with satisfaction of the report of the High-level Committee on the Review of Technical Co-operation among Developing Countries on its second session;

2. Commends to the attention of the General Assembly the report of the High-level Committee and the decisions contained therein.

General Assembly resolution 36/44

Adopted without vote Meeting 64 19 November 1981

Approved by Second Committee (A/36/694/Add.7) without vote, 11 November (meeting 35): draft by Vice-Chairman (A/C.2/36/L.34), based on informal consultations on draft by Algeria, for Group of 77 (A/C.2/36/L.16); agenda item 69 (h).

Technical co-operation among developing countries

The General Assembly,

Recalling its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, 3281 (XXIX) of 12 December 1974, containing the Charter of Economic Rights and Duties of States, and 3362 (S-VII) of 16 September 1975 on development and international economic co-operation.

Recalling also its resolution 35/56 of 5 December 1980, the annex to which contains the International Development Strategy for the Third United Nations Development Decade,

Recalling further its resolution 33/134 of 19 December 1978, in which it endorsed the Buenos Aires Plan of Action for Promoting and implementing Technical Co-operation

among Developing Countries, and its resolutions 34/117 Of 14 December 1979 and 35/202 of 16 December 1980 on technical co-operation among developing Countries.

Having examined the report of the High-level Committee on the Review of Technical Co-operation among Developing Countries on its second session, held from 1 to 8 June 1981,

Taking note of decisions 81/31, 81/32 and 81/33 of 26 June 1981 of the Governing Council of the United Nations Development Programme, relating to technical co-operation among developing countries,

Taking note also of Economic and Social Council resolution 1981/58 of 22 July 1981 relating to the Committee.

1. Takes note with satisfaction of the report of the High-level Committee on the Review of Technical Co-operation among Developing Countries on its second session;

2. Urges all Governments to take immediate steps to implement the agreements reached by the Committee at its second session;

3. Requests the Administrator of the United Nations Development Programme to convene the third session of the Committee prior to the commencement of the thirtieth session of the Governing Council of the Programme, to be held in 1983;

4. Decides that the organization of the session of the Committee in 1983 shall provide for plenary meetings and for meetings of only one working group;

5. Invites all participants in the United Nations Development Programme to undertake the necessary preparations for the third session of the Committee and to be represented at a high level;

6. Requests the executive heads of the organs, organizations and bodies in the United Nations system, including the regional commissions, within their spheres of competence, programmes of work and available resources and in close co-operation with the Administrator of the United Nations Development Programme, to contribute to the preparation of the third session of the Committee and to participate actively therein.

Implementation of the Buenos Aires Plan of Action

The Committee on TCDC, in a decision of 7 June 1981,⁽¹⁾ expressed concern that progress in implementing the Buenos Aires Plan of Action for TCDC⁽⁴⁾ had been insufficient. It invited developing countries to increase and promote activities in this sphere and developed countries to continue and consider increasing and improving their support for such activities. The Committee requested governing bodies in the United Nations system to continue providing support for TCDC, with maximum use of local inputs and of those provided by developing countries. It requested the UNDP Administrator to prepare a report for the Committee's 1983 session that would review progress and provide information on potential sources of finance (see below) and on the UNDP contribution (p. 468). The UNDP administration was also requested to emphasize action-oriented activities by supporting regional and interregional technical co-operation projects, and to promote the exchange of information in this sphere (p. 466).

The UNDP Administrator, in a March report to the Committee on implementation of the Plan of Action,⁽²⁾ stated that significant progress was being made in introducing and applying TCDC.

United Nations organizations had reoriented their structures and policies to that end, or were in the process of doing so. Many activities of the United Nations system were financed by UNDP (p. 467). However, there were still major obstacles, such as the lack of a concrete manifestation of a political will in some cases to sustain co-operation between developing countries, and the lack of adequate financial, technical and human resources. Also, sufficient effort had not been made to mobilize professional and technical organizations in furthering TCDC, and the private sector in developing countries had scarcely been involved. Continued support for TCDC promotional activities by the United Nations system could be seriously affected by the lack of adequate catalytic resources.

The Committee for Development Planning (p. 395), in the report on its March/April session,⁽²⁾ mentioned the need for developing countries vigorously to initiate a strengthening of South-South interdependence. In addition to suggesting various types of economic co-operation (p. 383), it favoured more TCDC to promote technology, particularly through the greater use by developing countries of each other's professionals, consultancy firms, construction contractors and skilled workers.

Decision: ⁽¹⁾Committee on TCDC (report, A/36/39), 2/3, 7 June.

Reports: ⁽²⁾CDP, E/1981/27; ⁽³⁾UNDP Administrator, TCDC/2/5.

rearbook reference: ⁽⁴⁾1978, p. 467.

Financing

By a decision of 7 June 1981 on potential sources for financing TCDC,⁽²⁾ the Committee on TCDC invited developing countries to consider incorporating resources in their national budget to finance TCDC activities and setting up national funds for technical co-operation. It reiterated requests to regional and interregional funds, development banks and other intergovernmental financial institutions and aid agencies to make special efforts to support such activities. Developed countries were invited to continue to consider requests for financial support for national TCDC projects, promotional activities such as training of personnel and pre-feasibility studies, and strengthening of intercountry institutions and physical infrastructure. The Committee requested the UNDP Administrator to devote the greatest possible share of intercountry resources to TCDC activities with subregional, regional and interregional objectives (p. 468).

In its decision of the same date concerning implementation of the Buenos Aires Plan of Action (see above), the Committee requested the Administrator to provide information on poten-

tial sources of TCDC financing from international institutions and organizations, multilateral development banks and funds, and government agencies of developed and developing countries.⁽¹⁾

Examining the potential sources for financing TCDC, the Administrator, in a March report to the Committee,⁽³⁾ pointed out that few countries included TCDC appropriations in their national budget. However, development banks and funds in developing countries had no apparent problem in financing bankable TCDC activities, and developed countries, through their bilateral assistance programmes, assisted specific projects of interest to them. Some multinational institutions had also fostered TCDC.

Decisions: Committee on TCDC (report, A/36/39), 7 June:
⁽¹⁾2/3 para. 5 ^(b); ⁽²⁾2/8.

Report: ⁽³⁾UNDP Administrator, TCDC/2/16.

Exchange of information

Following up a recommendation by the UNDP Administrator, the Committee on TCDC, by a decision of 7 June 1981,⁽¹⁾ invited Governments of developing countries to consider collecting systematically information on their bilateral and multilateral TCDC activities and, when they deemed it appropriate, to share that information with the United Nations development system. The Administrator was invited, in preparing future reports on government TCDC activities, to attempt more complete and more analytical coverage.

In a decision of the same date⁽²⁾ on implementation of the Buenos Aires Plan of Action (p. 465), the Committee requested the Administrator to work towards a methodology of information for TCDC which would be homogeneous and easily understood, and to continue efforts for a proposed Development Information Network which would help foster information exchange among developing countries. To permit an effective response to countries interested in TCDC, it requested the Secretary-General, in collaboration with the Administrator, to continue efforts in the United Nations system to make the different information networks compatible so that the information flow would become systematic and timely.

In a March report to the Committee,⁽³⁾ the Administrator concluded that the main obstacle to the preparation of comprehensive information on TCDC activities by Governments had been the lack of national arrangements or systems for the preparation of such information, and possibly the lack of time to gear up the necessary system.

Decisions: Committee on TCDC (report, A/36/39), 7 June:
⁽¹⁾2/1; ⁽²⁾2/3, paras. 7-9.

Report: ⁽³⁾UNDP Administrator, TCDC/2/7.

Institutional arrangements

Endorsing recommendations of the UNDP Administrator on institutional arrangements and administrative mechanisms for TCDC, the Committee on TCDC recommended on 7 June 1981⁽¹⁾ that developing countries consider what administrative arrangements should be established or strengthened to enhance the implementation of TCDC objectives and invited them to intensify co-operation among themselves as part of that process. It urged the United Nations system to assist developing countries in establishing and/or strengthening national focal points or co-ordinating mechanisms for TCDC, and invited UNDP to assist developing countries in organizing, primarily at the regional and subregional levels, TCDC training programmes for government officials.

In its decision of 7 June on potential sources for financing TCDC,⁽²⁾ the Committee included the strengthening of intercountry institutions as one of the TCDC activities it invited developed countries to assist financially.

The Administrator, in a March report,⁽³⁾ mentioned the need for national focal points to reinforce TCDC national and bilateral efforts, and pointed out that the UNDP Special Unit for TCDC, in co-ordination with UNDP resident representatives, could provide a link with national focal points.

Decisions: Committee on TCDC (report, A/36/39), 7 June:
⁽¹⁾2/6; ⁽²⁾2/8, para. 4 ^(c).

Report: ⁽³⁾UNDP Administrator, TCDC/2/14.

Regional institutions

A Joint Inspection Unit (JIU) report of December 1980, prepared by Inspector Julio C. Rodriguez Arias and transmitted to the General Assembly in February 1981,⁽³⁾ examined assistance by the United Nations system to regional intercountry technical co-operation institutions. The report stressed that United Nations aid should support rather than supplant the mutual activities of countries participating in such institutions and not encroach on their management and administrative responsibilities. Regional institutions should be self-reliant; it was at variance with the purposes of United Nations technical co-operation for them to be totally dependent on the United Nations system for resources.

Commenting on the JIU report, the Administrative Committee on Co-ordination (ACC) agreed with its thesis that the United Nations system should avoid supplanting the central role which only Governments could play in regard to such institutions. However, while supporting the notion that they should be financially independent, ACC stressed that the capacity of participating countries to provide basic financial support had to be taken into account in each instance.

The Economic and Social Council, in a decision of 22 July adopted without vote,⁽¹⁾ took note of the JIU report and the ACC comments. The action was recommended by the Third (Programme and Co-ordination) Committee on an oral proposal by its Chairman, approved without vote on 17 July. The General Assembly acted similarly on 17 December,⁽²⁾ on the recommendation of its Second (Economic and Financial) Committee, which approved the decision on 7 December, also without vote, as orally proposed by its Chairman.

During the Second Committee's debate on operational activities for development, Kenya said it did not agree with the JIU recommendation that regional institutions should be legally constituted before they received United Nations assistance; such bodies might be able to assist other countries without having a legal agreement.

Decisions: ⁽¹⁾ESC, 1981/174, 22 July, text following; ⁽²⁾GA, 36/449, 17 Dec., text following.

Report: ⁽³⁾JIU, transmitted by S-G note, A/36/101 & Corr.1, and ACC comments, transmitted by S-G note, Add.1.

Meeting records: ESC: 3rd Committee, E/1981/C.3/SR.9-12, 16 (13-17 July); plenary, E/1981/SR.39 (22 July). GA: 2nd Committee, A/C.2/36/SR.3, 6, 33-39, 42, 46 (24 Sep.-7 Dec.); plenary, A/36/PV.103 (17 Dec.).

Economic and Social Council decision 1981/174

Adopted without vote

Approved by Third Committee (E/1981/102) without vote. 17 July (meeting 16); draft orally proposed by Chairman: agenda item 17.

Assistance by the United Nations system to regional

intercountry technical co-operation institutions

At its 39th plenary meeting, on 22 July 1981, the Council took note of:

(a) The report of the Joint inspection Unit entitled 'Assistance by the United Nations system to regional intercountry technical co-operation institutions';

(b) The comments of the Administrative Committee on Co-ordination thereon.

General Assembly decision 36/449

Adopted without vote

Approved by Second Committee (A/36/812) without vote. 7 December (meeting 46); oral proposal by Chairman: agenda item 70 (a).

Assistance by the United Nations system to regional intercountry technical co-operation institutions

At its 103rd plenary meeting, on 17 December 1981, the General Assembly, on the recommendation of the Second Committee, took note of the report of the Joint inspection Unit entitled "Assistance by the United Nations system to regional intercountry technical co-operation institutions" and of the comments of the Administrative Committee on Co-ordination thereon.

Legal aspects

As suggested in a consultants' report submitted in March 1981 by the Administrator of the United Nations Development Programme (UNDP),⁽²⁾ the High-level Committee on the Review of Technical Co-operation among Devel-

oping Countries (TCDC), by a decision of 7 June,⁽¹⁾ recommended that developing countries consider adopting laws and regulations to facilitate TCDC, including provisions on sending their technical and professional personnel abroad without loss of benefits. It also invited multilateral agencies to consider adjusting their rules and procedures so as to support TCDC, and recommended that developing countries continue sending legal instruments on technical co-operation to the UNDP Special Unit for TCDC.

The Administrator's report surveyed legal arrangements for TCDC and suggested elements to be incorporated in legal instruments.

Decision: ⁽¹⁾Committee on TCDC (report, A/36/39), 2/7, 7 June.

Report: ⁽²⁾UNDP Administrator, TCDC/2/15.

UNDP programme

New policies, rules and procedures designed to facilitate the use of UNDP country programme funds to help recipient countries aid others through TCDC were approved on 26 June 1981 by the UNDP Governing Council.⁽⁴⁾ The Council acted on the basis of proposals in a March report by the Administrator,⁽⁶⁾ endorsed on 7 June by the Committee on TCDC.⁽³⁾

The new arrangements lifted the blanket restriction imposed in 1980⁽⁷⁾ which largely prevented UNDP from reimbursing a recipient Government for TCDC-related costs it incurred in its own currency, as when it paid the transportation costs of its nationals attending training courses in another developing country or purchased equipment and supplies at home for use in a TCDC project elsewhere. The Administrator reported that the restriction on reimbursement probably helped account for the fact that little use had been made of country programme funds for TCDC. Under the new arrangements, funds available under a recipient country's indicative planning figure (IPF), used to finance the UNDP country programme, could be used as a catalyst and supplementary contribution for a country's TCDC activities, though the primary responsibility would be that of the developing countries.

For the 1982-1986 programming cycle, the Committee recommended and the Council decided that earmarkings from IPFs for TCDC activities should not exceed 10 per cent of a country's IPF or \$7.5 million, whichever was less. In addition, basic guidelines were approved for assessing TCDC project proposals and stipulations were made concerning the payment of expenses for services, materials and personnel, allowing the same flexibility as for the rest of UNDP projects.

As requested by the Committee, the Council asked the Administrator to report to both bodies

in 1983 on the costs of TCDC projects funded from country IPFs, with details on local cost reimbursement and on expenditures for expertise, equipment and supplies, consultancy services and training.

In addition to this action affecting country IPFs, the Council, on the Committee's recommendation, decided on 26 June to allocate \$1 million from UNDP Special Programme Resources for TCDC promotional purposes for 1982-1983.⁽⁵⁾ The Council requested a report from the Administrator in 1982 on the use of those funds.

With regard to UNDP intercountry programmes, the Administrator noted in his report that it was up to the Governments concerned to decide the extent to which TCDC elements should be incorporated. The Committee, in a 7 June decision on TCDC financing,⁽²⁾ requested the Administrator to devote the greatest possible share of regional, interregional and global IPFs to support projects with TCDC elements to be carried out by intergovernmental agencies having subregional, regional and interregional objectives. In another decision of the same date,⁽³⁾ on implementation of the Buenos Aires Plan of Action for Promoting and Implementing TCDC (p. 465), the Committee requested the UNDP administration to give more emphasis to action-oriented activities by supporting regional and interregional technical co-operation projects, bilateral and multilateral.

The Governing Council, in a decision of 26 June⁽⁵⁾ on the report of the Committee on TCDC, requested the Administrator to submit in 1982 a study on the possibility of financing TCDC activities from other sources, including regional and interregional IPFs, and a report on TCDC activities under regional and interregional programmes.

Decisions: Committee on TCDC (report, A/36/39), 7 June: ⁽¹⁾2/3, paras. 5 ^(c) & 6; ⁽²⁾2/8, para. 7; ⁽³⁾2/9, UNDP Council (report, E/1981/61/Rev.1), 26 June: ⁽⁴⁾S1/31, ⁽⁵⁾81/32.

Report ⁽⁶⁾UNDP Administrator. TCDC/2/17.
Yearbook reference ⁽⁷⁾1980, p. 590.

UN Capital Development Fund

In 1981, the seventh year of operations of the United Nations Capital Development Fund (UNCDF), the Fund's operations accelerated sharply. Project expenditures totalled \$48.2 million, representing a 150 per cent increase over the previous year, while new commitments approved in 1981 totalled \$71 million, compared with \$52.2 million in 1980. Income in 1981 totalled \$42.1 million, including \$29.7 million contributed by Governments (p. 470).

A report by the UNDP Administrator on the Fund's 1981 activities⁽³⁾ indicated that, of the 35 new projects approved in 1981, 19 became operational during the year, bringing the total number to 164 operational projects in 39 countries. Of the recipients, 31 were least developed countries (LDCs) and the others were countries which the General Assembly had directed be given similar consideration. As at 31 December 1981, total cumulative commitments reached \$220.1 million for 188 projects (including 24 completed projects) in 42 countries, while cumulative expenditures totalled \$102 million.

About 80 per cent of the Fund's assistance continued to be devoted to the rural sector. Emphasis was on: basic social infrastructure, such as provision of food, drinking water and sanitation, schools and training institutions, health centres and basic medical equipment, low-cost housing and slum rehabilitation; and on economic infrastructure and production inputs, such as feeder roads, water resources development and irrigation schemes, rural electrification, crop storage and distribution facilities, and small-scale agro-based and agriculture-related industries.

The Fund acted to increase co-operation with international and bilateral agencies and multilateral financing institutions and with United Nations regional commissions and other regional bodies, particularly in such critical areas as desertification control, water resources management and other priority sectors affecting LDCs. In July it began negotiations for a basic agreement with beneficiary Governments establishing the legal framework for its assistance.

After receiving a report by the Administrator on the Fund's 1980 activities,⁽²⁾ the UNDP Governing Council, on 19 June 1981,⁽⁵⁾ decided to continue the partial funding system for projects (p. 470) and reiterated its request that UNCDF be authorized to meet its own administrative and programme support costs (p. 469).

The Assembly approved the proposal on administrative and programme support costs in a resolution of 17 December, adopted without vote.⁽⁴⁾ It also reaffirmed the role of UNCDF as a supplementary source of concessional capital assistance, first and foremost to LDCs, and requested the Governing Council to consider measures to enhance the Fund's capacity to respond effectively to the priority needs of those countries, including measures to improve complementarity between the Fund's assistance and other types of assistance administered by UNDP (p. 409). The Assembly endorsed the programme orientation and operational policies of UNCDF and stressed the importance of achieving a balance between resources allocated for meeting

basic needs of low-income groups and those required for strengthening the productive sectors and dealing with other structural bottle-necks, with a view to prompting national self-reliance and accelerated self-sustained economic growth of LDCs. It called on Governments to provide financial support to the Fund (p. 470).

The Second (Economic and Financial) Committee approved the resolution on 20 November, also without vote. The text was submitted by a Vice-Chairman on the basis of informal consultations on an essentially similar 26-nation draft introduced by the Gambia and subsequently withdrawn by its sponsors.⁽¹⁾

In the Committee's debate on operational activities for development, the Gambia called for steps to ensure complementarity between UNCDF and the UNDP Special Measures Fund for the Least Developed Countries, since the mandate of UNCDF precluded it from financing technical co-operation even when such assistance was a prerequisite for capital financing. The Upper Volta thought UNCDF should give greater attention to strengthening training, transport and energy infrastructures. Yugoslavia believed that UNCDF resources should be totally committed to LDCs.

Draft resolution withdrawn: ⁽¹⁾Bangladesh, Bhutan, Botswana, Cape Verde, China, Denmark, Egypt, Ethiopia, Finland, Gambia, Guinea, Italy, Liberia, Malawi, Mali, Mauritania, Netherlands, Niger, Norway, Rwanda, Samoa, Sweden, United Republic of Tanzania, Upper Volta, Yemen, Yugoslavia, A/C.2/36/L.70.

Reports: UNDP Administrator. ⁽²⁾DP/536 & Corr.1, ⁽³⁾DP/1982/38.

Resolution and decision: Res.: ⁽⁴⁾GA, 36/196, 17 Dec., text following. Dec.: ⁽⁵⁾UNDP Council (report, E/1981/61/Rev.1). 81/2, 19 June.

Meeting records: GA: 2nd Committee, A/C.2/36/SR.3, 6, 33-39, 40-42 (24 Sep.-20 Nov.); plenary, A/36/PV.103 (17 Dec.).

General Assembly resolution 36/196

Adopted without vote Meeting 103 17 December 1981

Approved by Second Committee (A/36/812) without vote. 20 November (meeting 42): draft by Vice-Chairman (A/C.2/36/L.93), based on informal consultations on 26-nation draft (A/C.2/36/L.70); agenda item 70 (c).

United Nations Capital Development Fund

The General Assembly,

Recalling its resolutions 1521 (XV) of 15 December 1960 and 2186 (XXI) of 13 December 1966, in pursuance of which the United Nations Capital Development Fund was established, as well as subsequent resolutions and decisions relating to the administration and operations of the Fund, in particular resolutions 2321 (XXII) of 15 December 1967, 3122 (XXVIII) of 13 December 1973 and 3249 (XXIX) of 4 December 1974, and decisions 34/428 of 14 December 1979 and 35/422 of 5 December 1980,

Noting with satisfaction the substantial increase in the operations of the United Nations Capital Development Fund and the progress achieved in providing timely and effective assistance first and foremost to the least developed among the developing countries, as described in the report of the Administrator of the United Nations Development Programme on the activities of the Fund in 1980.

Recognizing the central role of the United Nations Development Programme in providing unified management and administration to the United Nations Capital Development Fund,

Reaffirming the need to utilize and reinforce existing mechanisms for channelling additional resources to the least developed countries and to ensure effective co-ordination and complementarity between the assistance programmes of the various financing institutions of the United Nations system.

Noting with appreciation the steady increase in voluntary contributions to the general resources of the United Nations Capital Development Fund,

Having duly considered and noted chapter XXIX of the report of the Economic and Social Council, on operational activities, as well as decision 81/2 of 19 June 1981 of the Governing Council of the United Nations Development Programme, particularly as regards the question of the administrative costs of the United Nations Capital Development Fund,

1. Reaffirms the role and mandate of the United Nations Capital Development Fund as a supplementary source of concessional capital assistance, first and foremost to the least developed among the developing countries;

2. Commends the Administrator of the United Nations Development Programme on the effective measures taken to increase the scope and momentum of the activities of the United Nations Capital Development Fund;

3. Endorses the proposal of the Governing Council of the United Nations Development Programme, contained in its decision 81/2, that the United Nations Capital Development Fund should be enabled to play a direct role in the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, adopted by the United Nations Conference on the Least Developed Countries;

4. Requests the Governing Council of the United Nations Development Programme to consider measures to enhance the capacity of the United Nations Capital Development Fund to respond effectively to the priority needs of the least developed countries, including measures to improve complementarity between the capital assistance available to them from the Fund and other types of assistance available to the least developed countries administered by the United Nations Development Programme, with a view to maximizing the impact and effective utilization of those resources in the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries;

5. Endorses the programme orientation and operational policies of the United Nations Capital Development Fund as described in the report of the Administrator of the United Nations Development Programme on the activities of the Fund in 1980 and, in particular, stresses the importance of achieving a balance between resources allocated for meeting basic needs of low-income groups and those required for strengthening the productive sectors and dealing with other structural bottle-necks, with a view to promoting national self-reliance and accelerated self-sustained economic growth of the least developed among the developing countries;

6. Decides that the administrative and programme support costs of the United Nations Capital Development Fund shall be met from the general resources of the Fund, while the United Nations Development Programme will continue to provide field support services as well as all headquarters administrative support services to the Fund;

7. Calls upon Governments not already contributing to the United Nations Capital Development Fund, particularly developed countries and others in a position to do so, to provide financial support to the activities of the Fund.

UNCDF finances

Administrative budget

In its resolution of 17 December 1981 on UNCDF,⁽²⁾ the General Assembly approved a

19 June request by the UNDP Governing Council⁽³⁾ that UNCDF be authorized to meet its own administrative and programme support costs, currently financed from the UNDP administrative budget. The Assembly decided that UNDP would continue to provide the Fund with field support and all headquarters administrative support services. The Governing Council's view had been commended to the Assembly's attention by the Economic and Social Council in its resolution of 22 July on UNDP.⁽¹⁾

For 1980-1981, through a supplementary appropriation of \$1,466,100, the Governing Council added 14 posts to the Fund's authorized strength of 15 and more than doubled its administrative budget, to a total of \$2,899,800.⁽⁴⁾ The Council appropriated \$3,800,800 for 1982-1983.⁽⁵⁾ Both actions were taken on 30 June 1981 in connection with the UNDP administrative budget (p. 447).

Resolutions and decisions: Res.: ⁽¹⁾ESC, 1981/59, para. 6, 22 July (p. 435); ⁽²⁾GA, 36/196, para. 6, 17 Dec. Dec.: UNDP Council (report, E/1981/61/Rev.1); ⁽³⁾81/2, 19 June; ⁽⁴⁾81/26, 30 June; ⁽⁵⁾81/27, para. 10, 30 June.

Partial funding system

The UNDP Governing Council decided on 19 June 1981⁽¹⁾ that UNCDF should continue for one more year a partial funding system which for the previous two years had enabled it to increase the level of project disbursements and to absorb accumulated liquidity resulting from the former full funding policy. Partial funding permitted UNCDF to programme projects on a cash-flow basis beyond resources actually pledged, while maintaining an operational reserve at 20 per cent of outstanding project commitments.

This procedure was initially established in 1979 for an experimental period of two years.⁽⁴⁾ Continuation of the practice was recommended in a June 1981 report by the UNDP Administrator,⁽²⁾ who said the implementation of partial funding had led to an acceleration in the Fund's disbursement rate.

According to a 1982 report of the Administrator,⁽³⁾ the annual volume of UNCDF operations increased from \$40 million in 1979 to \$71.1 million in 1981, while programme disbursements increased from \$8.9 million in 1979 to \$48.2 million (revised figure) in 1981. Accumulated liquidity (exclusive of non-convertible currencies) had been reduced from \$89.5 million in 1980 to \$83.1 million at the end of 1981, including \$23.3 million of operational reserve.

Decision: UNDP Council (report, E/1981/61/Rev.1), 81/2, paras. 2 & 3, 19 June.

Reports: UNDP Administrator, ⁽²⁾DP/INF/34, ⁽³⁾DP/1982/39.

Yearbook reference: ⁽⁴⁾1979, p. 604.

Contributions

Thirty-nine Governments paid a total of \$29.7 million to UNCDF in 1981 (see table below). For 1982, 32 countries pledged contributions totalling \$24.4 million as at 31 December 1981, and several major donors indicated that they would announce their 1982 contributions early in the new year.

The UNDP Governing Council, on 19 June 1981, called on all countries to contribute to the Fund so as to enable it to maintain the momentum achieved the previous year.⁽²⁾ The General Assembly, on 17 December, called on Governments not already contributing, particularly developed countries and others in a position to do so, to provide financial support.⁽¹⁾

CONTRIBUTIONS TO THE UNITED NATIONS CAPITAL DEVELOPMENT FUND, 1981 AND 1982

(as at December 1981: In US dollar equivalent)

country	1981 payment	1 9 8 2 pledge
Afghanistan	2,000	2,000
Algeria	29,280	32,200
Argentina	26,854	-
Bangladesh	2,784	3,289
Benin	-	2,000
Bhutan	1,000	1,150
Botswana	5,350	5,714
Cape Verde	1,000	-
China	129,032	127,168
Cuba	27,211	24,814
Cyprus	500	-
Democratic Yemen	1,456	1,456
Denmark	1,960,784	2,112,676
Egypt	24,846	-
Finland	428,571	697,674
Greece	7,907	5,000
Iraq	-	13,559
Italy	-	2,100,840
Ivory Coast	13,636	-
Jamaica	-	3,000
Japan	1,000,000	-
Lao People's Democratic Republic	-	1,500
Lesotho	-	1,000
Liberia	-	10,000
Malawi	7,741	7,550
Maldives	1,100	600
Mali	450	-
Mauritius	1,694	-
Morocco	10,870	9,615
Nepal	1,000	-
Netherlands	7,723,419	6,041,667
Norway	7,686,936	4,912,281
Pakistan	96,162	-
Philippines	20,000	-
Samoa	1,000	-
Sweden	5,607,623	5,893,186
Switzerland	2,187,500	2,187,500
Tunisia	4,184	3,400
Turkey	295,626	153,153
Uganda	1,923	-
United Republic of Cameroon	52,909	1,166
United Republic of Tanzania	2,424	2,424
United States	2,000,000	-
Viet Nam	1,000	1,000
Yemen	2,000	2,300
Yugoslavia	300,000	-
Zambia	-	23,000
Total	29,667,772	24,383,882

Resolution and decision: Res.: ⁽¹⁾GA, 36/196, para. 7, 17 Dec. (p. 469). Dec.: ⁽²⁾UNDP Council (report, E/1981/61/Rev.1), 81/2, para. 7, 19 June.

Financial regulations

The General Assembly, in a resolution of 18 December 1981 on the financial regulations of funds administered by UNDP,⁽¹⁾ decided that the UNDP Regulations should be applied to UNCDF until the Governing Council adopted special regulations for the Fund following a review by the Advisory Committee on Administrative and Budgetary Questions.

This action modified arrangements in effect

since 1969, by which the Fund had been operating under the Financial Regulations of the United Nations. The action was taken at the request of the Council, which asked on 30 June 1981⁽²⁾ for authority to formulate financial regulations in respect of all funds which it administered, including UNCDF (p. 451).

Resolution and decision: Res.: ⁽¹⁾GA, 36/227, para. 2, 18 Dec. (p. 451). Dec.: ⁽²⁾UNDP Council (report, E/1981/61/Rev.1), 81/28, para. 3, 30 June.