



UNITED NATIONS DEVELOPMENT PROGRAMME

REPORT OF THE GOVERNING COUNCIL

NINTH SESSION

(19-30 January 1970)

ECONOMIC AND SOCIAL COUNCIL

OFFICIAL RECORDS: FORTY-NINTH SESSION

SUPPLEMENT No. 6

UNITED NATIONS



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NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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ABBREVIATIONS

ECA	Economic Commission for Africa
ECAFE	Economic Commission for Asia and the Far East
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
IBRD, World Bank	International Bank for Reconstruction and Development
ICAO	International Civil Aviation Organization
ILO	International Labour Organisation
ITU	International Telecommunication Union
UNCTAD	United Nations Conference on Trade and Development
UNDP, the Programme	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
UNITAR	United Nations Institute for Training and Research
UPU	Universal Postal Union
WHO	World Health Organization
WMO	World Meteorological Organization

INTRODUCTION

1. The Governing Council held its ninth session at United Nations Headquarters, New York, from 19 to 30 January 1970.
2. The present report was adopted by the Governing Council at its 188th meeting, on 30 January 1970, for submission to the Economic and Social Council at its forty-ninth session, in accordance with paragraph 4 of General Assembly resolution 2029 (XX).

CHAPTER I

ORGANIZATION OF THE SESSION

Attendance

3. The delegations to the ninth session are listed in Annex I to this report.

Election of officers

4. In accordance with rule 11 of its rules of procedure, the Governing Council, at the opening meeting of the ninth session, elected the following officers: Mr. Wlodzimierz Natorf (Poland), President; Mr. M. Dubey (India), First Vice-President; Mr. Héctor Valenzuela (Chile), Second Vice-President; Mr. Salomon Bakoto (Cameroon), Third Vice-President; and Mr. G. Scolamiero (Italy), Rapporteur.

Agenda

5. The agenda adopted for the ninth session was the following:
 1. Opening of the session.
 2. Election of officers.
 3. Adoption of the agenda (DP/L.113/Rev.1 and Rev.1/Add.1 and Corr.1).
 4. UNDP (Special Fund) programme recommendations of the Administrator:
 - (a) Consideration of individual projects of the UNDP (Special Fund) programme in private meetings;

- (b) Approval of UNDP (Special Fund) programme recommendations (DP/SF/R.9 and Corr.1 4, DP/SF/R.9/Add.1-10, Add.11 and Corr.1, Add.12-15, Add.16/Rev.1 and Rev.1/Corr.1, Add.17-18, Add.19 and Corr.1, Add.20-26, Add.27 and Corr.1, Add.28-32, Add.33 and Corr.1, Add.34-38, Add.39 and Corr.1, Add.40-51, Add.52/Rev.1, Add.53-69, Add.70 and Corr.1, Add.71, Add.72 and Corr.1, Add.73, Add.74, Add.75/Rev.1, Add.76 and Corr.1, Add.77-81, Add.82 and Corr.1, Add.83 and Corr.1, Add.84 and Corr.1, Add.85-94, Add.95 and Corr.1, Add.96-102, Add.103 and Corr.1, Add.104-116, Add.117 and Corr.1-2, Add.118, Add.119/Rev.1, Add.120, Add.121/Rev.2, Add.122 and Corr.1-2, Add.123 and Corr.1, Add.124/Rev.1, Add.125, Add.126 and Corr.1, Add.127 and Corr.1, Add.128-129).
5. UNDP (Technical Assistance) programme:
- (a) Revised estimates of resources and earmarkings for 1970 (DP/TA/R.3/Rev.1);
- (b) Approval of regional and interregional project recommendations of the Administrator (DP/TA/L.26 and Corr.1);
- (c) Report by the Administrator on country programmes (DP/TA/L.25);
- (d) Report by the Administrator on regional and interregional projects (DP/TA/L.24 and Corr.1);
- (e) Approval of initial estimates of resources for 1971 and their distribution (DP/TA/R.3/Rev.1).
6. Financial matters (DP/L.121 and DP/L.123):
- (a) Contributions (DP/L.118; DP/SF/C/L.79 and DP/SF/C/L.80; DP/TA/C/L.79 and DP/TA/C/L.80);
- (b) Audit reports (A/7607/Add.1 and A/7636);
- (c) Overhead costs of the Participating and Executing Agencies for 1971 (DP/L.116);
- (d) Question of the establishment of a centralized UNDP Trust Fund in the Libyan Arab Republic (DP/L.115).
7. Administrative and budgetary matters:
- Budget estimates for the Administrative and Programme Support Services of the UNDP for the year 1970 (DP/L.114 and Add.1 and A/7804).
8. Report of the Commissioner for the Capacity Study (DP/5 and DP/L.122).

9. Action taken in 1969 by organs of the United Nations and related agencies:
- (a) Information paper on matters relating to the UNDP (DP/L.119);
 - (b) Note by the Administrator on the report of the Special Rapporteurs appointed to review technical co-operation activities in social development (DP/L.117).
10. United Nations Capital Development Fund (DP/L.120).
11. United Nations regular programme of technical co-operation (DP/RP/8).
12. Date in March of the special session of the Governing Council; and date and provisional agenda of the tenth session of the Governing Council.
13. Other matters (DP/L.124).
14. Draft report of the Governing Council to the forty-ninth session of the Economic and Social Council (DP/L.125 and Add.1-2).

Summary records of meetings

6. The summary records of the meetings of the ninth session were issued as documents DP/SR.173-188.

Private meetings

7. Three private meetings were held on questions arising in connexion with the UNDP (Special Fund) programme recommendations.

CHAPTER II

PROGRAMME RECOMMENDATIONS OF THE ADMINISTRATOR: UNDP (SPECIAL FUND)

Analysis of requests received between 1 April and 30 September 1969

8. As reported to the Governing Council of the United Nations Development Programme at its eighth session, up to 31 March 1969, 1,763 requests for project assistance had been submitted to the UNDP (Special Fund) by Governments, calling for an expenditure of approximately \$1,697 million in international resources. ^{1/} Between 1 April and 30 September 1969, a further 143 requests were received, bringing the total number of requests received to 1,906 and the total amount requested to approximately \$1,824 million.

9. The 143 new requests were in the following fields of activity:

Table 1

Subject area	No. of requests	Amount requested
<u>Surveys</u>		\$US
Mineral and geological	6	4,814,000
Water power, hydraulic and meteorological	3	1,885,000
River basin	1	145,000
Land and water use	8	6,141,000
Transport and communications	5	1,244,000
Manufacturing industries	2	2,115,000
Fisheries	2	1,090,000
Forestry	1	628,000
Other	<u>10</u>	<u>8,794,000</u>
Sub-total	38	26,856,000
<u>Research</u>		
Agricultural, forestry, veterinary and fishery	23	21,584,000
Manufacturing, mining and power	7	7,540,000
Other	<u>8</u>	<u>5,674,000</u>
Sub-total	38	34,798,000
<u>Training</u>		
Agricultural, forestry, veterinary and fishery	8	10,123,000
Industrial	22	11,885,000
Transport and communications	8	6,488,000
Secondary school teacher	3	4,300,000
Public administration and other	<u>16</u>	<u>16,759,000</u>
Sub-total	57	49,555,000
<u>Economic development planning</u>	<u>10</u>	<u>15,449,000</u>
TOTAL	<u>143</u>	<u>126,658,000</u>

^{1/} See Official Records of the Economic and Social Council, Forty-seventh session, document E/4706, para. 8.

10. The distribution of these new requests by economic sector is as follows:

Table 2

Economic sector	No. of requests	Amount requested \$US
<u>Agriculture</u>		
Multi-purpose agriculture ^{a/}	12	13,337,000
Land and water use	3	1,312,000
Plant production and protection	11	7,883,000
Animal production and health	7	6,283,000
Rural institutions and services	6	10,484,000
Forestry	2	973,000
Fishing	5	3,478,000
Sub-total	46	43,750,000
<u>Industry</u>		
Industry, general ^{a/}	20	10,395,000
Mining	6	4,814,000
Other individual industries	11	9,815,000
Sub-total	37	25,024,000
<u>Public utilities</u>		
Power	5	3,766,000
Transport	5	1,158,000
Communications	9	6,868,000
Water supply and sewerage	4	5,499,000
Sub-total	23	17,291,000
<u>Housing, building and physical planning</u>	4	3,082,000
<u>Multi-sector</u>		
General planning ^{b/}	2	9,514,000
River basin development	1	145,000
Other	5	4,166,000
Sub-total	8	13,825,000
<u>Health</u>		
Environmental sanitation	3	2,302,000
<u>Education and Science</u> ^{b/}		
Primary	1	2,921,000
Secondary	3	4,300,000
Technical	2	1,983,000
University	1	1,400,000
Other	3	2,897,000
Sub-total	10	13,501,000
<u>Public administration and other services</u>		
Public administration	5	3,466,000
Technical services	7	4,417,000
Sub-total	12	7,883,000
TOTAL	143	126,658,000

^{a/} Covers activities in more than one sub-sector.

^{b/} Assistance to a specific sector or sub-sector is classified under the sector or sub-sector concerned.

11. The geographical distribution of the new requests, as well as the cumulative total of all requests received, is shown below:

Table 3

Geographical area	Requests received 1 April to 30 September 1969	Requests previously received	Cumulative total to 30 September 1969
Africa	63	624	687
Asia and the Far East	33	437	470
The Americas	24	433	457
Middle East	12	143	155
Europe	8	121	129
Interregional	2	5	7
Global	1	-	1
	<u>143</u>	<u>1,763</u>	<u>1,906</u>
TOTAL	<u>143</u>	<u>1,763</u>	<u>1,906</u>

12. Of the 395 requests under consideration (143 new requests mentioned above, and 252 projects pending as of 31 March 1969), 109 were recommended by the Governing Council at its ninth session, 30 were withdrawn by the requesting Governments, and in two cases the Governments concerned were informed that their requests were not being kept under review. As of 30 September 1969 therefore, 254 projects were under consideration for possible inclusion in future programmes to be recommended to the Governing Council. In addition, there were some 156 further requests with unofficial status, and some 85 instances of "advance information" concerning possible requests for Special Fund component assistance which are under consideration.

Programme recommendations

13. The Administrator recommended that the Governing Council approve the 109 projects and 16 supplementary earmarkings 2/ (see annex II to this report). The name of the Participating and Executing Agency, the estimated Government participation (counterpart contribution), the recommended Governing Council earmarking, the estimated total cost of the project and the estimated local operating costs to be paid by the Government(s) are indicated opposite each project title.

14. This programme totalled \$250,262,200 of which \$95,496,300 represented Governing Council earmarkings and \$154,765,900 contributions by recipient Governments.

15. The distribution of recommended projects by principal field of activity, by economic sector and by geographical region, both for the recommended programme and cumulatively, is shown below in tables 4, 5 and 6.

2/ For Algeria: Supplementary Assistance to the National School for Telecommunication Studies; for Argentina: Supplementary Assistance in Groundwater Research in the Northwest; for Bolivia: Supplementary Assistance to the Centre for Petroleum Development, La Paz; for Malagasy Republic: Supplementary Assistance to the National Institute of Telecommunications and Posts, Antanetibe; for Mali: Supplementary Assistance to the Secondary School Teacher Training Institute, Bamako, and Supplementary Assistance to the Agricultural Instructors and Extension Workers Training Programme; for Morocco: Supplementary Assistance to the National Leather and Textile Institute, Fez; for Nigeria: Supplementary Assistance to the Savanna Forestry Research Station, Samaru; for Pakistan: Supplementary Assistance to the University of Islamabad, and Supplementary Assistance to the East Pakistan Water and Power Development Authority; for Romania: Supplementary Assistance for the Establishment and Operation of Pilot Irrigation Stations in the Danube Plain; for Sierra Leone: Supplementary Assistance for the Integrated Development of the Agricultural Sector; for Turkey: Supplementary Assistance to the Sheep and Goat Diseases Laboratory, Pendik, and Supplementary Assistance to the Telecommunications Training Centre, Ankara; for Regional (Brazil and Uruguay): Supplementary Assistance to the Development of the Merim Lagoon Basin; for Regional (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama): Supplementary Assistance for Operational Research on the Eradication of the Mediterranean Fruit Fly in Central America.

Table 4

Distribution of Projects by Principal Field of Activity

Field of Activity	Previous programmes		Present programme		Cumulative	
	Number of projects	Earmarking ^{a/} \$US	Number of projects	Earmarking \$US	Number of projects	Earmarking \$US
<u>Surveys</u>						
Mineral and geological	72	64,824,100	6	3,678,100	78	68,502,200
Water power, hydraulic and meteorological	35	32,175,374	2	1,936,500 ^{b/}	37	34,111,874
River basin	34	38,104,781	2	1,004,000 ^{c/}	36	39,108,781
Land and water use	124	109,181,939	9	10,126,500 ^{d/}	133	119,308,439
Transport and communications	55	46,202,422	5	5,234,300	60	51,436,722
Manufacturing industries	6	6,029,200	1	517,200	7	6,546,400
Fisheries	32	35,513,400	1	384,600	33	35,898,000
Forestry	37	31,695,188	-	-	37	31,695,188
Other	32	24,297,681	11	8,781,900 ^{e/}	43	33,079,581
Sub-total	427	388,024,085	37	31,663,100 ^{b/c/d/e/}	464	419,687,185
<u>Research</u>						
Agricultural, forestry, veterinary and fishery	130	122,772,222	18	16,727,800 ^{f/}	148	139,500,022
Manufacturing, mining and power	67	60,193,162	9	5,883,100 ^{g/}	76	66,076,262
Other	37	32,245,015	6	3,449,200	43	35,694,215
Sub-total	234	215,210,399	33	26,060,100 ^{f/g/}	267	241,270,499
<u>Training</u>						
Agricultural, forestry, veterinary and fishery	85	84,219,206	6	5,721,700 ^{h/}	91	89,940,906
Industrial	171	166,855,082	18	15,377,700 ^{i/}	189	182,232,782
Transport and communications	46	45,710,960	5	7,769,600 ^{j/}	51	53,480,560
Secondary school teacher	39	48,530,000	3	3,735,700 ^{k/}	42	52,265,700
Public administration and other	46	42,509,700	6	4,637,900	52	47,147,600
Sub-total	387	387,824,948	38	37,242,600 ^{h/i/j/k/}	425	425,067,548
<u>Economic Development Planning</u>	27	46,758,180	1	530,500	28	47,288,680
TOTAL	1,075	1,037,817,612^{a/}	109	95,496,300^{b/c/d/e/f/g/h/i/j/k/}	1,184	1,133,313,912

a/ Residual earmarkings of \$3,086,603 for cancelled projects are included.

b/ Includes a supplementary earmarking of \$758,200 for Pakistan: East Pakistan Water and Power Development Authority, a project approved at the seventh session of the Governing Council in January 1969. (See DF/SF/R.7/Add.79).

c/ Includes a supplementary earmarking of \$320,100 for Regional (Brazil and Uruguay): Development of the Merim Lagoon Basin, a project approved at the eleventh session of the Special Fund's Governing Council in January 1964. (See SF/R.8/Add.46).

d/ Includes supplementary earmarkings of \$173,200 for Argentina: Groundwater Research in the Northwest, a project approved at the tenth session of the Special Fund's Governing Council in June 1963, and \$435,200 for Romania: Establishment and Operation of Pilot Irrigation Stations in the Danube Plain, a project approved at the thirteenth session of the Special Fund's Governing Council in January 1965. (See SF/R.7/Add.3 and SF/R.10/Add.47).

e/ Includes a supplementary earmarking of \$140,400 for Sierra Leone: Integrated Development of the Agricultural Sector, a project approved at the fourteenth session of the Special Fund's Governing Council in June 1965. (See SF/R.11/Add.34).

Table 4 (cont'd)

- f/ Includes supplementary earmarkings of \$442,600 for Nigeria: Savanna Forestry Research Station, Samaru, a project approved at the eleventh session of the Special Fund's Governing Council in January 1964 (see SF/R.8/Add.29); \$90,900 for Regional (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama): Operational Research on the Eradication of the Mediterranean Fruit-Fly in Central America, a project approved at the thirteenth session of the Special Fund's Governing Council in January 1965 (see SF/R.10/Add.66); \$163,900 for Turkey: Sheep and Goat Diseases Laboratory, Pendik, a project approved at the twelfth session of the Special Fund's Governing Council in June 1964 (see SF/R.9/Add.41).
- g/ Includes a supplementary earmarking of \$285,100 for Bolivia: Centre for Petroleum Development, La Paz, a project approved at the fourteenth session of the Special Fund's Governing Council in June 1965 (see SF/R.11/Add.3).
- h/ Includes a supplementary earmarking of \$506,800 for Mali: Agricultural Instructors and Extension Workers Training Programme, a project approved at the thirteenth session of the Special Fund's Governing Council in January 1965 (see SF/R.10/Add.33).
- i/ Includes supplementary earmarkings of \$212,500 for Morocco: National Leather and Textile Institute, Fez, a project approved at the seventh session of the Special Fund's Governing Council in January 1962 (see SF/R.4/Add.20), and for which an allocation for a Phase II operation was approved at the fifth session of the Governing Council in January 1968 (see DP/SF/R.5/Add.61); \$1,104,900 for Pakistan: University of Islamabad, a project approved at the eighth session of the Governing Council in June 1969 (see DP/SF/R.8/Add.58).
- j/ Includes supplementary earmarkings of \$519,000 for Algeria: National School for Telecommunication Studies, a project approved at the eleventh session of the Special Fund's Governing Council in January 1964 (see SF/R.8/Add.2); \$422,800 for Malagasy Republic: National Institute of Telecommunications and Posts, Antanetibe, a project approved at the eleventh session of the Special Fund's Governing Council in January 1964 (see SF/R.8/Add.23); and \$386,700 for Turkey: Telecommunications Training Centre, Ankara, a project approved at the third session of the Governing Council in January 1967 (see DP/SF/R.3/Add.55).
- k/ Includes a supplementary earmarking of \$603,800 for Mali: Secondary School Teacher Training Institute, a project approved at the seventh session of the Special Fund's Governing Council in January 1962 (see SF/R.4/Add.18), and for which an initial supplementary earmarking of \$279,700 was approved by the Governing Council at its seventh session in January 1969 (see DP/SF/R.7/Add.67).

Table 5
Distribution of Projects by Economic Sector

Economic sector	Previous programmes		Present programme		Cumulative	
	No. of projects	Earmarking \$US	No. of projects	Earmarking \$US	No. of Projects	Earmarking \$US
<u>Agriculture</u>						
Multi-purpose ^{a/}	86	92,815,961	9	8,764,800 ^{b/}	95	101,580,761
Land and water use	116	103,399,396	8	9,265,500 ^{c/}	124	112,664,896
Plant production and protection	40	36,900,200	9	7,908,900 ^{d/}	49	44,809,100
Animal production and health	61	55,598,400	1	627,100 ^{e/}	62	56,225,500
Rural institutions and services	23	18,555,475	5	4,820,900	28	23,376,375
Forestry	56	48,479,951	-	442,600 ^{e/}	56	48,922,551
Fishing	31	32,070,800	2	1,070,700	33	33,141,500
Sub-total	413	387,820,183	34	32,900,500 ^{b/c/d/e/}	447	420,720,683
<u>Industry</u>						
Industry, general ^{a/}	137	122,006,556	17	10,147,800 ^{f/}	154	132,154,356
Mining	71	63,192,055	6	3,963,200 ^{f/}	77	67,155,255
Other individual industries	70	63,631,815	8	4,724,500 ^{g/}	78	68,356,315
Sub-total	278	248,830,426	31	18,835,500 ^{f/g/}	309	267,665,926
<u>Public Utilities</u>						
Power	27	25,097,774	1	1,239,200 ^{h/}	28	26,336,974
Transport	76	69,973,525	5	6,632,900	81	76,606,425
Communications	33	29,432,851	5	6,371,000 ^{i/}	38	35,803,851
Water supply and sewerage	17	15,357,600	5	3,718,700	22	19,076,300
Sub-total	153	139,861,750	16	17,961,800 ^{h/i/}	169	157,823,550
<u>Housing, Building and Physical Planning</u>	19	16,771,432	1	919,400	20	17,690,832
<u>Multi-Sector</u>						
General planning ^{j/}	16	30,676,323	-	-	16	30,676,323
River basin development	31	37,760,200	1	234,500	32	37,994,700
Other	14	12,483,802	1	531,500	15	13,015,302
Sub-total	61	80,920,325	2	766,000	63	81,686,325
<u>Health</u>	10	7,845,184	2	1,358,600	12	9,203,784
<u>Education and Science</u> ^{j/}						
Primary	2	2,904,900	-	-	2	2,904,900
Secondary	37	45,625,100	3	3,735,700 ^{k/}	40	49,360,800
Technical	26	30,527,467	1	1,620,600	27	32,148,067
University	25	30,137,836	6	7,635,900 ^{l/}	31	37,773,736
Other	1	1,294,600	2	426,100	3	1,720,700
Sub-total	91	110,489,903	12	13,418,300	103	123,908,203
<u>Social Welfare, Public Administration and Other Services</u>	50	45,278,409	11	9,336,200	61	54,614,609
TOTAL	1,075	1,037,817,612	109	95,496,300	1,184	1,133,313,912

- a/ Covers activities in more than one sub-sector.
- b/ Includes supplementary earmarkings of \$506,800 for Mali: Agricultural Instructors and Extension Workers Training Programme, a project approved at the thirteenth session of the Special Fund's Governing Council in January 1965 (see SF/R.10/Add.33); \$140,000 for Sierra Leone: Integrated Development of the Agricultural Sector, a project approved at the fourteenth session of the Special Fund's Governing Council in June 1965 (see SF/R.11/Add.34); \$320,100 for Regional (Brazil and Uruguay): Development of the Merim Lagoon Basin, a project approved at the eleventh session of the Special Fund's Governing Council in January 1964 (see SF/R.8/Add.46).
- c/ Includes supplementary earmarkings of \$173,200 for Argentina: Groundwater Research in the North-west, a project approved at the tenth session of the Special Fund's Governing Council in June 1963 (see SF/R.7/Add.3); \$435,200 for Romania: Establishment and Operation of Pilot Irrigation Stations in the Denube Plain, a project approved at the thirteenth session of the Special Fund's Governing Council in January 1965 (see SF/R.10/Add.47); \$90,900 for Regional (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama): Operational Research on the Eradication of the Mediterranean Fruit Fly in Central America, a project approved at the thirteenth session of the Special Fund's Governing Council in January 1965 (see SF/R.10/Add.66).
- d/ Includes a supplementary earmarking of \$163,900 for Turkey: Sheep and Goat Diseases Laboratory, Pendik, a project approved at the twelfth session of the Special Fund's Governing Council in June 1964 (see SF/R.9/Add.41).
- e/ Represents a supplementary earmarking for Nigeria: Savanna Forestry Research Station, Samaru, a project approved at the eleventh session of the Special Fund's Governing Council in January 1964 (see SF/R.8/Add.29).
- f/ Includes a supplementary earmarking of \$285,100 for Bolivia: Centre for Petroleum Development, La Paz, a project approved at the fourteenth session of the Special Fund's Governing Council in June 1965 (see SF/R.11/Add.3).
- g/ Includes a supplementary earmarking of \$212,500 for Morocco: National Leather and Textile Institute, Fez, a project for which an initial earmarking was approved by the Special Fund's Governing Council at its seventh session in January 1962, and a Phase II operation approved at the fifth session of the Governing Council in January 1968 (see SF/R.4/Add.20 and DP/SF/R.5/Add.61).
- h/ Includes a supplementary earmarking of \$758,200 for Pakistan: East Pakistan Water and Power Development Authority, a project approved at the seventh session of the Governing Council in January 1969 (see DP/SF/R.7/Add.79).
- i/ Includes supplementary earmarkings of \$519,000 for Algeria: National School for Telecommunication Studies, a project approved at the eleventh session of the Special Fund's Governing Council in January 1964 (see SF/R.8/Add.2); \$422,800 for Malagasy Republic: National Institute of Telecommunications and Posts, Antanetibe, a project approved at the eleventh session of the Special Fund's Governing Council in January 1964 (see SF/R.8/Add.23); and \$386,700 for Turkey: Telecommunications Training Centre, Ankara, a project approved at the third session of the Governing Council in January 1967 (see DP/SF/R.3/Add.55).
- j/ Assistance to a specific sector or sub-sector is classified under the sector or sub-sector concerned.
- k/ Includes a supplementary earmarking of \$603,800 for Mali: Secondary School Teacher Training Institute, Bamako, a project for which an initial earmarking was approved at the seventh session of the Special Fund's Governing Council in January 1962, and a first supplementary earmarking approved at the seventh session of the Governing Council in January 1969 (see SF/R.4/Add.18 and DP/SF/R.7/Add.67).
- l/ Includes a supplementary earmarking of \$1,104,900 for Pakistan: University of Islamabad, a project approved at the eighth session of the Governing Council in June 1969 (see DP/SF/R.8/Add.58).

Table 6

Distribution of Projects by Geographical Region

Geographical region	Previous programmes		Present programme		Cumulative	
	Number of projects	Earmarking	Number of projects	Earmarking	Number of projects	Earmarking
		\$US		\$US		\$US
Africa	397	387,335,418	37	30,671,000 ^{a/}	434	418,006,418
Asia and the Far East	268	267,577,408	30	33,087,900 ^{b/}	298	300,665,308
The Americas	252	242,724,178	22	17,504,000 ^{c/}	274	260,228,178
Middle East	83	62,790,516	9	5,782,400	92	68,572,916
Europe	73	72,784,992	7	5,283,100 ^{d/}	80	78,068,092
Interregional	2	4,605,100	3	1,514,700	5	6,119,800
Global	-	-	1	1,653,200	1	1,653,200
TOTAL	<u>1,075</u>	<u>1,037,817,612</u>	<u>109</u>	<u>95,496,300</u>	<u>1,184</u>	<u>1,133,313,912</u>

- a/ Includes supplementary earmarkings as follows: \$519,000 for Algeria: National School for Telecommunication Studies (see SF/R.8/Add.2); \$422,800 for Malagasy Republic: National Institute of Telecommunications and Posts, Antanetibe (see SF/R.8/Add.23); \$603,800 for Mali: Secondary School Teacher Training Institute (see SF/R.4/Add.18 and DP/SF/R.7/Add.67); \$506,800 for Mali: Agricultural Instructors and Extension Workers Training Programme (see SF/R.10/Add.33); \$212,500 for Morocco: National Leather and Textile Institute, Fez (see SF/R.4/Add.20 and DP/SF/R.5/Add.61); \$442,600 for Nigeria: Savanna Forestry Research Station, Samaru (see SF/R.8/Add.29); \$140,400 for Sierra Leone: Integrated Development of the Agricultural Sector (see SF/R.11/Add.34).
- b/ Includes supplementary earmarkings of \$1,104,900 for Pakistan: University of Islamabad (see DP/SF/R.8/Add.58); \$758,200 for Pakistan: East Pakistan Water and Power Development Authority (see DP/SF/R.7/Add.79).
- c/ Includes supplementary earmarkings as follows: \$173,200 for Argentina: Groundwater Research in the North-west (see SF/R.7/Add.3); \$285,100 for Bolivia: Centre for Petroleum Development, La Paz (see SF/R.11/Add.3); \$320,100 for Regional (Brazil and Uruguay): Development of the Marim Lagoon Basin (see SF/R.8/Add.46) and \$90,900 for Regional (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama): Operational Research on the Eradication of the Mediterranean Fruit Fly in Central America (see SF/R.10/Add.66).
- d/ Includes supplementary earmarkings as follows: \$163,900 for Turkey: Sheep and Goat Diseases Laboratory, Pendik (see SF/R.9/Add.41); \$386,700 for Turkey: Telecommunications Training Centre, Ankara (see DP/SF/R.3/Add.55); \$435,200 for Romania: Establishment and Operation of Pilot Irrigation Stations in the Danube Plain (see SF/R.10/Add.47).

Features of particular interest in the new programme

16. The Administrator drew the attention of the Governing Council to certain features of particular interest in the new programme:

(a) The Special Fund programme reflected a higher level of activities than at any previous time. In terms of number of projects, the programme was the largest ever to be submitted to the Governing Council.

(b) In accordance with the decision of the Governing Council at its eighth session on the administration of the Revolving Fund, 3/ the Administrator authorized, in addition to preparatory assistance, pre-project activities for 21 projects included in the list presented for the Council's approval. Also authorized under this procedure were 13 pre-project activities with a potential estimated project earmarking of approximately \$11.5 million to be submitted to a later session of the Governing Council.

(c) The complexion of the programme, including pre-project activities, reflected a more systematic use of the programme approach, which had received attention during recent sessions of the Governing Council. Both Governments and specialized agencies had reacted positively to this approach, which underlined the concept of "continuous association" between the national authorities and the international agencies in the implementation of a given programme and at the same time permitted a more precise definition of the respective responsibility, both financial and substantive, which the national authorities and international agencies must assume in carrying out these activities.

(d) The programme gave recognition to the necessity for adaptation to ever-changing technology based on the realization that access to scientific and technological innovation was a sine qua non condition of economic progress and integration within the world community. As relevant examples of the UNDP's attempt to apply innovative technology to the process of development were projects in Senegal for the establishment of a National Centre for Planning of Scientific and Technological Research and, in a related but more limited field, the proposed Regional (Guinea, Mali, Mauritania and Senegal) - Documentation Centre for the Senegal Basin emphasizing the fields of classification and cataloguing.

(e) An example of increasing use of electronic computers under the new approach to the planning process, not only in data processing but for problem-solving through the use of simulation and other related techniques, was to be found in the supplementary earmarking for an approved project for assistance to the East Pakistan Water and Power Development Authority. The Government of Pakistan hoped to use the technique of system analysis to evaluate such components of agricultural irrigation development as crop rotation, timing of cultivation, and water utilization practices. Assistance for a computation centre in Burma illustrated the importance of reliable data processing and computational facilities for managerial activities. This project would train key personnel in the advanced techniques of computer technology as well as provide direct assistance for the introduction into the centrally planned economy of computerized information control in such fields as transportation, trade, central banking, census, power, oil extraction and agricultural research.

3/ See Official Records of the Economic and Social Council, Forty-seventh Session, document E/4706, para. 245.

(f) In view of the impact of these new methods and technology in the field of science teaching, UNDP assistance for a project in Thailand was proposed for an initial two-year phase. The project was designed to initiate a breakthrough in science-teaching as an integral and key part of the development process.

(g) The increasing need for ensuring that technologically trained personnel possess the type of skills which are adapted to national development requirements was illustrated by a project in India for the post-graduate education of engineers, and projects in Turkey.

(h) A growing awareness among developing countries of the many problems attendant to industrial societies was demonstrated by pollution research and control projects in Czechoslovakia and Romania. These projects were designed to bring the best possible technology to bear on this increasingly serious environmental problem and it was hoped that the conclusions arrived at would find application in other less developed countries.

(i) In the field of agriculture, the Administrator's assurance to support potential projects or programmes to spread the latest research on high-yielding crop varieties throughout the developing world were reflected in projects in Guinea, Liberia and Nepal. Each of these projects represented a practical attempt under local conditions and within local constraints to transfer advanced technology to the traditional farmer. Such projects were made possible as a result of continuous research by international institutes. Of significance in this connexion was the first global project to be presented to the Governing Council, for Research and Training in the Development of High Lysine Maize. The project, centering on the development of "high lysine" maize, would use the results of this discovery on a large scale to overcome the problems of protein deficiency of the maize-eating population of the less developed areas of the world.

(j) An example of improvement in the technology of groundwater discovery and utilization as an alternative to the more expensive method of surface regularization and control, was the project in the Philippines on Improvement of Irrigation Facilities through Groundwater Development.

(k) In the general area of industrial development, the joint programming effort with the United Nations Industrial Development Organization (UNIDO) resulted in fifteen projects.

(l) Finally, the new programme also included two interregional projects in training nationals of developing countries in the fields of electrical and electronic industries, in the Netherlands, and of textile industries, in Poland.

Participating and Executing Agency overhead costs

17. A tabular summary of overhead costs, by Participating and Executing Agency, both for the present and previous programmes, was submitted to the Council (see table 7 below).

Table 7

Participating and Executing Agency Overhead Costs

Agency	Previous programmes		Present programme		Cumulative	
	Project costs a/	Participating and Executing Agency overhead costs	Project costs a/	Participating and Executing Agency overhead costs	Project costs a/	Participating and Executing Agency overhead costs
	\$US	\$US	\$US	\$US	\$US	\$US
United Nations	179,620,128	17,702,850	13,026,500	1,403,600	192,646,628	19,106,450
ILO	105,627,566	11,130,500	6,294,900	687,200	111,922,466	11,817,700
FAO	352,338,022	36,371,825	25,747,300	2,799,400	378,085,322	39,171,225
UNESCO	147,227,926	14,222,550	14,284,600	1,564,500	161,512,526	15,787,050
WHO	22,995,484	2,362,100	4,578,300	499,000	27,573,784	2,861,100
IBRD	47,541,526	702,585	3,896,700	82,500	51,438,226	785,085
ICAO	14,745,370	1,220,000	3,600,800	395,700	18,346,170	1,615,700
ITU	24,031,651	2,450,700	2,560,100	280,600	26,591,751	2,731,300
WMO	16,834,529	1,667,300	1,019,800	110,500	17,854,329	1,777,800
IAEA	3,320,100	339,300	82,100	8,800	3,402,200	348,100
UNIDO	30,149,300	3,224,000	6,719,100	724,900	36,868,400	3,948,900
Inter-American Development Bank ^{b/}	860,800	94,600	-	-	860,800	94,600
African Development Bank ^{b/}	268,300	29,500	-	-	268,300	29,500
Asian Development Bank ^{b/}	-	-	1,054,000	26,300	1,054,000	26,300
UPU	665,900	73,200	2,159,400	236,500	2,825,300	309,700
UNDP ^{c/}	-	-	1,606,900	46,300	1,606,900	46,300
	<u>946,226,602</u>	<u>91,591,010</u>	<u>86,630,500</u>	<u>8,865,800</u>	<u>1,032,857,102</u>	<u>100,456,810</u>

a/ Includes UNDP (Special Fund) direct costs.

b/ An Executing Agency.

c/ UNDP will implement, through the International Maize and Wheat Improvement Centre, Mexico, and with the advisory assistance of FAO, a project for the Research and Training in High Lysine Maize (see DP/SF/R.9/Add.124).

Preparatory assistance

18. For 68 of the 109 projects and 16 supplementary earmarkings being recommended, the Administrator made use of Preparatory Assistance funds for the appraisal, revision or reformulation of the requests.

Pre-project activities

19. As a result of the Governing Council's decision, in June 1969, on the procedures under the UNDP Revolving Fund, 4/ the Administrator authorized a variety of pre-project activities designed to permit, in selected instances, an early initiation of project operations as well as to improve and reformulate project proposals prior to their being recommended to the Governing Council for approval.

20. For 21 of the 109 projects and 16 supplementary earmarkings recommended, the Administrator made use of his authority to authorize pre-project activities. In addition, the Administrator had authorized pre-project activities for 13 projects which would be recommended for Governing Council approval at a later session.

Non-operational projects

21. The Administrator also reported on seven projects which had not become operational two years after their approval:

- (a) Cameroon - School for Training of Wildlife Specialists, Garoua; 5/
- (b) Chile - Assistance in strengthening the National Forestry Service; 6/
- (c) Ecuador - Faculty of Agricultural Sciences and Veterinary Medicine, University of Guayaquil; 7/
- (d) India - Assistance to the Calcutta Metropolitan Water and Sanitation Authority; 8/
- (e) Nigeria - Transport Survey of Mid-Western Nigeria; 9/
- (f) Pakistan - Deck Personnel Training Centre, Narayanganj, East Pakistan; 10/
- (g) Uruguay - Faculty of Agriculture, University of Uruguay, Montevideo. 11/

22. The Administrator informed the Council that he was satisfied in all cases but two that necessary steps were in hand towards solution of the problems and resolution of the difficulties which had caused delay in the projects becoming operational. He therefore recommended that the UNDP continue its negotiation with the Governments and the Participating and Executing Agencies involved.

4/ Ibid.

5/ See DP/SF/R.4/Add.3.

6/ See DP/SF/R.2/Add.9.

7/ See DP/SF/R.1/Add.22.

8/ See DP/SF/R.1/Add.29.

9/ See DP/SF/R.4/Add.34.

10/ See DP/SF/R.4/Add.36.

11/ See DP/SF/R.11/Add.40.

23. The Administrator recommended the cancellation of the following projects:
- (a) Ecuador - Faculty of Agricultural Sciences and Veterinary Medicine, University of Guayaquil;
 - (b) India - Assistance to the Calcutta Metropolitan Water and Sanitation Authority.

24. One member stated, with regard to the first project listed in paragraph 21 above, that the delay had been due to exceptional circumstances and that at the present time the agreement had already been signed.

Status of resources and allocation

25. In accordance with the decision of the Governing Council at its second session to maintain a sufficient balance of unallocated Special Fund resources to constitute an adequate reserve in the event of liquidation to cover such forward contractual commitments or residual liquidations liabilities of the Technical Assistance component and of the UNDP Secretariat as would not be covered by current earmarkings, ^{12/} the margin of unallocated Special Fund resources were shown to stand at \$25.6 million as at 30 September 1969.

Reservations by members of the Governing Council

26. Some members noted that UNDP had not acquired a character of universality, one of the German states being barred from participation in the Programme. One member objected to the statements made by these members during the meeting.

27. Some members objected to UNDP assistance to Thailand, the Philippines and Israel on the ground that they were participating in acts of aggression.

28. One member took strong exception to the statement that the Philippines was an aggressor nation and emphasized that as long as it was a member of the United Nations and the specialized agencies, it was entitled together with the other countries mentioned in the above paragraph, as a matter of right, to receive allocations from the UNDP.

29. Some members rejected the idea of UNDP participation and involvement in any project which would benefit Israel, which still occupied considerable parts of the territories of three Member States, and hoped that the UNDP Administration would take these considerations into account.

Decision of the Governing Council

30. At its 178th meeting, following the consideration of the Special Fund programme in private meetings, the Council, subject to the observations and reservations expressed on some projects,

- (a) Approved the proposed programme;

^{12/} See Official Records of the Economic and Social Council, Forty-first Session, Supplement No. 11 A, para. 153 (e) (iii).

(b) Authorized the Administrator to make the appropriate arrangements with Governments and Participating and Executing Agencies for the execution of these projects;

(c) Authorized the cancellation of the two projects referred to in paragraph 23 above.

CHAPTER III

UNDP TECHNICAL ASSISTANCE PROGRAMME

31. Under item 5 of its agenda, the Governing Council considered:

- (a) Technical Assistance programme requirements for 1970 and 1971, in the light of estimated resources for those years (DP/TA/R.3/Rev.1);
- (b) Recommendations of the Administrator covering three regional and two interregional projects valued at \$200,000 or more each (DP/TA/L.26 and Corr.1);
- (c) An interim report by the Administrator containing data as of 30 September 1969 on Technical Assistance country projects approved by the Administrator (DP/TA/L.25); and
- (d) A report by the Administrator containing data on regional and interregional projects approved as of 30 September 1969 (DP/TA/L.24 and Corr.1).

Summary of discussion

32. Several members of the Council noted with satisfaction that the new procedures for continuous programming had been introduced in 1969 without any major difficulty, and considered that these procedures were fully compatible with the long-term policy adopted by many Governments in the planning of projects and programmes over several years. However, one member observed that certain improvements were needed in order to avoid delays in responding to requests of Governments. He suggested that the power of decision of Resident Representatives be strengthened and the fields of activities of the Participating and Executing Agencies be more clearly defined.

33. One member requested that the Administrator provide information to requesting Governments on experience gained in the operation of different projects and on any problems which might be raised by the new procedures. Two members considered that the Council would be better able to analyze the programme in depth if, in addition to the present statistical reports, it were provided with technical reports on the activities undertaken to resolve the problems of developing countries and an indication of the results obtained.

34. Two members questioned the criteria used for the distribution of resources for the Technical Assistance component. One of these considered that relatively developed countries which also had certain completely undeveloped areas should not be penalized. He expressed the hope that his country's target should be reconsidered and increased. The other member asked that the Council be informed of the norms used to set country targets and suggested that future reports indicate the costs of executed projects compared with the earmarking of resources for each country.

35. One member expressed satisfaction at the use made by the Administrator of the Danish contribution and the planning reserve. He expressed the desire to receive more information on the criteria used in the Administrator's decision to increase country targets.

36. One member expressed the view that the UNDP should not provide assistance to South Korea, South Viet-Nam, Thailand, the Philippines and Israel, since their resources were used for purposes of aggression rather than development. Some other members also expressed their reservations concerning UNDP aid for countries participating in aggressive wars.

37. One member took strong exception to the statement that the Philippines was an aggressor nation and emphasized that as long as it was a member of the United Nations and the specialized agencies, it was entitled together with the other countries mentioned in the above paragraph, as a matter of right, to receive allocations from UNDP.

38. Another member stated that his approval of the Technical Assistance programme as a whole implied no alteration whatsoever of his Government's position concerning certain territories in Asia covered by some of the projects, namely, Taiwan, South Korea and South Viet-Nam, his Government's position on which was well known, having been repeatedly reaffirmed in the United Nations.

39. All members of the Council were prepared to approve the regional and inter-regional projects recommended by the Administrator at the present session. One member expressed satisfaction that four of the five regional and interregional projects were in the field of health and medicine.

40. Two members recalled that the usefulness of regional and interregional projects had been questioned at previous sessions of the Council. One member, noting that a large number of such projects included seminars, wished to be informed of the results of the studies undertaken for the purpose of evaluating seminars. The other member suggested that a general evaluation be made of regional and interregional projects. Another member observed that the Administrator should avoid committing UNDP resources to continuous support of institutions, and suggested that a study be made of the type of training institutions UNDP should support.

41. Two members expressed satisfaction at UNCTAD's increased involvement in UNDP projects. They considered that its role would steadily grow with the present expansion of regional and interregional economic co-operation. Some members expressed the hope that UNDP would undertake, in co-operation with UNCTAD, projects in the field of export promotion in developing countries. One member referred to the recent developments in the ECAFE region for the implementation of a programme of trade liberalization. He stated that efforts made during the last two years were about to yield concrete results, provided that some more expert work could be done in certain areas, demonstrating adaptability of the various schemes under consideration to the interests of all the countries. He therefore requested the Administration of the UNDP to adopt a liberal approach in this matter so as to be able to respond promptly and in a flexible manner to any request that might be forthcoming.

42. One member, referring to the proposed creation of a pool of experts at the level of ECA and the subregional offices, suggested that the problem of financing these experts either through the United Nations Regular Programme or the UNDP should be settled.

43. One member expressed the hope that in future reports on regional and interregional projects, the Administrator would provide information on the number of participating countries, the location of the projects, the date on which they started, and the total cost in the case of continuing projects. This would give the Council a more comprehensive view of the projects. Another member requested additional information on the general characteristics and trends of the projects.

Observations of the Administration

44. The Assistant Administrator and Director of the Bureau of Operations and Programming, in replying to observations made by members of the Council on the new procedure of continuous country programming, informed the Council that the Resident Representatives had universally reported that the new programming system had been well received by Governments. He observed that the new system greatly increased the responsibilities of the Resident Representatives.

45. Concerning the remarks on the criteria used for establishing country programme targets, he reminded the Council that the method of setting the targets had not undergone any fundamental change, and depended on many factors. However, he observed that this method might be altered in the light of the Study of the Capacity of the United Nations Development System.

46. He assured the Council that UNDP avoided any continuous support of institutions by timely comprehensive reviews of projects and noted that in many cases projects had been terminated with the agreement of the Governments involved. With respect to seminars, he observed that the evaluation study which had been undertaken showed that seminars on the whole were useful.

47. Concerning the creation of a multi-sector pool of experts at the level of ECA and its subregional offices, he remarked that the question of financing was indeed one of the problems related to the new procedures for regional and interregional projects.

48. Referring to the request for more specific information in the report on regional and interregional projects, he assured the Council that this would be provided in the future, within the framework previously decided upon for the presentation of information on these projects, and that information on the general characteristics and trends of these projects would be available in the annual report to be submitted to the Council at the tenth session. He also stated that in the case of country programmes, costs of executed projects would be indicated for each country.

49. In conclusion, he observed that the new proposals for regional and interregional projects were a relatively small question in the midst of larger issues to be considered in connexion with the Capacity Study and should be viewed in that light during the transitional period.

Decision of the Governing Council

50. At its 175th meeting, the Council:

(a) Took note of the provisional level proposed for the 1971 Technical Assistance programme and, subject to some observations and reservations expressed by several members, approved its distribution by category of expenditures as follows:

	\$US
(i) Field programme:	
- Country targets	53,148,000
- Planning reserve	4,168,000
- Regional and inter-regional projects	12,504,000
Sub-total	<u>69,820,000</u>
(ii) Agency overhead costs	8,905,816
(iii) Reimbursement to the Revolving Fund for contingency allocations approved in 1970	<u>2,000,000</u>
TOTAL	<u>80,725,816</u>

(b) Approved the regional and interregional project recommendations of the Administrator (DP/TA/L.26 and Corr.1); and

(c) Took note of the reports by the Administrator on country programmes (DP/TA/L.25) and on regional and interregional projects (DP/TA/L.24 and Corr.1).

CHAPTER IV
FINANCIAL MATTERS

51. Under item 6 of its agenda, the Governing Council considered:

(a) A statement on the status of UNDP resources and earmarkings for 1970 (DP/L.123);

(b) A report on operations of the Revolving Fund undertaken under new policies and procedures approved by the Governing Council at its eighth session;

(c) A note by the Administrator informing the Council of certain revisions in the UNDP Financial Rules (DP/L.121);

(d) The statements as at 30 November 1969 of contributions pledged and paid to the Special Fund component of UNDP for the year 1969 (DP/SF/C/L.79) and of contributions outstanding for the years 1959, 1960, 1964, 1965, 1966, 1967 and 1968 (DP/SF/C/L.80); the statement as at 30 November 1969 of contributions pledged and paid to the Technical Assistance component of UNDP for the year 1969 (DP/TA/C/L.79) and of contributions outstanding for the years 1957, 1958, 1959, 1964, 1965, 1966, 1967 and 1968 (DP/TA/C/L.80); and a note by the Administrator submitting a current statement of contributions pledged to UNDP for 1970 as at 31 December 1969 (DP/L.118);

(e) The financial report and accounts for the year ended 31 December 1968 and report of the Board of Auditors relating to UNDP, 13/ together with the relevant comments of the Advisory Committee on Administrative and Budgetary Questions 14/ and resolution 2522 B (XXIV) thereon adopted by the General Assembly; the audit reports for the year ended 31 December 1968 relating to expenditure by participating and executing agencies of funds allocated from the Technical Assistance Account of UNDP 15/ and the audit reports for the year ended 31 December 1968 relating to expenditure by participating and executing agencies of funds allocated from the Special Fund Account of the UNDP, 16/ with the relevant comments of the Advisory Committee on Administrative and Budgetary Questions 17/ and resolution 2610 (XXIV) thereon adopted by the General Assembly;

(f) A note by the Administrator on a formula for the calculation of overhead costs of the Participating and Executing Agencies for 1971 (DP/L.116);

13/ Official Records of the General Assembly, Twenty-fourth Session, Supplement No. 7A and corrigendum (A/7607/Add.1 and Corr.1).

14/ Ibid., Twenty-fourth Session, Annexes, agenda item 72, document A/7636.

15/ Ibid., Twenty-fourth Session, Supplement No. 27 (A/7627).

16/ Ibid., Supplement No. 28 (A/7628).

17/ Ibid., Twenty-fourth Session, Annexes, agenda item 79, documents A/7883 and A/7884.

(g) A note by the Administrator (DP/L.115) submitting to the Council for consideration a request by the Government of the Libyan Arab Republic that a centralized UNDP trust fund be created under the provisions of Financial Regulation 3.3 to provide for assistance of the type currently being rendered under separate arrangements with the Participating and Executing Agencies concerned.

A. Resources and earmarkings

52. The Director of the Division of Financial Management and Administrative Policy explained that document DP/L.123 had been issued by the Administrator in order to provide the Council with a consolidated picture of anticipated resources and earmarkings for 1970. This followed a trend toward consolidated pledges of contributions by Governments without indication of their distribution between the two components of the Programme. The result of this consolidation was that the Council was being asked to take a single comprehensive earmarking action for 1970, following consideration of the various services and programmes requiring such action.

Decision of the Governing Council

53. At its 182nd meeting, the Council:

(a) Took note of the UNDP estimate of resources for 1970 totalling \$261,194,650;

(b) Earmarked funds to finance UNDP requirements in 1970 totalling \$202,574,970 to cover the following costs: \$US

I. For administrative and support services		23,858,000
II. For the Technical Assistance programme:		
(i) For country targets	53,148,000	
(ii) For regional and inter-regional projects	11,667,000	
(iii) For Agencies' overhead costs	8,885,966	
(iv) For restoration to the Revolving Fund for 1969 contingency allocations	<u>1,700,000</u>	75,400,966

III. For the Special Fund programme:

(i) For the projects listed in annex II to this report	95,496,300	
(ii) For the contingency reserve of the Administrator (8% of the above amount)	7,639,704	
(iii) For the costs of preparatory assistance in connexion with projects which may not be approved by the Governing Council	180,000	103,316,004
Total earmarking		<u>202,574,970</u>

B. Report on the operations of the Revolving Fund

54. The Director of the Division of Financial Management and Administrative Policy informed the Council that satisfactory progress had been made in giving effect to the new policies and procedures governing administration of the fund. The Administrator and the Executing Agencies had proceeded cautiously in order to be certain that appropriate controls were exercised, but there were solid indications that important advances were already being realized. A minor problem had arisen in connexion with approval of pre-project activities resulting from some misunderstandings at the time of the eighth session. In granting authority to the Administrator for approval of such activities prior to approval of projects under the Special Fund component, a maximum figure of \$200,000 had been fixed as the limit for each case. Since previous authority had been granted to the Administrator for similar action with a maximum figure of \$300,000, it was hoped that the Council could consent to re-authorize the higher figure.

Summary of discussion

55. A member expressed satisfaction with the indications that the new procedures gave every sign of proving beneficial, and he supported the request for restoration of the figure of \$300,000 as a maximum limit for pre-project approval. At the same time, this member urged that the Administrator follow all operations of the Revolving Fund with special care, since it would be difficult to overstate the need for constant attention to this very important and complex portion of the UNDP machinery.

Decision of the Governing Council

56. At its 176th meeting, the Council approved a maximum limit in each case of \$300,000 for activities prior to approval of projects under the Special Fund component.

C. Revision of the Financial Rules

57. The Director of the Division of Financial Management and Administrative Policy explained that the Administrator had authority to make changes in the Financial Rules as required, but such changes were to be reported to the Council. A number of revisions were in process - many of them resulting from the changes in Revolving Fund policies and procedures - but only those relating to currency matters in Rules 104.3 through 104.6 were ready for reporting.

Summary of discussion

58. With respect to the document containing modifications of the Financial Rules, one member, with reference to the new version of Rules 104.3-104.6, noted that the utilization of contributions in non-convertible currencies was obviously an important question. However, it should not be a determining factor for assigning the execution of projects to research departments or associations, the only real criteria being that of competence. That member sought reassurances in this connexion from the Administration of the Programme and indicated that, in any case, contacts between associations of different nationalities already provided to a certain extent means for utilizing these currencies. Another member referred to the difficulties of currency utilization, but emphasized that it would be necessary for the Administrator to lend assistance as far as possible to the protection of the balance of payments position of Governments making generous contributions to the Programme.

Decision of the Governing Council

59. At its 176th meeting, the Council took note of the revised texts of Financial Rules 104.3 through 104.6 approved by the Administrator.

D. Contributions

Summary of discussion

60. The representative of Italy indicated that his Government had decided to increase its contribution for 1970 by an amount of \$500,000. A pledge without any restriction and amounting to \$3 million had already been announced. The Government expected in a short time to make known its decision concerning the utilization of the supplementary amount of \$500,000, taking into account among other things the results of the review of the Capacity Study.

61. The representative of the Philippines recalled that his Government had pledged an amount of \$500,000 to UNDP for 1970. He indicated that the division of this amount between the two components of UNDP would be left to the discretion of the Administrator.

62. The representative of Mexico announced that his Government had decided to make a contribution to UNDP for 1970 in an amount equivalent to \$500,000 and payable in United States dollars. The Government had expected to increase this amount substantially but regretted that in present circumstances this had not been possible.

63. The representative of Malaysia drew attention to an error in document DP/L.118. The intention of his Government was to make a pledge which would represent the equivalent of \$90,000, rather than \$89,109 as shown in the document.

64. A member expressed satisfaction with the increase in voluntary contributions and hoped that the anticipated total of \$240 million for 1970 would be achieved. He was, nevertheless, concerned over the heavy arrears in payments of contributions, and although a certain progress had been achieved through the persistent efforts of the Administrator the situation was still far from satisfactory. He urged that continuous efforts be made by the Administrator and Governments alike in order to achieve a more satisfactory situation soon.

Observations of the Administration

65. The Director of the Division of Financial Management and Administrative Policy expressed appreciation on behalf of the Administrator to those Governments which had announced new pledges or had clarified previous pledges. It was hoped that any pledges which were conditional could be clarified without delay, since it was not possible to list officially any pledge which was made on a conditional basis. As for the question of arrears in payments, the Administrator was indeed continuously preoccupied with this problem and welcomed suggestions that renewed efforts be made to reduce its size.

Decision of the Governing Council

66. At its 176th meeting, the Council took note of the statement on the status of contributions pledged to UNDP for 1970 as of 31 December 1969 (DP/L.118) and of the statements of contributions pledged and paid, and contributions outstanding as of 30 November 1969 for 1969 and prior years (DP/SF/C/L.79 and 80; DP/TA/C/L.79 and 80).

E. Audit Reports

Summary of discussion

67. On the basis of information appearing in the audited financial reports and accounts, a member drew attention to the large amounts appearing under different headings in the accounts as reserve funds or investments. He remarked that the

different kinds of funds which were not being utilized at any given time for active development work might be diverted into operational channels of one kind or another in order to augment the total development activities of the Programme. In this connexion, he suggested a once-for-all operation which would not affect the commitments for projects already approved, for at least the next four or five years. He also referred to the large amounts of credit - as much as \$63 million - held under the category of non-interest-bearing notes; he wondered whether ways could be found to avoid retaining credits in this fashion and whether the Council could be provided with supporting schedules for this item. Finally, the same member drew attention to the losses on currency exchange incurred by the Programme on a fairly regular basis. While not overly concerned with these losses, since their size in relation to the total financial operations of the Programme was low, he asked whether additional information could be provided on the subject, particularly on how the transactions were conducted and to what extent central banks of the recipient countries were associated with the transactions.

68. Another member noted with satisfaction that an enlargement of the auditing functions was taking place in line with the recommendations of the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies. This meant that attention was being given to management and operational problems which were brought to notice during the course of auditing. The same member drew attention to the fact that several minor losses were shown in the FAO and ILO accounts. He suggested that it would be helpful if the documents could in future contain brief explanations of such losses.

Observations of the Administration

69. Commenting on the suggestion that funds held in reserve might be diverted to other uses for development purposes, the Administrator recalled the historical development of funding for Special Fund projects. It had been decided at an early stage that since not only UNDP but also the recipient Governments were undertaking substantial financial obligations over a period of years in agreeing to implement a Special Fund project, the only suitable course that would protect the interest of all parties would be for the Special Fund to set aside actual resources to see the project through to completion, regardless of any unforeseen developments. The Administrator felt that this decision had proven to be a wise one over a number of years, and he expressed reservations about departing to any significant degree from this proven concept of full funding for Special Fund projects.

70. The Director of the Division of Financial Management and Administrative Policy explained that non-interest bearing notes, or letters of credit, are payment instruments utilized on the initiative of certain donor Governments in particular circumstances. The Administrator found certain administrative and financial difficulties in connexion with their use and would not encourage such use from his own standpoint, but on occasion they are accepted in order to meet special problems faced by a contributor. The details involved in the use of letters of credit are highly technical in nature and rather routine, so that the Administrator did not see particular advantage in furnishing explicit information to the Council. As for the question of losses on exchange, the Director of the Division of Financial

Management and Administrative Policy agreed that these could be considered as being well within tolerable limits. UNDP currency transactions were conducted as part of the world-wide financial system of the United Nations. As in all financial transactions of an international character, some losses were bound to occur from time to time due to devaluation or other reasons. The record of the United Nations in this regard could be considered as highly satisfactory.

Decision of the Governing Council

71. At its 176th meeting, the Council took note of the audited financial report and accounts of UNDP for the year ended 31 December 1968 ^{18/} and the audit reports for the year ended 31 December 1968 relating to expenditure by Participating and Executing Agencies under the Technical Assistance and Special Fund programmes ^{19/}. It also took note of the relevant comments of the Advisory Committee on Administrative and Budgetary Questions ^{20/} and General Assembly resolution 2522 B (XXIV) and 2610 (XXIV).

F. Overhead costs

Summary of discussion

72. While not objecting to the proposals by the Administrator for calculating overhead costs for 1971 on a particular basis in light of special circumstances, several members referred to the need of finding a more satisfactory formula to govern calculations of overhead reimbursements for the long range future. The matter was recognized as an exceedingly involved and difficult one, and the Administrator was urged to co-operate in all efforts to find a reasonable and effective solution.

73. One member drew attention to the fact that while UNCTAD was steadily increasing its participation in the activities of UNDP, specific reference could not be found in the documentation to proposed overhead entitlements for 1971. He noted that the activities of UNCTAD could not be grouped with that of any other organization and hoped that UNCTAD could be treated as a separate entity for reimbursement purposes.

Observations of the Administration

74. The Director of the Division of Financial Management and Administrative Policy observed that the Administrator shared the concern of members of the Council regarding the level of overhead costs payable to the agencies and he emphasized that the Administrator had no particular stake in the present arrangements. UNDP would co-operate in every way with all studies designed to lead to a more rational and effective arrangement which would remove present uncertainties and would produce a more satisfactory record for the use of those reviewing the operations of the Programme.

^{18/} See foot-note 13.

^{19/} See foot-notes 15 and 16.

^{20/} See foot-notes 14 and 17.

75. As for the question of reimbursement to UNCTAD, the situation was indeed somewhat anomalous due to the status of UNCTAD as a new participant. Discussions were under way with a view to arriving at a fair figure for that agency.

Decision of the Governing Council

76. At its 176th meeting, the Council:

(a) Approved the formula recommended for calculation of overhead costs of the Participating and Executing Agencies in 1971;

(b) Took note of the provisional amounts of overhead cost entitlements of each agency, based on 50 per cent of the 1968-1969 programme as at 30 September 1969 - as listed in the annex to DP/L.116 - or their 1970 earmarkings for overhead costs in 1970, whichever figure is higher.

G. Centralized UNDP Trust Fund for the Libyan Arab Republic

Summary of discussion

77. A number of members expressed support for the establishment of a centralized fund as proposed by the Libyan Government and transmitted by the Administrator on its behalf to the Council. Several of these members suggested that since this was the first occasion for the establishment of a trust fund under Financial Regulation 3.3, it would be advantageous if the Council could have an opportunity to review the major policies and procedures which should be the concern of the Governing Council in cases of this nature and which would have to be reflected in an agreement with the Government prior to seeking approval of the Council pursuant to Financial Regulation 3.3 of the actual establishment of the fund. This would be in the interest of developing broad guidelines to be followed when similar actions were considered in future. One member indicated that the text of the agreement to be negotiated with the Government of the Libyan Arab Republic should identify the extent of the responsibilities of UNDP for operations financed under this fund and that provision should be made in the agreement for reimbursement to UNDP of all administrative costs it incurs in executing projects under the trust fund. It was also suggested that the establishment of this special trust fund should in no way deprive the Libyan Government of the benefits of current UNDP projects.

Observations of the Administration

78. The Director of the Division of Financial Management and Administrative Policy stated that the Administrator would be pleased to follow the suggestion that the Council examine the major features of the fund after negotiations had taken place but prior to final signature. He indicated that these negotiations might require some time for completion but that efforts would be made to expedite them as far as possible.

Decision of the Governing Council

79. At its 176th meeting, the Council approved the recommendation of the Administrator contained in paragraph 7 of DP/L.115 and authorized him to enter into negotiations with the Government of the Libyan Arab Republic in connexion with the establishment and administration of the Libyan Trust Fund in accordance with Financial Regulation 3.3 of the UNDP.

CHAPTER V

ADMINISTRATIVE AND BUDGETARY MATTERS

Budget estimates for the administrative and programme support services of the UNDP for the year 1970

Report by the Administrator

80. For its consideration of item 7 of its agenda, the Governing Council had before it the Administrator's budget estimates for the administrative and programme support services of the UNDP for the year 1970 (DP/L.114 and Add.1) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/7804). 21/

81. The 1970 estimates, amounting to a total of \$23,858,000 (net), represented an increase of \$3,799,400, or about 18.9 per cent, over the approved budget for 1969. More than one half of this increase resulted from the additional cost of maintaining in 1970 staff resources and supporting services and facilities at their 1969 levels. The further implementation of approved arrangements to attach industrial development advisers to selected UNDP field offices accounted for an increase of \$324,000, while special expenses showed a decrease of \$158,000 because of the tapering off of costs associated with the Capacity Study. Expansion of staff resources and supporting services, including the opening of a new field office in Equatorial Guinea, accounted for additional expenditures of about \$1.6 million, or an 8 per cent increase over the 1969 budget.

82. In initiating the consideration of this item in the Council, the Administrator stated that every function within UNDP had been reviewed in order to determine whether it continued to be essential to the conduct of the work. The estimates reflected such a continuous search for adaptation and improvement and had thus been reduced to an absolute minimum.

83. The Director of the Bureau of Administrative Management and Budget, introducing the budget estimates, emphasized that while any major changes in the structure, organizational arrangements and procedures of UNDP should await the decisions resulting from the Capacity Study and the related self-examination of the Programme, the dynamic work of the UNDP must proceed without faltering.

21/ Official Records of the General Assembly, Twenty-fourth Session, Annexes, agenda item 45.

A number of new functions and emphasis had been added to the organization's responsibilities, mostly as a result of discussion and decision by the Governing Council. There had also been a quantitative increase in workload of some 30 per cent since 1968. Some additional staff resources would therefore be needed, both in the field and at Headquarters, to ensure continued efficient operation; however, the proposed additional staff, especially at Headquarters, might be regarded as provisional and not prejudging future decisions in the light of the Capacity Study.

84. The Director underlined the relevance of adequate training to the best utilization of staff resources and said that while substantial progress had been made in recent years it was essential to establish a comprehensive and systematic programme of staff training. The Administrator intended to do this in appropriate consultation with UNITAR.

85. In referring to other factors contributing to a budgetary increase, including the addition of ten industrial development field advisers, the Director emphasized that the major part of the increase arose from the additional costs in 1970 for merely maintaining virtually the same level of staff and facilities as that of 1969.

Summary of discussion

86. Members of the Council welcomed the clear presentation of the budget proposals and were particularly appreciative of the Administrator's comprehensive foreword to the budget document (DP/L.114 and Add.1). There was also general recognition that, as stated in paragraph 5 of the foreword, the work of UNDP must go on without any slowing down of its pace and dynamism, even as the current self-examination was being carried out. It was emphasized, however, that no steps should be taken which would run counter to, or prejudice in any way, future decisions of the Council based on its consideration of the Capacity Study. Several members pointed out in this connexion that all of the improvements and innovations already introduced and reflected in the budget estimates not only took full account of earlier discussions in the Council but also fell in line with the direction of the general thrust of the Capacity Study. Others took the view, on the contrary, that the estimates did not fall in line with the direction taken in the Capacity Study.

87. At the same time a number of members expressed misgivings at the continued rise in administrative costs even while recognizing the growing volume of the Programme and the impact of inflation on wages and prices. Attention was drawn in this regard to the caution, included in paragraph 26 of the Advisory Committee report (A/7804), against attempting to establish an arithmetical link between the project case-load and the level of staff needs. It was emphasized that the aim should be to deliver the maximum part of each available dollar to the needs of development with a minimum of what was termed "erosion on overhead expenses". The point was made that expenses on administrative and programme support services had increased faster than overall resources.

88. Other members, while emphasizing their concern for economy, pointed out that an approach purely in terms of a ratio of what was generally termed "overheads" to operational expenses had limitations. Economy for economy's sake could often prove wasteful; modest funds spent wisely on "overheads" meant better planning, supervision and follow-up of operational activities resulting in overall economy and increased effectiveness of the Programme. It was argued that a close correlation, though not an automatic arithmetical link, was unavoidable between expansion of activities and some rise in administrative costs, and the budget proposals reflected a careful scrutiny of the additional requirements. It was also emphasized that inflation had rendered even standing still very expensive, not to speak of moving forward, and the real problem was one of a substantial increase in overall resources.

89. Attention was also drawn during the discussion to the Advisory Committee's hope, in paragraphs 33-35 of its report (A/7804), that expenditures on certain travel and general expense items might prove lower than expected.

90. One member stated that the hopes for economy mentioned by the Administrator, and which should have flowed from the 1966 merger of the Technical Assistance and Special Fund programmes, had not been realized, and the budget had continued to rise steadily. That member was of the view that the 1970 budget should be reduced provisionally to the 1969 level and that the Administrator should be asked to present detailed revised estimates in the light of the Capacity Study to the June 1970 session of the Governing Council.

91. Another member, in expressing concern at the increase in the budget, wondered whether the emphasis on staff training reflected poor quality of newly recruited staff. He requested that his reservations about the size of the budget should be placed on record in the report.

92. The representative of France was especially critical of the rising costs under Section 3 (Travel and transportation) and Section 5 (Other general expenses). In expressing his reservations on these items he suggested that the Administrator should be requested to undertake, in consultation with the Secretary-General, an objective study of the comparative advantages, from a functional and budgetary point of view, of a possible transfer of the UNDP services or of maintaining them in New York, and to submit the results of the study to the Governing Council at its tenth session, in June 1970. Subsequently, after an explanatory statement by the representative of the Administrator (see paragraph 100 below), the representative of France modified his suggestion to read as follows:

"The Governing Council,

"Concerned at the steady increase in the Administrative and Programme Support Services budget of UNDP,

"Taking into account the wish of Member States, reflected in paragraph 3 of General Assembly resolution 2618 (XXIV), that a study should be undertaken of the possibilities of distributing Secretariat functions between Headquarters in New York, the United Nations Office at Geneva or any other location which may be appropriate,

"1. Requests the Administrator to undertake, in liaison with the Secretary-General, an objective study of the comparative advantages, from the functional and budgetary point of view, of a possible transfer of the UNDP services or of maintaining them in New York;

"2. Requests the Administrator also to submit the results of his study to the Governing Council at its twelfth session;

"3. Requests the Administrator in the meantime not to take any measures which would render the implementation of the conclusions of the study more difficult."

93. Several members welcomed the efforts being made by the Administrator to develop a systematic programme of staff training; attention was drawn in this regard to the need for adequate orientation of experts taking account also of the importance of proper motivation. As regards the provision for a world-wide meeting of Resident Representatives, the question was raised as to whether regional meetings would not be more useful in practice. There was general support for the strengthening of field offices, and the need to enhance the role and authority of the Resident Representative at the country level in respect of all UNDP-financed activities was repeatedly noted. Attention was drawn by the Advisory Committee (A/7804, para. 30) to the desirability and timeliness of the "dual arrangement" with FAO; it was emphasized that the arrangements resulting from the Capacity Study should leave no ambiguity about the local authority of the Resident Representative in respect of UNDP activities.

94. In connexion with the arrangements relating to field advisers - and separately in regard to the costs of production of copies of the Study of the Capacity of the United Nations Development System - some members raised the question of the increasing shift of costs from regular budgets to UNDP. They emphasized that if, according to established arrangements, costs for the production of an official document were to be met from the regular United Nations budget, then any unanticipated increase in such costs should also be charged to the same budget. Special circumstances relating to the publication of the Capacity Study did not change this basic position.

95. Several members considered the magnitude of host Government contributions towards local expenses of UNDP field offices inadequate and pointed out that in 1970 such contributions were estimated at no more than 20 per cent of the total costs of maintaining the offices. Other members, on the other hand, stated that many developing countries had a host of problems which limited their capacity to make sizable contributions and that the circumstances of each case should be fully taken into account.

96. Some members expressed the view that arrangements already made by the Administrator for making available to the Council the assistance of the Commissioner for the Capacity Study were adequate and that provision made in section 7 of the budget should in no case be exceeded, as this might result in less resources being available for country projects. One member stated that expenditure on the Capacity Study had reached a figure of over half a million dollars, when initially an expenditure of only \$64,000 was visualized. The Capacity Study was becoming a standing charge on the Programme and, now that the

Study had been submitted, the Council should consider dispensing with this recurring expenditure and entrusting the Administrator with follow-up action. He further added that if some members were keen to invite the Commissioner and his team for consultation, they could treat them as State guests. One member, who, in the discussion on item 8, had suggested that the Commissioner for the Capacity Study and his staff should continue to be available to Governments for consultations, including visits to capitals, if necessary, at least until June 1970, said that if his suggestion was accepted, it would be necessary to make appropriate additional provision under section 7 of the budget. This point is covered further in Chapter VI of the present report dealing with the Capacity Study.

Observations of the Administration

97. During the course of the discussion the Administrator had an opportunity to explain that it was easy to reduce expenses simply by cutting out functions or services. If, however, such functions and services were considered essential, as those described in the budget were, the minimal resources requested must be provided. The Administrator for his part continuously ensured that the work was carried out with the utmost economy consistent with efficiency.

98. Responding to points raised in the discussion, the Director of the Bureau of Administrative Management and Budget assured the Council that, as mentioned by several members, none of the budget proposals ran counter to, or prejudged in any way, future decisions of the Council based on the Capacity Study. The Director also stated that the Administration had not recognized any automatic, arithmetical link between the number of project cases and number of staff; indeed the first effort had always been to absorb a steadily increasing workload within existing resources through improved efficiency. Nevertheless some correlation between the two factors was obvious and a modest strengthening of staff resources became essential when, as at the present time, practical absorptive capacities had been exhausted, still leaving an excess of workload. Regarding host Government contributions to local office expenses, the Administration would continue to make the best efforts taking full account of all pertinent factors. On staff training, the Director reiterated that the emphasis on training was in no way a reflection on the quality of the staff, a corps of men and women of whom the Organization could be truly proud; rather training was an essential need even with excellent staff especially in view of the complex nature of the structure, inter-relationships and procedures of the development system and of the unique and varied job requirements.

99. On the subject of a global meeting of Resident Representatives, the Director agreed that normally regional meetings would be appropriate for discussion of major operating problems as they arose, but occasionally special circumstances would warrant a world-wide meeting. Thus it might be necessary in the latter part of 1970 to have an opportunity to give systematic and uniform briefings and explanations to all Resident Representatives on new arrangements and procedures resulting from the Capacity Study. A series of regional meetings in quick succession, in addition to detracting from the clear and uniform understanding of issues and procedures, would be impracticable from a logistic point of view and would tend to paralyze UNDP Headquarters through the compulsory absence of several key officials for an unduly long period.

100. On the suggestion for a study of a possible move of UNDP to Geneva, or any other location, the Director cited the provisions of General Assembly resolution 2618 (XXIV), which, inter alia:

(a) Gave the Secretary-General authority to proceed with the new building in New York along the lines of his proposals; 22/

(b) Asked the Secretary-General to undertake a study of the possibilities of distributing Secretariat functions between New York, Geneva or any other appropriate location, bearing in mind not only the construction projects in progress or envisaged, but other pertinent factors as well, and to submit the study to the General Assembly at its twenty-sixth session (i.e. in 1971);

(c) Asked the Secretary-General to undertake a systematic inquiry into the possibility and desirability of relocating all or parts of certain units of the United Nations and for this purpose to employ the early years of the coming decade in choosing potential locations.

The Director stated that the Administrator and his associates would co-operate fully with the Secretary-General and other officials in the preparation of the study called for by the General Assembly. In response to a specific question, the Director further stated that the question of UNDP's financial participation in the projected new building in New York approved by the General Assembly would be placed before the Governing Council possibly at its June 1970 session.

101. In conclusion, the Director referred to the several comments and suggestions which had been made during the discussion and said that those would be taken duly into account by the Administration.

102. On the question of costs of production of copies of the Capacity Study report, the Deputy Administrator informed the Council that it was expected that the costs of any fresh re-runs of copies would be largely offset by proceeds from sales.

Decision of the Governing Council

103. After a discussion of the form in which the wish expressed by some members to have their reservations on the budget duly included in the report could be met, the following decision was taken by the Council at its 182nd meeting:

"The Governing Council,

"1. Approves the estimates of 1970 requirements for administrative and programme support services of the UNDP in a total amount of \$23,858,000 (net) as submitted in documents DP/L.114 and Add.1 and comprising the following sections:

	\$US
Section 1. Salaries and wages	13,263,600
Section 2. Common staff costs	5,665,300
Section 3. Travel and transportation	1,215,500
Section 4. Permanent equipment	433,600
Section 5. Other general expenses	2,905,300
Section 6. Subvention to the United Nations	270,000
Sub-Total	23,753,300
Section 7. Capacity Study (Follow-up)	104,700
TOTAL	23,858,000

22/ Ibid., agenda item 74, documents A/C.5/1246 and Add.1.

"2. Takes note of the statement of the Administrator to the effect that he will take account of the observations and reservations made by several members of the Council during the discussion;

"3. Decides that the Administrator may transfer credits between sections only with authorization of the Governing Council, such authorization to be obtained, if necessary, by canvassing members through correspondence;

"4. Authorizes, in order to finance these requirements, an allocation in the amount of \$23,858,000 from the resources of the UNDP."

CHAPTER VI

REPORT OF THE COMMISSIONER FOR THE CAPACITY STUDY

104. Under item 8 of its agenda, the Governing Council considered:

(a) The report of the Commissioner for the Capacity Study of the United Nations Development System (DP/5); and

(b) A note by the Administrator (DP/L.122).

105. Introducing this item, the Administrator referred to document DP/L.122 in which he paid tribute to Sir Robert Jackson, Commissioner for the Study, and to his colleagues for the independent and thorough manner in which the Study had been carried out. He informed the Council that he had entrusted to the Deputy Administrator responsibility for organizing an examination in depth of the various recommendations of the Capacity Study. The essential purpose of the Study was to determine how the United Nations system could be strengthened so that within the next five years it could carry out a programme twice the size of the present programme. This was not an unattainable goal in view of the four-fold increase in the capacity of the United Nations system during the decade of the 1960's. While the UNDP Administration should express its views on the recommendations of the Study to Governments, responsibility for elaborating a programme of action designed to strengthen the United Nations system rested with the Governing Council.

106. The Deputy Administrator informed the Council that the Study was the subject of intensive consideration within the UNDP both at Headquarters and in the field. Comments from the Resident Representatives and agencies had begun to come in and consultations with senior officials at Headquarters had commenced. In considering a broad timetable for the submission of the Administrator's observations and recommendations to the Council, the Deputy Administrator indicated that in view of the meeting of the Panel of Consultants scheduled on 29 and 30 January 1970, followed by a meeting of the Inter-Agency Consultative Board on 3 to 5 February to consider the Study, the Administrator's own study in depth of the various recommendations of the Capacity Study would be made available during the week of 16 February, approximately three weeks before the substantive consideration of the Study by the Council at its special session in March. The Deputy Administrator recalled that the Study had been initiated by the Administrator as a result of his conviction that while steady progress had been made by the United Nations system during the last twenty years in extending technical and pre-investment assistance to developing countries, a real surge forward was necessary during the Second United Nations Development Decade. The Administrator recognized the thoroughness as well as the objective and impartial nature of the Study. It was his wish, therefore, to get the maximum value out of the Study and he believed that the approach of all those engaged in the detailed consideration of the Study should be positive and forward looking.

107. The Deputy Administrator interpreted the recommendations of the Capacity Study under five broad categories as follows:

(a) Proposals in line with procedures which were already initiated, such as the selection of the Project Manager as far in advance as possible and his full association with the preparation of the draft Plan of Operation, specification of the equipment requirements, etc.;

(b) Proposals falling within the authority and competence of the Administrator to implement, which the Administrator would identify and implement as soon as possible;

(c) Proposals, and recommendations thereon by the Administrator, which would require decision by the Governing Council, especially those with financial implications. These would be placed before the Council at its March session. Upon the approval of some recommendations, it would be possible to include them in the budget proposals for 1971 for subsequent implementation after the approval of the budget;

(d) Proposals requiring future inter-agency or inter-departmental consideration or consultation, such as proposals in Chapter Six of the Study dealing with information systems;

(e) Proposals requiring approval by the principal organs of the United Nations, in particular the Economic and Social Council or the General Assembly.

108. The Commissioner for the Capacity Study made a plea that the Study should be judged on its merits. Referring to the principles underlying the Study, he expressed his profound hope that the ultimate conclusions would be based on a thorough and comprehensive study of all aspects of the Study and would reflect an overall policy decision by each Government of the Member States of the United Nations.

109. He assured the Council that the Study was inspired by a primary and abiding concern to improve the effectiveness of international co-operation in the interest of the developing countries and its recommendations were rooted in a deep faith in the suitability of the United Nations system to serve those interests. In his view, the very dynamic growth of the UNDP, which owed so much to the Administrator, had inevitably strained the framework and functioning of a structure which had not originally been designed for an operational task of such magnitude. The main objective of his Study, therefore, was to stimulate growth by designing mechanisms which would allow it to continue untrammelled. This would not only reassure contributing countries, both developed and developing, that the moneys they provided would be spent effectively, but would also encourage an increase in the amount of funds channelled through the United Nations system. Thus, the return on present resources would be increased and the United Nations development system would be equipped to absorb far greater resources in the future.

Summary of discussion

110. The members of the Council paid tribute to the Commissioner for fulfilling the task entrusted to him with a high degree of dedication and thoroughness. The Study was described as a remarkable work, for its clarity and style, as well as for its presentation of an analysis of the United Nations development system.

111. The recommendations in the Study were seen by several members as bold and imaginative and worthy of most serious consideration by all concerned. These members felt that on the eve of the twenty-fifth anniversary of the United Nations and the Second United Nations Development Decade, the Capacity Study, together with the report of the Pearson Commission ^{23/} and the documents pertaining to the international development strategy for the Second United Nations Development Decade, would provide a very important element in the development efforts of the world during the 1970s and beyond. These and other documents represented a plea for action which could be realized provided individual Governments and the world community possessed the wisdom and the will.

112. The role played by the Administrator in the realization of the Capacity Study was acknowledged and warmly commended by several members of the Council. There was general appreciation that in initiating the present Study, the Administrator had once more demonstrated his incessant interest in bringing about improvements in the operation of the UNDP and his belief that the Programme must be equipped to meet the anticipated challenge of a doubling of its financial resources within a few years.

113. Members of the Council were in agreement that the present session would be devoted essentially to an exchange of preliminary impressions on the Study. In keeping with the decision taken at the eighth session of the Council, a detailed examination of the substance of the Study would take place at the Council's special session in March 1970. ^{24/} One member stressed that the primary objective at the present session was, therefore, to outline a procedure which would enable the Council to consider the Study with a maximum degree of effectiveness within the limited time available before its March session. Several members did, however, take the opportunity to express very preliminary views of their Governments on the substantive issues covered by the Study.

114. Several members emphasized that their observations were preliminary in nature and in view of the magnitude and complexity of the issues covered by the Study, any detailed and definitive views must necessarily await a close scrutiny being carried out in the relevant departments of their Governments. Further, several members also expressed the desire to await the observations and recommendations of the Administrator and the comments and viewpoints of the Inter-Agency Consultative Board and the Panel of Consultants which would give them a more complete picture of the issues. With regard to the latter observation, however, one member suggested that the Study should be examined by Governments independently of the views of the Administrator. On this point, another member felt that the Administrator should not put his observations on paper until the views of Governments had been made known.

115. One member suggested that substantive comments would perhaps have to be withheld until the March session, that is to say, until the Governments concerned had before them the comments of the Panel of Consultants as well as of the Administrator. Furthermore, as the major recommendations of the Commissioner

^{23/} Partners in Development, Report of the Commission on International Development, New York, Praeger Publishers, Inc. 1969.

^{24/} See Official Records of the Economic and Social Council, Forty-seventh Session, document E/4706, para. 214.

appeared to be indivisible, Governments would need to consider it as such and reach a decision on it one way or the other. Some other members claimed that it was possible to be selective in the acceptance of the Commissioner's recommendations and that some of them were in fact capable of individual implementation. Accordingly, in their view, it was not necessary to approve or reject the Commissioner's recommendations as a whole. Some members felt that one of the difficulties in considering the report was that it was presented as an indivisible whole and, on account of so many options being left open, it was even difficult to know its real identity.

116. Many members felt that the Capacity Study had revealed major deficiencies in the present United Nations machinery for dealing with technical assistance. In accepting the validity of the Study's diagnosis of the difficulties and problems now being faced by the United Nations development system, some members said that there was sufficient evidence that the present system was over-strained and over-taxed. They noted that the instruments of development were in need of repair and reconstruction. Some of them recognized, however, that the real explanation lay in the fact that the structure and organization of the system were not designed to carry out a task of the present magnitude which had evolved within the very short period of a little over ten years. Several members emphasized that the deficiencies should not, therefore, be construed as a criticism of the Programme. It was stated that the Study was not a commentary of failure but rather a plea to respond swiftly to a global hunger for development. The current situation, one member observed, should be seen as a product of zeal and as a result of pressures on all elements of the United Nations system, which during its growth had commendably attempted to respond to the burgeoning need of the developing world.

117. Some members expressed doubts on the scope, assumptions, methodology and main findings of the Study. They regretted that the Study did not focus on what, in their view, was a principal constraint on capacity, viz. the lack of adequate financial resources. The fact that financial resources constituted the main constraint of the UNDP was underscored by the Administrator's statements that the valid requests of Governments for UNDP assistance added up to twice the total amount of contributions to the Programme every year. Besides, the Study overlooked that the numerous projects in the pipeline reflected the Programme's inability to accommodate requests within the existing resources. The success of the World Bank group in the pre-investment field, to which the Commissioner had referred, lay in its ability to command a greater volume of resources. No attempt was made in the Study to find a correlation between an increase in resources and in capacity.

118. Some members stated that the Study had exceeded its legitimate terms of reference. The Study, in their opinion, should have been confined to operational activities of the United Nations and should not have gone into the philosophy of development and the fundamental principle on the basis of which United Nations development activities should be undertaken. The scope of the Study was too narrow a framework to deal with the fundamental and basic functions of the United Nations, mainly in the non-operational field. An attempt to cover such functions was bound to be far too sweeping and superficial. They suggested that in the interest of economy and efficiency, such issues should continue to be discussed in other appropriate forums. Any attempt to discuss those issues in the Governing Council might interfere with the Council's coming to grips with those problems which were of immediate concern to it and for the solution of which the Capacity Study provided an unprecedented opportunity. They also felt that there were some elements of donor-bias in the Study, particularly in its implication that developing countries

would suffer and developed countries would deny resources to the Programme if the developing countries did not accept the recommendations of the Study. The proper approach would have been to justify the recommendations on the basis that both developed and developing countries would gain by their implementation. They stated that the tendency in the report to take certain unfavourable and patently undesirable situations for granted tended to provide justification for a state of affairs which no one wanted to prevail and rationalized the recent feelings of the international community. They were also of the view that whereas any living system needed to be shaken out of complacency from time to time, it must also derive sustenance from a certain sense of elation for its achievements and from a sense of gratefulness for the services rendered.

119. One member also pointed out the inherent efficiencies of the methodology, both quantitative and qualitative, of measuring capacity and suggested that this justified caution in giving a premature verdict on the Study. He referred to a methodology which the Study did not apply, and felt that the application of this methodology would have changed the main findings of the Study. It might have revealed that there was nothing intrinsically wrong with the United Nations system and that development, whether national, bilateral or multilateral suffered from a common all-pervading malaise.

120. On the question of the deficiencies of the Programme, some members pointed out that the need for updating the system had not escaped the attention of the UNDP and the specialized agencies and that the Administrator had already undertaken certain remedial measures. In this connexion, one member felt that the Study did not give sufficient credit to the remedial measures already initiated.

121. One member expressed concern that unless the Council and Governments concerned rose to the challenge, the stern and outspoken criticism contained in the Study could have a negative effect on the willingness of certain Governments and parliaments to contribute to UNDP. Another member informed the Council that his Government would be reluctant to increase its contribution to the Programme until the Council took necessary action to improve and strengthen the capacity and delivery of the United Nations system.

122. Several members expressed their support of the broad direction and orientation of the Study and were able to support a number of recommendations. One of these members, commenting on the general approach to the Study, stated that the Study must be looked upon as something more than just a series of technical recommendations. It represented an approach to the theme of multilateral co-operation for development to which Governments would have to address themselves. He stated that the Council was faced with two kinds of decisions. One set of decisions would deal with the broad conceptual approach of the Study. A meaningful discussion of the detailed and technical proposals would be dependent upon the approval of some of its basic concepts. While the consideration of the broad concept was the prerogative of Governments and must be settled by the Governing Council, it would be the Administrator's duty to provide Council members with comments on those recommendations contained in the Study which were of a technical nature. According to one member, separation between policy measures and technical possibilities of suggested measures was artificial, as one depended on the other.

123. Proposals receiving the endorsement of certain Governments related to those dealing with an integrated country approach, which, in the opinion of some members, was the central theme of the Study, as well as the adaptation of new country

programming procedures to the specific needs and requirements of individual countries in recognition of their particular stage of development. This central recommendation, it was said, implied acceptance of a number of other recommendations. These included the delegation of greater authority to the field, the co-ordination of representation at the country level, the strengthening of management and personnel to improve planning, evaluation and follow-up action, the introduction of satisfactory cost accounting and information systems, and greater reliance on the expertise of individuals and groups outside the United Nations system both at the planning and implementation stages.

124. Some members made particular mention of the need to strengthen the role of Resident Representatives as the leading and central figures of the United Nations development effort in the field. One member stated that the Resident Representative, who might be more appropriately designated Country Director, should not be expected to assume accountability without the proper degree of authority. He should be responsible for management co-ordination but avoid becoming involved with the technical features of the work of the specialized agencies.

125. With regard to the management system, one member expressed the view that there was an unquestionable need to strengthen the centre and, accordingly, greater authority should be delegated to the Administrator, so that the Council could devote more of its time to discussing development policies and strategy.

126. One member expressed his conviction that in relation to world development requirements, one of the fundamental limiting factors on the capacity to expand the development programme, both inside and outside of the United Nations system, was the shortage of well-qualified personnel. Accordingly, his Government placed emphasis on the importance of training programmes both at Headquarters and in the field.

127. Many members favoured sub-contracting, and direct contracting by the Administrator. It was suggested that the implementation of this recommendation would not involve fundamental constitutional or structural changes in the system and fell under the category of those recommendations which could be put into effect quickly. All available resources - public, private and university resources - should be utilized as appropriate.

128. In giving support to the Commissioner's plea to Governments to improve co-ordination at home, one member informed the Council that, as a result of the Study, great effort was being made in his country to undertake relevant improvements at the national level in order to be able to assist in international co-ordination.

129. Several members questioned the implication in the Capacity Study that the absorptive capacity of the developing countries was overstrained. In that context, it was also mentioned that the Pearson Commission's report was also quite definite in regard to the ability of developing countries to absorb an increasing amount of assistance. One member endorsed the Study's constructive approach to the absorptive capacity of recipient countries. Where bottle-necks to any country's ability to use more resources were identified, they should not be regarded as a limiting factor; it should rather be a primary objective of the United Nations system to help break them.

130. Concerning possible organizational arrangements for the United Nations system of development co-operation, one member noted that out of the six models discussed in the Study, only one had been recommended and the remaining five rejected. He would have preferred it if the Study had given a choice of two acceptable models.

131. One member pointed to an apparent contradiction in connexion with the Study's recommendation that the World Bank group should be the chief arm of the United Nations system in the field of capital investment. This proposal was made despite the Commissioner's recognition of a fundamental defect in the World Bank. He had pointed out that there were misgivings in the Third World concerning the Bank's weighted voting and limited membership and had warned that the funds of the Bank were derived from private investors who wished to secure high interest rates which were not in the best interest of the developing countries.

132. Commenting on the Study's reference to the capacity of the agencies, one member felt that the system of specialized agencies represented one of the positive achievements of the present century. The international co-operation programmes organized by the agencies and financed by their regular budgets represented an assurance that a system of compulsory contributions to combat problems of common interest was established. In this context his Government was concerned at the growing tendency to finance international co-operation activities from voluntary contributions and the corresponding weakening of support of the specialized agencies by certain Powers. The Study mentioned the poor performance by these organizations as executing agencies, but gave no analysis of the reasons for this. There was an obvious need for an assessment of what was expected of them as well as an indication of how their efficiency could be improved. The need to ascertain the views of the agencies was felt to be most important.

133. Several members, in recognizing a need for a serious consideration of the Study by their respective Governments, entailing interministerial consultation, expressed concern at the insufficient time available between the submission of the views and comments of the Administrator, the Inter-Agency Consultative Board and the Panel of Consultants and the Council's special session in March. It was also the general feeling of members of the Council that a special March session of only five days was clearly inadequate for the consideration of complex issues of such broad scope and far-reaching importance. It was suggested that this session be held at a later date, before the June session, and that the duration of the special session be extended to ten days or two weeks.

134. Several members suggested the establishment of an intergovernmental working group composed of all members of the Governing Council wishing to participate. This group, in preparing the groundwork for a more substantive discussion in the Council, would identify the problems which require action by Governments at various levels and spell out those spheres where agreement was not possible. It was suggested that it could meet for a few days before the March session, either in formal or informal meetings, and would continue its operations until the Council's tenth session in June. Some members indicated that they would be unable to participate in such a working group before the March session but would support an extension of that session. One member said that no formal session of the group should be convened before the March session but that informal consultation could be held. Another member felt, however, that no useful purpose would be served in the establishment of such a group which might not have either the expertise or the time to identify all the recommendations of the Study and face the possibility of disagreement, resulting in no clear decision. In view of its composition, there

was also, in his view, a danger of certain duplication of effort between its work and that of the Council itself. A suggestion was also made that it should be left to the March session to decide on a programme and methods of future work.

135. Some members proposed that the Commissioner and his staff should be appointed as consultants to Governments and authorized to visit capitals, with a view to providing assistance when requested by Governments in connexion with their consideration of the Study. Some other members, however, objected to this suggestion and stressed that they were satisfied with the arrangements already made by the Administrator and that no financial obligation additional to that already provided by the Administrator in the budget for 1970 should be incurred in this connexion. Several members stressed that, subject to this provision, the understanding was that the assistance of Sir Robert Jackson and his team would be available to the Administrator, to the Council and to the Governments which requested it.

136. Some members felt that the Study should be given the widest possible circulation. In this connexion one member suggested that it should be made available to all Governments in a quantity responding to their needs since they would have to take a position on it in various bodies of the United Nations system.

137. Many members recognized that the Study was of great importance to both developed and developing countries. Some members emphasized that it was the responsibility of Governments to see that the best benefits were derived from the Study. In stressing the role of both developed and developing countries, one member said that for developed countries the question ultimately was one of political will which was becoming increasingly associated with the demonstrated capacity and efficiency of development assistance efforts. Another member stated, however, that the political will on the part of the developed countries was lacking. The view was expressed that developing countries were particularly interested in improving the system since the burden of a high level of counterpart contributions was particularly acute for them. It followed, therefore, that the views of developing countries on the subject were most important and must be heard. It was recognized that the management of the UNDP and the specialized agencies shared the responsibility of ensuring that the pooled resources of the developed and developing countries made the maximum contribution to development.

138. Some members maintained that the consideration of the Capacity Study should not be limited to the Governing Council. It was necessary to distinguish those recommendations requiring action by the Governing Council from those on which the General Assembly would act. Discussion on the Study should take place in the Economic and Social Council and the General Assembly and, where possible, decisions should be taken at the highest representation level.

Observations of the Commissioner for the
Capacity Study and of the Administrator

139. The Commissioner for the Capacity Study thanked the members of the Council for their expressions of appreciation. He observed firstly that, in view of the complexity of the issues involved, he doubted the feasibility of further synthesis of the Study than was attempted in Volume I of the report (DP/5). He would continue to respond to requests of Governments to discuss the report with them and provide

explanations to the extent possible in the time available. Secondly, he stressed that the Study aimed at forging more effective and mutually advantageous links between all countries in the common endeavour to promote development. As the Study made clear, development was an indivisible process, and it had therefore been impossible to examine procedural aspects, except within the context of the objectives they were intended to achieve. Thirdly, the Study presupposed that resources would double in the near future and the recommendations made in the Study were designed to use greatly increased funds by eliminating bottle-necks and increasing absorptive capacity for development assistance in developing countries, by streamlining United Nations organizational structure and systems to use funds more efficiently, and by country programming procedures to help each country to identify its over-all needs and resources needed for technical co-operation. Fourthly, while there was no question of a "package deal", a piecemeal approach to the recommendations would run the risk of losing sight of the main principles underlying the report which constituted what one member had described as its conceptual approach. Fifthly, he considered the respective roles of UNDP and the World Bank to be of profound significance, and had proposed a definition of their roles within the United Nations system, in order to strengthen the UNDP. The Study made it clear that all possible sources of capital should be tapped, that the power of decision rested unequivocally with each Government concerned, and that UNDP should offer its assistance to recipient Governments so as to ensure that funds were provided on the best possible terms from whatever source. Sixthly, he emphasized that the Study did not recommend the reduction of the operational role of the agencies but rather the optimum use of all available development sources, both inside and outside the United Nations system. The Study did not suggest a decline in agency operations but a slower rate of increase for those agencies with overtaxed capacity.

140. The Commissioner indicated that the Chairman of the Panel of Consultants would be available to present the Panel's comments to the Council at its March session if the Council so desired. At that time, the Council would also be provided with a detailed analysis of the costs of the recommendations made in the Study.

141. In conclusion, he noted that the present structure of the United Nations development system was the crux of the problem and he both admired and sympathized with those who had worked within the present structure. The Study was positive, optimistic, evolutionary and pragmatic; it sought to build on positive elements in the United Nations system that had evolved over the past twenty-five years.

142. The Deputy Administrator informed the Council that initial distribution of the Study had exceeded 10,000 copies and a reprinting now in hand would ensure availability of additional copies for Governments, Resident Representatives and for sale. Based on a decision taken by the Council at its eighth session, ^{25/} the Administrator had already made arrangements, as reflected in section 7 of the 1970 budget estimates (DP/L.114 and Add.1) for the retention of the services of the Commissioner including some provision for travel expenses for 1970. The Council could decide whether it required the services of further staff. It was not proposed to reproduce all of the comments of Resident Representatives and agencies. However, the Council would be informed of the views of the Inter-Agency Consultative Board. In addition the Council would be provided with an analysis of the

^{25/} See Official Records of the Economic and Social Council, document E/4706, para. 214.

recommendations in the Study grouped by category. The report of the Administrator would deal with certain technical problems.

143. The Administrator stated that this had been one of the most interesting and fruitful sessions of the Governing Council. The Commissioner for the Study would be available for consultation throughout 1970. In view of the likely interest of a very large number of Governments, it would be helpful if questions could be addressed directly to the Commissioner in writing.

144. He believed that the United Nations system, though not perfect, was the best available. There was a special place for a multilateral organization to administer pre-investment and technical assistance. The agencies deserved much credit for their contribution to the development system. It was in recognition that capacity was strained that he had initiated the Capacity Study. He was determined therefore to take full advantage of the Study. In this connexion, a task force under the Deputy Administrator was already active.

145. He could not agree that a dollar limit - whether \$250 million or more - should be placed on UNDP development assistance; he could propose a further \$100 million worth of projects if only funds were available. The system needed strengthening, however, for the world was on the threshold of great developments. As a result of the Green Revolution in agriculture during the 1960s technology was now available to double the world's food supply. The criterion for UNDP projects was whether they would assist in raising the people's productivity. An inquiry by the Society for International Development revealed that in the developing world only 20 per cent of natural resources and 10 per cent of potential human resources were currently being used. But the 1960s had not been a decade of failure, for one of its great achievements was in the growing productivity of human and physical resources.

146. The report of the Commissioner should not be allowed to become just another report; the March session of the Council should produce an action programme. The Governing Council had been one of the most productive organs of the United Nations system, largely because it had concentrated on the single goal of contributing to a rapidly expanding world economy in the interest of all.

Decision of the Governing Council

147. At its 184th meeting, the Council adopted the following conclusions:

(a) In the opinion of the members of the Council, consideration of the capacity of the United Nations development system was an extremely important matter;

(b) The Council should have adequate time for thorough discussion with a view to taking final decisions on the Capacity Study. The Governments and their representatives also needed time for analysing Sir Robert Jackson's report;

(c) Before the Council started the discussion in March, it wished to have at its disposal a document incorporating the comments, observations and recommendations on the report prepared by the Administrator of the UNDP;

(d) It also wished to have before it the comments of the Panel of Consultants and the Inter-Agency Consultative Board;

(e) It was expected that these comments, observations and recommendations would be available not later than the third week of February 1970;

(f) The Council took note with satisfaction that arrangements had been made by the Administrator for making available the continuing counsel and the assistance of the Commissioner for the Capacity Study and members of his team to the extent feasible during the period of the discussion of the Study in 1970;

(g) Subject to the final decision of the special March session of the Governing Council, a working group open for participation to all its members and observers would be established and meet during the period between the March and June sessions of the Council as required, in order to make proposals for facilitating the adoption of concrete decisions at the June 1970 session of the Council.

CHAPTER VII

UNITED NATIONS CAPITAL DEVELOPMENT FUND

148. Introducing item 10, the Senior Financial Adviser to the Administrator recalled the decision of the Governing Council taken at its eighth session in June 1969 to proceed with initiation of the United Nations Capital Development Fund operations. 26/

149. The Administrator had requested contributing countries to furnish a list of equipment of their own manufacture which they were willing to make available to the Fund against their pledges. A decision as to the suitability of the equipment would remain with the beneficiary country.

150. Since the issuance of his progress report on the Fund (DP/L.120), the Administrator had completed negotiations with the Government of Brazil for the purchase of Yugoslav fishing boats through the Fund. He had also received a request from the Government of Afghanistan for supplementary equipment for a building research laboratory in connexion with a UNDP-assisted project.

151. In his progress report, the Administrator submitted to the Council for approval the following guidelines and terms for loans (DP/L.120, para. 10):

(a) In order that the extremely limited resources of the Fund may not be depleted, the conclusion has been reached that equipment made available by contributors against pledges should be acquired by the beneficiary country on a long-term loan rather than an outright grant;

(b) The amortization period should be long term, but related to the working life of the specific equipment involved;

(c) A grace period allowing for fabrication, delivery and several months of initial operation should be allowed prior to commencement of amortization payments;

(d) Repayments should be made in the currency of the receiving country in equal semi-annual installments which would include a service charge of three-quarters of 1 per cent on outstanding balances;

(e) As a protection against inflation, the original face amounts of the principal payments should be adjusted periodically in accordance with an agreed escalation formula;

(f) Freight and insurance charges for off-shore movement of the equipment from supplying to the beneficiary country would be borne by the Fund.

26/ Ibid., para. 286.

152. The Administrator also recommended that the Council authorize him to consummate future transactions by executing loan agreements as and when they are ready and reporting them at the next session of the Council.

Summary of discussion

153. Several members of the Council expressed their approval of the steps taken by the Administrator and of the recommendations contained in his progress report. A number of them recorded their disappointment that the developed countries did not contribute to the Fund. An appeal was made to all countries, socialist and non-socialist, to contribute to the Fund in order to increase its capability. Contributors to the Fund were also urged to make prompt payments of their pledges to the Fund.

154. While recognizing the difficulty of initiating operations with such limited resources, some members requested the Administrator to continue exploring other initiatives. One member recalled that his delegation had expressed some doubts on the procedures for making the Fund operational and in this connexion had objected to "matching on a bilateral basis". The present method of operation by transfer of equipment, it was suggested, should be recognized as a transitional and temporary procedure. Some members expressed the hope that, in the administration of the Fund, more attention would be paid to the least developed countries which were unable to attract private investment capital from abroad.

155. One member indicated that he had just submitted to the Administrator a list of the categories of equipment which his Government was ready to make available against its pledge to the Fund. One member suggested that the Administration could also give serious consideration to the utilization of the Funds resources to finance pilot projects. He observed that his country had doubled its pledge to the Fund at the 1969 Pledging Conference. Another member stated that his country, which was the largest contributor to the Fund, would continue to support the Fund, to which it attached great importance.

156. Two members requested an explanation of the utilization of the service charge of $\frac{3}{4}$ of 1 per cent on loans. One of them recalled that it had originally been intended that the administrative expenses of the Fund should come out of the United Nations budget. Subsequently, because of their minimal nature, it had been decided that they should be absorbed by UNDP. He felt that this matter should be taken into account and reassessed as these expenses increased. The other member considered that the Fund should pay its own cost. He sought information on the relationship of the administrative expenses of operating the Fund to the UNDP budget.

Observations of the Administration

157. The Senior Financial Adviser to the Administrator pointed out that since the resources of the Fund were mostly non-convertible, it was difficult to envisage any operation which was not bilateral in nature. The service charges of $\frac{3}{4}$ of 1 per cent on outstanding balances, he explained, would be utilized to off-set in part the administrative expenses of the Fund. The Director of the

Division of Financial Management and Administrative Policy observed that it had been agreed that the UNDP should at present absorb the administrative cost of the Fund. If the operations of the Fund expanded significantly, however, it would become necessary to make different arrangements for meeting the administrative cost.

Decision of the Governing Council

158. At its 184th meeting, the Council approved the terms defined in paragraph 10 of document DP/L.120 (see paragraph 151 above) and authorized the Administrator to consummate future transactions by executing loan agreements as and when they are ready and reporting them at the next session of the Council.

159. The delegations of Canada and Japan dissociated themselves from this decision.

CHAPTER VIII

UNITED NATIONS REGULAR PROGRAMME OF TECHNICAL CO-OPERATION

160. Under item 11 of its agenda, the Governing Council considered a report (DP/RP/8), submitted by the Secretary-General, on the United Nations regular programme of technical co-operation. The report summarized recent actions taken by United Nations governing bodies concerning the regular programme, and the implementation of the guidelines relating to its operations. It also contained recommendations relating to the character of the 1971 regular programme, as well as a statement on its future character and role. The report was introduced to the Council by the Commissioner for Technical Co-operation.

Summary of discussion

161. In the discussion of the report of the Secretary-General, many members agreed with the major points raised in the report and indicated their support for the regular programme. Several members appreciated that the Secretary-General's report was a clear-cut statement of the role and character of the regular programme. They noted that action had been taken on the guidelines approved by the Governing Council at its seventh session, ^{27/} Economic and Social Council resolution 1434 (XLVII) and General Assembly resolution 2514 (XXIV) regarding the programming and budgeting procedures for Part V (Technical Programmes) of the United Nations budget.

162. Several members supported the Secretary-General's initiative to further improve United Nations assistance to the developing countries in strengthening their planning and plan implementation ability and machinery. The Council welcomed the introduction of the scheme to establish on a sub-regional basis inter-disciplinary development advisory teams collaborating closely with national officials and Resident Representatives. Mention was made of the need to involve the World Bank and the specialized agencies as appropriate. The need to achieve a proper balance between social and economic planning was stressed. It was hoped that the Council would have an opportunity to review the experience of the three multi-national teams to be launched in 1970.

163. Several members noted the importance of training and supported the arrangements being made for carrying out an appraisal of the training component of the United Nations technical co-operation programmes. The need for formulating concrete proposals in the study that should be of practical value not only to the developing countries but also to other agencies and organizations concerned with assistance to developing countries was emphasized.

^{27/} Ibid., document E/4609, para. 181.

164. With regard to evaluation, the need for developing better methods and techniques in various phases of the technical assistance programme at the country level was pointed out by one member.

165. Several members expressed their support of the Secretary-General's proposed notional targets for the several chapters comprising Part V (Technical Programmes) of the 1971 budget estimates. Specifically, the increases allocated to social development, public administration, human rights and narcotic drugs control were endorsed, and it was noted that such action was in keeping with the guidelines established by the Governing Council. Attention was drawn to the world-wide problem of narcotic drugs and the modest increase in the provisional allocation in this sector was welcomed. Several speakers looked forward to receiving the Secretary-General's report to the January 1971 session of the Governing Council which might reflect any further changes in character and role of the regular programme.

166. A few members restated their position that technical assistance activities should not be financed through the assessed budget of the United Nations but should be financed through voluntary contributions.

Observations of the Commissioner and the Associate
Commissioner for Technical Co-operation

167. In response to points raised during the discussions, the Commissioner for Technical Co-operation observed that the stabilization since 1962 of the level of resources available to the United Nations under the regular programme created a situation whereby any increase in any one sector of operations necessitated a corresponding reduction in another. He agreed that methodology of evaluation needed to be carefully studied; that the advisory planning teams were in fact intended to reinforce and not to replace the national machinery concerned with planning and development.

168. The Associate Commissioner for Technical Co-operation stated that the interdisciplinary advisory teams would fulfil an urgent need for assistance in development planning at the country level. Since these interdisciplinary teams would be linked to the regional economic commissions, it would enable the latter to play a more effective role at the country level. She stated that the Administrator of UNDP had expressed his interest in this scheme and that the Commissioner for the Capacity Study had indicated that this approach was consistent with the relevant recommendations in his report. Informal consultations had already been held with some United Nations organizations and further consultations would take place.

169. The Associate Commissioner assured the Council that there would be no duplication between the interdisciplinary teams of the United Nations and the World Bank country review missions. She added that the World Bank missions would initially visit the thirty developing countries where the World Bank had large programmes and that these missions would take the form of brief annual visits, whereas the United Nations teams would give special emphasis to the least developed of the developing countries and that the teams would be provided on a continuing basis. Finally, she stated that in so far as the work of the team pertained to technical co-operation programming it would operate under the leadership of the UNDP Resident Representatives.

Decision of the Governing Council

170. At its 183rd meeting, the Governing Council decided to take note, having regard to the comments made by several members, of the report of the Secretary-General (DP/RP/8) on the United Nations regular programme of technical co-operation and of the notional targets included therein, which the Secretary-General has initially assigned for 1971 to the major fields of activity provided for under Part V (Technical Programmes) of the United Nations budget.

CHAPTER IX

ACTION TAKEN IN 1969 BY ORGANS OF THE UNITED NATIONS AND RELATED AGENCIES

171. Under item 9 of its agenda, the Governing Council had before it:

(a) An information paper on action taken in 1969 by organs of the United Nations and related agencies on matters relating to UNDP (DP/L.119); and

(b) A note by the Administrator on the report of the Special Rapporteurs appointed to review technical co-operation activities in social development (DP/L.117).

A. Information paper on action taken in 1969 by organs of the United Nations and related agencies on matters relating to UNDP

172. With reference to General Assembly resolutions 2506 (XXIV), 2507 (XXIV), 2508 (XXIV), 2548 (XXIV) and 2555 (XXIV), referred to in document DP/L.119, the Assistant Administrator and Director of the Bureau of External Relations, Evaluation and Reports informed the Council of the action taken by UNDP in compliance with decisions of organs of the United Nations with respect to South Africa, Namibia, Territories under Portuguese administration, and Southern Rhodesia.

Summary of discussion

173. One member drew attention to General Assembly resolution 2529 (XXIV), which suggested that the International Union of Official Travel Organizations be converted into an intergovernmental organization and function as an executing agency of UNDP. He noted that the Union would soon meet to carry out this suggestion and that the General Assembly had requested the Secretary-General, in co-operation with the Administrator of UNDP and the Secretary-General of the Union, to prepare a report for submission to the Economic and Social Council at its forty-ninth session containing concrete proposals for the implementation of the General Assembly resolution.

Observations of the Administration

174. The Assistant Administrator and Director of the Bureau of External Relations, Evaluation and Reports assured the Council that the Administrator would co-operate fully with the Secretary-General in the preparation of the report and in the implementation of any decisions taken by the Economic and Social Council on that report.

Decision of the Governing Council

175. At its 184th meeting, the Council took note of the action taken by organs of the United Nations and related agencies in 1969 on matters relating to UNDP (DP/L.119).

B. Report of the Special Rapporteurs appointed to review technical co-operation activities in social development

176. The Associate Commissioner for Technical Co-operation stated that the decision of the Economic and Social Council in 1967 (resolution 1227 (XLII)) to appoint the Special Rapporteurs grew out of its consideration of a report of the Secretary-General which brought out candidly some of the major problems affecting the operational programmes of the United Nations system at that time. This initiative came at a time when an increasing number of development specialists began to re-examine policies and methods that had long governed development assistance programmes. It was becoming increasingly recognized that development was not simply a matter of production or economic growth, that it was misleading to think in terms of separately operating economic and social phenomena, and to oppose social to economic objectives. Since the review undertaken by the Special Rapporteurs, the trend towards a socio-economic approach to development assistance had become stronger and was now clearly reflected in the work of the Committee for Development Planning, the Preparatory Committee for the Second United Nations Development Decade and in recent resolutions adopted by the Economic and Social Council and the General Assembly.

177. Briefly, the major thrust of the Special Rapporteurs' recommendations (see DP/L.117) could be stated as follows: the latest experience and thinking on development policy and strategy should permeate United Nations technical co-operation activities in social development at all levels; development assistance must maintain a high degree of dynamism, because a rapidly changing world calls for continuous innovations and changes in international programmes if they are to respond effectively and flexibly to the shifting conditions and needs of a wide variety of developing countries; United Nations assistance, because of its relatively small volume, must be as free as possible of factors that inhibit or limit in any way fully co-ordinated or joint inter-agency action whenever an interdisciplinary approach to assistance is required; and there should be a realistic and continuing assessment of the needs, both social and economic, in each individual country, and that for each country assistance should be provided as part of an agreed programme rather than project by project.

178. While the Special Rapporteurs, in accordance with their mandate, looked at these problems from the point of view of strengthening the social aspects of development, their recommendations and conclusions were directly relevant to a number of issues central to the whole approach to development assistance. They raised many questions which were later considered by the Capacity Study in a broader context. It should be noted that the comments of Member Governments on the report were generally highly favourable. These comments and the discussions in the Commission for Social Development and the Economic and Social Council indicated a large measure of agreement on the main lines of reform and improvement suggested by the Rapporteurs. The Associate Commissioner suggested that the Council might wish to consider the recommendations of the Special Rapporteurs in conjunction with its consideration of the Capacity Study at the special session in March.

Summary of discussion

179. The Council expressed its appreciation for the report of the Special Rapporteurs which they considered important to the strengthening of development assistance. Some members added that their Governments had found the Special Rapporteurs' recommendations very useful and would give them due consideration in their development plans and policies. While the Council was unanimous in expressing the view that the report of the Special Rapporteurs should be considered by the Council together with the Capacity Study at the special session in March, many members suggested immediate action on those recommendations that could be readily implemented, as reported in the note by the Administrator (DP/L.117). One member suggested that a separate chapter or heading in the report of the Administrator on the Capacity Study be devoted to the Special Rapporteurs' recommendations and social development. A member observed that while the Special Rapporteurs had undertaken applied research and the Capacity Study had involved systematic research, the two had reached the same diagnosis of the situation indicating the advisability of the Council's considering them together.

180. Members supported the integrated approach to social and economic development, as stressed by the Special Rapporteurs, and stated that the recommendations of the Special Rapporteurs were of vital importance since they affected the social conditions of people in many developing countries. Some members observed that it had been proved that economic development was not a panacea for social ills and the Special Rapporteurs had brought this fact into sharp focus. Several members expressed agreement with the Special Rapporteurs that social development should be considered a dynamic factor in terms of human resources and that lack of attention to this area could seriously diminish the total effectiveness of technical co-operation programmes. Some members noted that the concept of integrated approach to development, which had gained general acceptance, had not yet found sufficient recognition in the operational programmes of the United Nations system as a whole. They observed that it had been mistakenly assumed that the human and social factors in the development process would take care of themselves if the economic aspects of development problems were attended to. It was not infrequent that the social aspects of economic programmes were given attention only at the stage when serious problems of implementation or unforeseen social consequences arose.

181. Many members stated that the UNDP, which was the main United Nations body dealing with co-operation in technical assistance, could not afford to remain aloof from the problem of intensifying and increasing social co-operation. Several members noted that social aspects had been included in a number of UNDP projects with respect to training, education, health and nutrition. They expressed the hope that this trend would continue but emphasized that UNDP must naturally not disregard the economic aspects of development. They welcomed the efforts of the United Nations to increase its technical assistance in the social field.

182. Some members stated that it was important for the Council at the appropriate time to devote sufficient time and energy to a special study of the role of social factors in economic growth. They noted that the Capacity Study contained useful recommendations and provided an opportunity to study this question in depth, particularly UNDP's role in financing projects with social components. Some members felt that the social aspects of development assistance

could be improved through closer co-operation between the Council and the Commission for Social Development, on the one hand, and between the UNDP and the Social Development Division on the other hand. It was hoped that the necessary arrangements for this co-operation would be effected at the forthcoming special session of the Council in March. One member pointed out that, in accordance with a recommendation of the Special Rapporteurs, it was important that the Commission for Social Development be represented at the Governing Council in view of the fact that there was no specialized agency for social development.

183. Several members welcomed the inclusion of principles of social development planning in the general training and orientation programme given by UNITAR for the assistant and deputy Resident Representatives. They expressed the hope that this phase of training could be strengthened and adequately expanded. Two members stressed the importance of training local counterparts to work out their own problems, because technical knowledge did not lend itself to easy transference under varying social settings. A member stated that studies should be implemented by UNDP and the World Bank to evaluate on-going projects to bring out the side-effects of social factors on projects. One member emphasized that the Council should, in his Government's view, apply as soon as possible the recommendations of the Special Rapporteurs to UNDP's planning and programme activities. Some of the forms of application could be the training of Resident Representatives and other professional staff members in social development, the training of local counterparts, institution-building, fuller utilization of funds to attend to social aspects, greater flexibility in the recruitment of experts, and the ensuring of technical backstopping.

184. Several members stressed the importance of dealing with the problem of unemployment and urged stronger measures in achieving effective co-operation among the UNDP, the United Nations and the agencies in finding solutions. The various aspects of rural development as a factor in achieving balanced socio-economic development was also stressed.

185. One member referred to the problem of nutrition in Africa where the question was not one of availability of food, but of ignorance with regard to the composition of food products. He felt that the establishment of technical food institutes would help solve the problem. He stressed that the question of nutrition should be studied in relation to the differing needs of continents.

Observations of the Associate Commissioner for Technical Co-operation

186. The Associate Commissioner noted the substantive consideration and positive views given to the recommendations of the Special Rapporteurs. She stated that she was in full agreement with the need to adapt training of field advisers to the social needs of developing countries and that case studies were being carried out with respect to the training of local counterparts. She said that the possibility of evaluating the social side effects of on-going projects would be discussed with the World Bank. She noted that there seemed to be agreement among the members of the Council that more substantive comments on social development would be made at the special session in March when the Capacity Study was considered. In response to a question by a member as to whether the United Nations had contemplated the possibility of orienting economic development in such a way that the development effort would promote genuine

popular participation in the the new wealth created rather than enabling some to become increasingly rich while others became increasingly poor, the Associate Commissioner noted that the United Nations was very much involved in the question of popular participation in development, that the concept of community development was being understood in a broader sense, and that the United Nations was promoting this approach and taking advantage of the strong movement for change by the people. She noted that this was a subject of some of the Special Rapporteurs' recommendations and she expressed the hope that the Council would discuss this theme at its March session in order to improve the impact of the development assistance it was undertaking.

Decision of the Governing Council

187. At its 185th meeting, the Council took note of the recommendations, calling for attention by UNDP, made by the Special Rapporteurs appointed to review technical co-operation activities in social development (see DP/L.117).

CHAPTER X

OTHER MATTERS

188. Under item 13 of its agenda, the Governing Council had before it an interim report by the Administrator on the mobilization of domestic savings (DP/L.124).

Summary of discussion

189. After a brief introduction by the Administrator, several members raised objections to the study as outlined in the interim report. It contained implications that developing countries had ignored the potential of the mobilization of domestic resources and had over-emphasized the need for external resources. This was, in their view, inaccurate, particularly when the climate for external aid was so unfavourable and when the document itself (DP/L.124) recognized that 85 per cent of the resources for development came from the domestic mobilization of resources by developing countries. Moreover, the approach in the document was too general. Finally, they stated that it was not the function of the UNDP to undertake studies of this nature. Other organizations, particularly UNCTAD, had been seized with this matter for a long time and numerous studies had already been prepared. They added that the function of UNDP in this field should be only to draw the attention of countries, wherever necessary, to potential in this field and to meet the requests of Governments for survey or infrastructure building or for advisory services. Two other members, however, expressed the hope that the Administrator would proceed with the study.

Observations of the Administrator

190. The Administrator explained that the report was merely an interim one and was put before the Council largely for information. The report was intended to be merely factual describing the various techniques for the mobilization of savings. He thought it might prove useful to developing countries to have all of these techniques included in a single report. It would give them the opportunity of deciding whether any of these techniques might still be useful to them in the course of their development. He stated that rather than being a study in depth, it would be an inventory of the studies and reports already prepared. He agreed that it would be an internal document for the use of Resident Representatives and would be available to any interested delegations.

CHAPTER XI

DATE OF THE SPECIAL SESSION AND DATE AND PROVISIONAL AGENDA OF THE TENTH SESSION

191. At its 185th meeting, the Council decided to hold its special session to consider the Capacity Study from 16 to 26 March 1970 at United Nations Headquarters.

192. Referring to the intention of his Government, indicated at the eighth session, to offer facilities for the Governing Council to hold its June 1970 session at Caracas, the representative of Venezuela recognized that, as pointed out to him by some members of the Council, it was difficult to arrange for such a meeting in 1970, in view of problems arising this year with the complex schedule of other meetings. However, his Government continued to believe in the usefulness of holding, from time to time, sessions of the Governing Council in developing countries and, if it continued to be a member of the Council, it would in due time invite the Governing Council to convene at Caracas for its June 1971 session or a future session.

193. The Council then decided, at its 185th meeting, that, following the arrangements worked out by the Administrator with the Director-General of WHO, its tenth session would be held on the premises of that Organization at Geneva from 9 to 26 June 1970, with the possibility of an additional week if necessary.

194. At the same meeting, the Council, in accordance with rule 8 of the rules of procedure and under item 12 of its agenda, considered the draft provisional agenda for the tenth session.

195. The draft provisional agenda which was before the Council for consideration read as follows:

1. Opening of the session.
2. Adoption of the agenda.
3. UNDP (Special Fund) programme recommendations of the Administrator:
 - (a) Consideration of individual projects of the UNDP(SF) programme in private meetings;
 - (b) Approval of UNDP(SF) programme recommendations.
4. UNDP (Technical Assistance) programme:
 - (a) Proposals by the Administrator for future financing of regional and inter-regional projects;
 - (b) Approval of regional and inter-regional project recommendations of the Administrator.

5. General debate (Statements by the Administrator and members of the Council on issues before the Council): report on the activities of UNDP in 1969 with relevant supplementary reports.
 6. Financial matters:
 - (a) Comprehensive statement on the financial position of UNDP;
 - (b) Sub-contracting;
 - (c) UNDP financial regulations and rules.
 7. Administrative and budgetary matters:
 - (a) General policies in respect of budget estimates for the administrative and programme support services of UNDP for 1971;
 - (b) Question of the timing of the presentation to the Council of annual budget estimates for the administrative and programme support services.
 8. United Nations regular programme of technical co-operation.
 9. United Nations Capital Development Fund.
 10. Information papers on the regular programmes of technical assistance in 1969 of the specialized agencies and the International Atomic Energy Agency.
 11. Date and provisional agenda for the eleventh session of the Governing Council.
 12. Other matters.
 13. Draft report of the Governing Council to the forty-ninth session of the Economic and Social Council.
196. At the 185th meeting, following observations made by members of the Council, it was agreed that the Administrator would issue a revised provisional agenda which would include, after item 4 of the draft contained in paragraph 195 above, a new item entitled "Consideration of the Study of the Capacity of the United Nations Development System".

ANNEXES

ANNEX I

List of delegations

MEMBERS OF THE GOVERNING COUNCIL

Algeria

Mr. Hocine Djoudi,* Mr. Amar Dahmouche,** Mr. Mohamed Berrezoug***

Austria

Mrs. Erna Sailer,* Mr. W. Wolte,** Mr. G. Woschnagg**

Belgium

Mr. Edouard Decastiaux,* Mr. Willy Bittremieux,**
Mrs. Sonia Gerlo,*** Mr. Raymond Schrijvers***

Cameroon

Mr. Salomon Bakoto (Third Vice-President),* Mr. Guy L. Sao**

Canada

Mr. H.J. Hodder,* Mr. D.C. Bignell,** Mr. G.F. Bruce,***
Mr. F.G. Livingston,*** Mr. I.B. Robertson,*** Mr. D.G. Adam***

Chile

Mr. Hernán Santa Cruz,* Mr. Héctor Valenzuela (Second Vice-President),**
Mr. Iván Lavados,** Mr. Fernando Montaner**

The People's Republic of the Congo

Mr. Ekondy-Akala,* Mr. B. Ngalli-Marsala,** Mr. Philippe Gouamba**

Cuba

Mr. Ricardo Alarcón,* Mr. Enrique Camejo Argundín,**
Mr. Pedro Morales,*** Mrs. Esperanza Ballester,*** Mr. Orlando Pereira***

* Representative.

** Alternate Representative.

*** Adviser.

Czechoslovakia

Mr. Miroslav Kadlec,* Mr. Rastislav Lacko**

Denmark

Mr. Wilhelm Ulrichsen,* Mr. Bjørn Olsen,**
Mr. Henrik Schmiegelow,*** Mr. Sven Burmester***

Federal Republic of Germany

Mr. Heinz Herrmann,* Mr. Hansheinrich Kruse,** Mr. Henrich Neufeldt,**
Mr. Peter Jabke,*** Mr. Karl Heinz Lehmann***

Finland

Mr. Matti Kahiluoto,* Mr. Tapani Brotherus,** Mr. Björn Ekblom**

France

Mr. Maurice Viaud,* Mr. Jean-Claude Guisset,** Mr. Jean Fevre,***
Mr. Bernard Prague,*** Miss Anne-Marie Demmer,*** Miss Nicole Courson***

India

Mr. Samar Sen,* Mr. M. Dubey (First Vice-President),** Mr. K.P. Saksena***

Italy

Mr. Mario Franzi,* Mr. G. Scolamiero (Rapporteur),** Mr. A. Mathis**

Ivory Coast

Mr. M. Siméon Ake,* Mr. Amadou Traore,** Mr. Kouame Koffi**

Japan

Mr. T. Naito,* Mr. Y. Hamamoto,*** Mr. T. Nonoyama***

Jordan

Mr. Muhammad H. El-Farra,* Mr. Hani Khassawneh,** Mr. Khalil Othman,**
Mr. Farouk Kasrawi**

Malaysia

Mr. Noor Adlan*

Mauritania

Mr. Abdallahi Ould Daddah,* Mr. Mohamed El Moctar Bal**

* Representative.

** Alternate Representative.

*** Adviser.

Mexico

Mr. Juan Gallardo Moreno,* Mr. Antonio César Villalba**

Netherlands

Mr. Charles Rutten,* Mr. R.M.H. Koesoemo Joedo,** Mr. G. Ringnalda***

Pakistan

Mr. Agha Shahi,* Mr. Hayat Mehdi,** Mr. Reaz Rahman,*** Mr. Munir Akram***

Panama

Mr. Aquilino E. Boyd,* Mr. Dídimo Rios**

Peru

Mr. Manuel Felix Maurtua,* Mr. José Guzmán,** Mr. Alvaro de Soto**

Philippines

Mr. Privado G. Jimenez,* Mr. Leandro I. Verceles,**
Mr. C. Garrido,*** Miss Nona A. Zaldivar***

Poland

Mr. Wlodzimierz Natorf (President),* Mr. Leszek Kasprzyk,**
Mr. Zbigniew Dabrowski***

Romania

Mr. Gheorghe Diaconescu,* Mr. Traian Chebeleu,** Mr. Nita Constantin**

Sweden

Mr. Ernst Michanek,* Mr. Börje Billner,** Mr. Sixten Heppling,**
Mr. Hakan Granqvist,*** Mr. Frank Belfrage,*** Mr. Thord Bengtson,***
Mr. Torbjörn Carlson,*** Mr. Jan Frykholm***

Switzerland

Mr. Sigismond Marcuard,* Mr. Charles Steinhauslin,**
Mr. Jean Philippe Monnier***

Syria

Mr. George J. Tomeh,* Mr. Abdallah El-Attrash,** Mr. Fathi Al-Masri**

* Representative.

** Alternate Representative.

*** Adviser.

Union of Soviet Socialist Republics

Mr. L.I. Mendelevich,* Mr. A.P. Kovalev,** Mr. E.I. Kalachev**

United Arab Republic

Mr. Abdel Halim Badawi,* Mr. M.H. Gobba**

United Kingdom of Great Britain and Northern Ireland

Mr. M.E. Allen,* Mr. W.J.A. Wilberforce,** Mr. D.F. Milton,**
Mr. B.T. Jordan,** Miss Susan Darling***

United Republic of Tanzania

Mr. Waldo E. Waldron-Ramsey,* Mr. C.S.M. Mselle,**
Mr. Ismat Abdulwahid Steiner**

United States of America

Mr. Glenn A. Olds,* Mr. Walter Kotschnig,** Mr. Ernest Stern,**
Mr. Clarence I. Blau,*** Mr. Harry L. Coburn,*** Mr. John R. Ferchak,***
Mr. Joel M. Fisher,*** Mr. Robert W. Kitchen,*** Mr. John W. Koehring,***
Mr. Patrick F. Morris,*** Mr. Arnold Nestel,*** Mr. John Schuler***

Venezuela

Mr. Andrés Aguilar Mawdsley,* Mr. Alberto Fernández,**
Miss Martha Ramos,** Mr. Freddy Christians,** Mr. Hernani Escobar
Cabrera**

OBSERVERS FROM MEMBER STATES

Australia

Mr. J.R. Kelso

Brazil

Mr. Bernardo de Azevedo Brito, Mr. JoséArthur Denot Medeiros

Bulgaria

Mr. Stefan Todorov

China

Mr. Sheldon S.D. Cheng

* Representative.

** Alternate Representative.

*** Adviser.

Guinea

Mr. Boubacar Diabate

Guyana

Mr. M. Stoby, Mr. L. Samuels

Hungary

Mr. Gyula Budai

Israel

Mr. Reuven Hillel

Libya

Mr. Wahbi El Bouri, Mr. Mohammed Layas

Norway

Mr. Jan Arvesen, Mr. Haakon B. Hjelde

Spain

Mr. Ricardo Cortés

Sudan

Mr. Abu Bakr Osman

Trinidad and Tobago

Mr. M.O. St. John

Turkey

Mr. Mustafa Aksin

Yugoslavia

Mr. Ante Skataretiko

UNITED NATIONS SECRETARIAT

Department of Economic and Social Affairs

Mr. Victor Hoo, Commissioner for Technical Co-operation;
Miss Julia Henderson, Associate Commissioner for Technical
Co-operation and Director, Office of Technical Co-operation;
Mr. B.A. El-Tawil, Deputy Director for Programme Management,
Office of Technical Co-operation;
Mr. K.P.R. Menon, Deputy Director for Programme Management,
Office of Technical Co-operation;
Mr. William Goodkind, Deputy Director for Financial and Administrative
Management, Office of Technical Co-operation;
Mr. B.W. Kofsky, Special Assistant to the Commissioner for Technical
Co-operation;
Mr. Tso-Min Yu, Special Assistant to the Commissioner for Technical
Co-operation

UNITED NATIONS BODIES

Office of the United Nations High Commissioner for Refugees

Mr. Jacques Cuenod, Mr. Virendra Dayal

United Nations Children's Fund

Mr. Henry R. Labouisse, Mr. V.A.M. Beermann, Mr. B.H. Fraser

United Nations Conference on Trade and Development

Mr. Paul Berthoud

United Nations Development Programme

Mr. Paul G. Hoffman, Administrator;
Mr. C.V. Narasimhan, Deputy Administrator;
Mr. Myer Cohen, Assistant Administrator and Director,
Bureau of Operations and Programming;
Mr. Rajendra Coomaraswamy, Assistant Administrator and Director,
Bureau of External Relations, Evaluation and Reports;
Mr. Paul-Marc Henry, Assistant Administrator and Associate
Director, Bureau of Operations and Programming;
Mr. A. Vaidyanathan, Director, Bureau of Administrative
Management and Budget;
Mr. John A. Olver, Director, Financial Management and
Administrative Policy Division, Bureau of Operations
and Programming;
Mr. Sidney Sherwood, Senior Financial Adviser;
Mr. Georges Dumontet, Secretary of the Governing Council

Commissioner for the Capacity Study: Sir Robert Jackson

United Nations Industrial Development Organization

Mr. A. Aizenstat

United Nations Institute for Training and Research

Chief S.O. Adebo, Mr. Joseph Therattil, Mr. O. Schachter, Mr. A. Szalai

SPECIALIZED AGENCIES

International Labour Organisation

Mr. A.A. Shaheed, Mr. Philippe Blamont, Mr. F. Abdel-Rahman

Food and Agriculture Organization of the United Nations

Mr. Morris A. Greene, Mr. Howard Cottam, Mr. O. Fenesan

United Nations Educational, Scientific and Cultural Organization

Miss Gertrude McKittrick, Mr. Andre Varchaver

World Health Organization

Dr. A. Bellerive, Dr. A. Mochi, Dr. R.M. Malan

International Bank for Reconstruction and Development

Mr. E. Franco-Holguin, Mr. Vincent J. Riley

International Monetary Fund

Mr. Gordon Williams

International Civil Aviation Organization

Mr. Henio Costa

World Meteorological Organization

Mr. H. Sebastian

Inter-Governmental Maritime Consultative Organization

Lord Dunrossil

ANNEX II
LIST OF UNDP (SPECIAL FUND) PROJECTS APPROVED BY THE GOVERNING COUNCIL AT ITS NINTH SESSION

(V)

DP/SF/R.9/ Add.	Country	Project title	(I) Participating and Executing Agency	(II) Estimate of Government participation (counterpart contribution)	(III) Governing Council earmarking	(IV) Estimated total cost of project	Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col.III)
1	Afghanistan	Highway Maintenance Programme (AFG 24)	IBRD	\$US 970,000	\$US 1,760,000	\$US 2,730,000	\$US 115,000
2	Afghanistan	Telecommunications Training Centre, Kabul (Phase II) (AFG 25)	ITU	228,000	1,420,200	1,648,200	157,900
3	Afghanistan	Agricultural and Cottage Industries Bank (ABA (AFG 27)	IBRD	76,000	530,500	606,500	42,900
4	Algeria	Supplementary Assistance to the National School for Telecommunication Studies (ALG 3)	ITU	1,752,000	519,000 ^{a/}	2,271,000	65,800
5		(No recommendation will be issued under this symbol)					
6	Algeria	Accelerated Training of Agricultural Technicians (Phase II) (ALG 30)	FAO	6,951,000	1,253,000	8,204,000	145,100
7	Argentina	Supplementary Assistance in Groundwater Research in the Northwest (ARG 13)	United Nations	341,000	173,200 ^{b/}	514,200	19,600
8	Argentina	Improved Soil Fertility and Management in the Pampa Region (ARG 29)	FAO	2,740,000	694,900	3,434,900	60,000
9	Argentina	Mineral Exploration in the Northwest Region (ARG 35)	United Nations	5,311,000	569,800	5,880,800	34,800
10	Bolivia	Supplementary Assistance to the Centre for Petroleum Development, La Paz (BOL 10)	United Nations	331,000	285,100 ^{c/}	616,100	24,700
11	Bolivia	Development and Improvement of the Meteorological and Hydrological Services (BOL 26)	WMO	582,000	697,300	1,279,300	28,100
12	Bolivia	Survey of the Mutun Iron Ore and Manganese Deposits (BOL 27)	United Nations	136,000	346,100	482,100	17,000

a/ An allocation of \$901,000 for this project was originally approved by the Special Fund's Governing Council at its eleventh session in January 1964.
(See document SF/R.8/Add.2).

b/ An allocation of \$674,000 for this project was originally approved by the Special Fund's Governing Council at its tenth session in June 1963.
(See document SF/R.7/Add.3).

c/ An allocation of \$818,900 for this project was originally approved by the Special Fund's Governing Council at its fourteenth session in June 1965.
(See document SF/R.11/Add.3).

DP/SF/R.9/ Add.	Country	Project title	(I) Participating and Executing Agency	(II)	(III)	(IV) Estimated total cost of project	(V)
				Estimate of Government participation (counterpart contribution)	Governing Council earmarking		Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col. III)
				\$US	\$US	\$US	\$US
13	Brazil	National Centre for Vocational Training (BRA 42)	ILO	4,186,000	1,203,800	5,389,800	112,200
14	Brazil	Industrial Development Centre, Feira de Santana (BRA 44)	UNIDO	898,000	663,900	1,561,900	66,500
15	Burma	Computation Centre, Institute of Economics, Rangoon (BUR 15)	UNESCO	477,000	1,031,100	1,508,100	25,700
16	Burundi	Fishery Survey and Development Project (BDI 8)	FAO	52,000	719,300	771,300	3,600 ^{d/}
17	Cambodia	Industrial Management and Productivity (CAM 14)	ILO	227,000	599,400	826,400	66,600
18	Cambodia	Water Supply for Sihanoukville (CAM 16)	WHO	372,000	687,300	1,059,300	48,000
19	Cameroon	Federal Higher School of Agriculture, Yaounde (CMR 14)	FAO	3,125,000	882,700	4,007,700	85,200
20	Cameroon	Pilot Programme in Maintenance and Repair (CMR 19)	UNIDO	130,000	274,600	404,600	24,400
21	Central African Republic	In-Service Training of Agricultural Extension Workers (CAF 4)	FAO	158,000	640,600	798,600	66,500
22	Ceylon	National Vocational Training Scheme (CEY 21)	ILO	556,000	659,200	1,215,200	58,600
23	Ceylon	Agricultural Diversification of Tea and Rubber Growing Areas (CEY 22)	FAO	1,154,000	1,259,400	2,413,400	117,200
24	China	The Preparation of a Consolidated Community Development Programme (CHA 30)	United Nations	442,000	405,000	847,000	27,900
25	Colombia	Development of the Choco Valley: Phase I - Surveying and Mapping (COL 33)	United Nations	413,000	319,100	732,100	14,000
26	Colombia	The Training of Secondary School Teachers and Educational Specialists (University of Antioquia and the National Pedagogical University) (COL 36)	UNESCO	2,105,000	1,246,900	3,351,900	108,700
27	Congo (Democratic Republic of)	Central Services for Maintenance and Repair of Industrial Equipment (CON(k) 34)	UNIDO	55,000	191,300	246,300	18,800

d/ The Administrator recommends, as an exceptional measure, that the Government's obligation to make a cash contribution towards local operating costs for this project should be partially waived.

DP/SF/R.9/ Add.	Country	Project title	(I) Participating and Executing Agency	(II)	(III)	(IV) Estimated total cost of project	(V)
				Estimate of Government participation (counterpart contribution)	Governing Council earmarking		Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col. III)
				\$US	\$US	\$US	\$US
28	Cuba	Faculty of Science, University of Havana (CUB 5)	UNESCO	3,560,000	1,382,200	4,942,200	126,000
29	Czechoslovakia	Federal Research and Development Centre for Environmental Pollution Control (CZE 2)	WHO	9,868,000	1,074,800	10,942,800	62,600
30	Ecuador	Planning Local Programmes of Modernization of Rural Life in the Andes (Phase I) (ECU 28)	ILO	1,694,000	715,700	2,409,700	62,400
31	Gabon	Mineral Exploration in Eastern Gabon (GAB 7)	United Nations	403,000	570,700	973,700	29,100
32		(No recommendation will be issued under this symbol)					
33	Guatemala	Integrated Economic and Social Development of the Central Western Highlands through Initial Emphasis on Improved Agricultural Production (GUA 14)	FAO	2,000,000	1,052,500	3,052,500	97,300
34	Guinea	Preliminary Investigation of Mount Nimba Iron-Ore Deposits (GUI 5)	United Nations	380,000	962,000	1,342,000	51,100
35	Guinea	Development of Rice Cultivation (Phase II) (GUI 18)	FAO	852,000	1,154,500	2,006,500	117,500
36	Guyana	Training Methodology (GUY 15)	ILO	16,500	60,900	77,400	2/
37	India	Post-Graduate Education of Engineers (IND 104)	UNESCO	5,440,000	2,003,900	7,443,900	132,300
38	Indonesia	Institute of Hydraulic Engineering (INS 27)	United Nations	1,231,000	1,779,600	3,010,600	95,600
39	Iran	Telecommunications Training Centre, Teheran (IRA 22)	ITU	1,798,000	1,512,200	3,310,200	129,600
40	Iran	Pre-Investment Survey of Sewerage Needs and Facilities in Teheran (IRA 26)	WHO	563,000	1,110,000	1,673,000	88,100
41	Iran	Institute for Agricultural Marketing Development, Teheran (IRA 32)	FAO	1,185,000	1,377,100	2,562,100	148,100
42	Iraq	Educational Research Centre, University of Baghdad (IRQ 23)	UNESCO	583,000	365,200	948,200	35,000

e/ As the project will be executed in full outside the country, the Governing Council earmarking does not include an amount to be paid by the Government as a cash contribution towards local operating costs.

DP/SF/R.9/ Add.	Country	Project title	(I) Participating and Executing Agency	(II) Estimate of Government participation (counterpart contribution)	(III) Governing Council earmarking	(IV) Estimated total cost of project	(V) Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col. III)
				\$US	\$US	\$US	\$US
43	Iraq	National Institute of Management Services and Development in Baghdad (IRQ 29)	ILO	2,753,000	937,200	3,690,200	105,800
44	Israel	Research and Training in Environmental Control for Growth of High Value Crops (ISR 19)	FAO	760,000	657,300	1,417,300	41,600
45	Ivory Coast	Transport Survey (Phase II) (IVC 17)	IBRD	175,000	930,500	1,105,500	55,200
46	Ivory Coast	Water Supply and Sewerage for Abidjan (IVC 18)	WHO	530,000	503,100	1,033,100	41,200
47	Jamaica	Development and Management of Water Resources (JAM 12)	FAO	1,026,000	1,162,800	2,188,800	108,400
48	Jordan	Jordan Housing Corporation (JOR 16)	United Nations	2,023,000	919,400	2,942,400	74,300
49	Jordan	Tobacco Development Project (JOR 20)	FAO	361,000	431,200	792,200	40,600
-75- 50	Jordan	Phosphate Exploration and Beneficiation Studies (JOR 21)	United Nations	595,000	802,000	1,397,000	31,400
51	Kenya	Industrial Survey and Promotion Centre, Nairobi (KEN 21)	UNIDO	132,000	517,200	649,200	63,900
52	Kenya	Research on Tick-Borne Cattle Diseases and Tick Control (KEN 22)	FAO	286,000	463,200	749,200	48,400
79 53	Kuwait	Shuwaikh Industrial Training Centre (KUW 3)	ILO	3,000,000	637,500	3,637,500	68,000
54	Lesotho	Development of a Pilot Agricultural Scheme in the Leribe Area (LES 2)	FAO	602,000	1,370,900	1,972,900	f/
4055- 55	Liberia	Development of Rice Cultivation (LIR 5)	FAO	550,000	1,180,100	1,730,100	127,600
56	Malagasy Republic	Supplementary Assistance to the National Institute of Telecommunications and Posts, Antanetibe (MAG 5)	ITU	410,000	422,800 g/	832,800	40,000
57	Malagasy Republic	Research on the Control of the Migratory Locust of the Malagasy Republic (MAG 23)	FAO	342,000	632,800	974,800	63,400

f/ The Administrator recommends, as an exceptional measure, that the Government's obligation to make a cash contribution towards local operating costs for this project should be waived.

g/ An allocation of \$766,100 for this project was originally approved by the Special Fund's Governing Council at its eleventh session in January 1964. (See document SF/R.8/Add.23).

DP/SF/R.9/ Add.	Country	Project title	(I) Participating and Executing Agency	(II) Estimate of Government participation (counterpart contribution)	(III) Governing Council earmarking	(IV) Estimated total cost of project	(V) Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col. III)
58	Malaysia	National Institute for Scientific and Industrial Research, Kuala Lumpur (MAL 22)	UNIDO	\$US 270,000	\$US 455,300	\$US 725,300	\$US 39,000
59	Malaysia	Department of Statistics (MAL 24)	United Nations	4,082,000	1,081,700	5,163,700	116,100
60	Mali	Supplementary Assistance to the Secondary School Teacher Training Institute, Bamako (MLI 1)	UNESCO	1,963,000	603,800 ^{h/}	2,566,800	55,100
61	Mali	Supplementary Assistance to the Agricultural Instructors and Extension Workers Training Programme (MLI 3)	ILO	447,000	506,800 ^{i/}	953,800	40,700
62	Mali	Investigation of the Selingue Dam Site on the Sankarani River (MLI 5)	United Nations	205,000	481,000	686,000	21,000
63	Mexico	Soil Dynamics Laboratory of the National University of Mexico (MEX 19)	UNESCO	1,744,000	830,300	2,574,300	56,900
64	Mexico	Air Navigation and Air Traffic Services (MEX 29)	ICAO	307,000	329,100	636,100	34,800
65	Mongolia	Applied Research and Experimental Centre for the Leather and Leather Goods Industry, Ulan Bator (MON 6)	UNIDO	1,786,000	957,500	2,743,500	72,700
66	Morocco	Supplementary Assistance to the National Leather and Textile Institute, Fez (MOR 23)	ILO	265,000	212,500 ^{j/}	477,500	27,100
67	Morocco	Feasibility Study for a Fish Protein Concentrate Plant (MOR 33)	UNIDO	65,000	289,500	354,500	11,600
68	Nepal	Development of Water Supply and Sewerage, Greater Kathmandu and Bhaktapur (NEP 8)	WHO	162,000	752,400	914,400	58,400

^{h/} An allocation of \$1,019,900 for this project was originally approved by the Special Fund's Governing Council at its seventh session in January 1962. (See document SF/R.4/Add.18). An initial supplementary earmarking of \$279,700 was approved by the Governing Council at its seventh session in January 1969. (See document DP/SF/R.7/Add.67).

^{i/} An allocation of \$587,100 for this project was originally approved by the Special Fund's Governing Council at its thirteenth session in January 1965. (See document SF/R.10/Add.33).

^{j/} An allocation of \$395,900 for this Phase II project was originally approved by the Governing Council at its fifth session in January 1968. (See document DP/SF/R.5/Add.61). An initial earmarking of \$934,800 was approved by the Special Fund's Governing Council at its seventh session in January 1962. (See document SF/R.4/Add.20).

DP/SF/R.9/ Add.	Country	Project title	(I) Participating and Executing Agency	(II)	(III)	(IV) Estimated total cost of project	(V)
				Estimate of Government participation (counterpart contribution)	Governing Council earmarking		Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col. III)
69	Nepal	Increased Use of High-Yielding Crop Varieties and Fertilizers, Central Nepal (NEP 12)	FAO	\$US 807,000	\$US 979,400	\$US 1,786,400	\$US 78,200
70	Netherlands (Surinam)	Public Water Supplies and Sewerage (NET 4)	WHO	640,000	665,900	1,313,900	43,700
71	Nicaragua	Pre-Investment Study for the Regional Development of the Rio Escondido River Basin (NIC 11)	FAO	324,000	587,500	911,500	59,200
72	Nigeria	Supplementary Assistance to the Savanna Forestry Research Station, Samaru (NIR 16)	FAO	815,000	442,600 ^{k/}	1,257,600	49,500
73	Nigeria	Abraka College of Education (NIR 38)	UNESCO	2,327,000	1,205,200	3,532,200	130,700
74	Nigeria	Plant Quarantine Station, Ibadan (NIR 40)	FAO	655,000	787,100	1,442,100	73,900
75	Pakistan	Supplementary Assistance to the University of Islamabad (PAK 47)	UNESCO	5,363,000	1,104,900 ^{l/}	6,467,900	62,200
76	Pakistan	Supplementary Assistance to the East Pakistan Water and Power Development Authority (PAK 50)	IBRD	114,200	758,200 ^{m/}	872,400	^{n/}
77	Peru	Higher School of Public Administration, Lima (PER 42)	United Nations	1,208,000	1,071,300	2,279,300	117,400
78	Philippines	Improvement of Irrigation Facilities through Groundwater Development (PHI 31)	FAO	1,055,000	1,996,200	3,051,200	103,000
79	Philippines	Deep-Sea Fishing Development Project (Phase II) (PHI 37)	FAO	637,000	384,600	1,021,600	41,600
80	Romania	Supplementary Assistance for the Establishment and Operation of Pilot Irrigation Stations in the Danube Plain (ROM 1)	FAO	2,261,000	435,200 ^{o/}	2,696,200	18,000

^{k/} An allocation of \$647,100 for this project was originally approved by the Special Fund's Governing Council at its eleventh session in January 1964. (See document SF/R.8/Add.29).

^{l/} An allocation of \$233,000 for this project was originally approved by the Governing Council at its eighth session in June 1969. (See document DP/SF/R.8/Add.58).

^{m/} An allocation of \$1,974,300 for this project was originally approved by the Governing Council at its seventh session in January 1969. (See document DP/SF/R.7/Add.79).

^{n/} The payment towards local operating costs is included in the Government's counterpart contribution.

^{o/} An allocation of \$1,153,300 for this project was originally approved by the Special Fund's Governing Council at its thirteenth session in January 1965. (See document SF/R.10/Add.47).

DP/SF/R.9/ Add.	Country	Project title				(IV) Estimated total cost of project	(V) Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col.III)
			(I) Participating and Executing Agency	(II) Estimate of Government participation (counterpart contribution)	(III) Governing Council earmarking		
81	Romania	Assistance in Water Pollution Control at the Institute of Hydro-Technical Research (ROM 8)	WHO	\$US 833,000	\$US 283,800	\$US 1,116,800 ^a	\$US 13,500
82	Senegal	National Centre for Planning of Scientific and Technological Research (SEN 13)	UNESCO	242,000	419,700	661,700	42,900
83	Senegal	National Society for Industrial Studies and Promotion (SONEPI) (SEN 14)	UNIDO	483,000	470,300	953,300	53,100
84	Sierra Leone	Supplementary Assistance for the Integrated Development of the Agricultural Sector (SIL 3)	FAO	p/	140,400 ^a	140,400	16,400
85	Singapore	National Productivity Centre (SIN 8)	ILO	1,777,000	598,300	2,375,300	64,300
86	Somalia	Survey of Northern Rangelands (SOM 12)	FAO	61,000	198,200	259,200	16,800
87	Somalia	Institute of Public Administration, Mogadiscio (Phase II) (SOM 15)	United Nations	261,000	1,320,800	1,581,800	130,700
88	Spain	Electrical Industry Testing and Experimentation Centre (SPA 12)	UNIDO	3,934,000	693,500	4,627,500	31,100
89	Sudan	Industrial Research Institute, Khartoum (Phase II) (SUD 41)	UNIDO	1,603,000	816,600	2,419,600	79,200
90	Sudan	Strengthening the Topographical Survey Division (SUD 42)	United Nations	2,859,000	794,200	3,653,200	75,500
91	Syria	Establishment of the Bureau of Industrial Project Evaluation and Feasibility Studies (SYR 34)	UNIDO	390,000	531,500	921,500	50,300
92	Thailand	Rubber Development Project (Phase II) (THA 34)	FAO	2,555,000	1,301,100	3,856,100	129,200
93	Thailand	National Institute for Promotion of Teaching Science and Technology (THA 36)	UNESCO	2,135,000	679,800	2,814,800	48,000

^a/ The value of the Government's participation in the extension of the project is estimated at \$23,000, which will be met from the Government's original participation in the project.

^a/ An allocation of \$340,100 for this project was originally approved by the Special Fund's Governing Council at its fourteenth session in June 1965. (See document SF/R.11/Add.34).

DP/SF/R.9/ Add.	Country	Project title					(V)
			(I) Participating and Executing Agency	(II) Estimate of Government participation (counterpart contribution)	(III) Governing Council earmarking	(IV) Estimated total cost of project	Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col. III)
				\$US	\$US	\$US	\$US
94	Thailand	Thai Industrial Standards Institute (THA 37)	UNIDO	573,000	196,100	769,100	16,800
95	Tunisia	Improvement of Irrigation and Drainage Techniques (TUN 29)	FAO	1,929,000	1,151,300	3,080,300	103,100
96	Tunisia	Fishery Survey and Development Project (TUN 33)	FAO	1,120,000	841,600	1,961,600	83,200
97	Turkey	Supplementary Assistance to the Sheep and Goat Diseases Laboratory, Pendik (TUR 10)	FAO	75,000	163,900 ^{r/}	238,900	18,100
98	Turkey	Supplementary Assistance to the Telecommunications Training Centre, Ankara (TUR 28)	ITU	659,000	386,700 ^{s/}	1,045,700	37,800
99	Turkey	Karadeniz Technical University, Trabzon (TUR 35)	UNESCO	1,834,000	292,900	2,126,900	18,900
-61- 100	Turkey	Marine Fishery Development Project (TUR 40)	FAO	249,000	351,400	600,400	34,800
101	United Arab Republic	Integrated Development and Settlement of New Lands Irrigated by the High Dam Waters (UAR 71)	United Nations	931,700	974,000	1,905,700	107,700
102	United Arab Republic	Assistance in the Study of Problems of Coastal Erosion (UAR 81)	UNESCO	1,103,000	992,600	2,095,600	47,400
103	Uruguay	Public Service Training (URU 11)	United Nations	507,000	698,200	1,205,200	75,900
104	Uruguay	Economic Feasibility and Organiza- tion of the Olimar River Irrigation System (URU 13)	FAO	694,000	774,600	1,468,600	60,900
105	Yemen	Highlands Farm Development (YEM 9)	FAO	161,000	501,100	662,100	49,500
106	Yugoslavia	Centre for Industrial Organization and Development (YUG 11)	UNIDO	1,425,000	932,100	2,357,100	88,000
107	Zambia	Business Studies Department, Evelyn Hone College (ZAM 2)	ILO	440,000	464,500	904,500	50,100

r/ An allocation of \$1,245,000 for this project was originally approved by the Special Fund's Governing Council at its twelfth session in June 1964.
(See document SF/R.9/Add.41).

s/ An allocation of \$1,432,300 for this project was originally approved by the Governing Council at its third session in January 1967.
(See document DP/SF/R.3/Add.55).

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DP/SF/R.9/ Add.	Country	Project title	(I) Participating and Executing Agency	(II) Estimate of Government participation (counterpart contribution)	(III) Governing Council earmarking	(IV) Estimated total cost of project	(V) Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col.III)
108	Regional (Gambia and Senegal)	Hydrological and Topographical Studies of the Gambia River Basin (REG 60)	United Nations	\$US 155,000	\$US 449,400	\$US 604,400	\$US 40,700
109	Regional (Ivory Coast, Mali, Mauritania, Niger, Senegal, Togo and Upper Volta)	Regional Training Centre for Post Inspectors, Abidjan (REG 137)	UPU	262,000	333,800	595,800	27,300
110	Regional (Kenya, United Republic of Tanzania and Uganda)	The East African Flying School (REG 149)	ICAO	3,287,000	2,533,000	5,820,000	91,400
111	Regional (Guinea and Mali)	Flood Forecasting and Warning System on the Niger River Basin (REG 179)	WMO	57,000	433,000	490,000	32,100
112	Regional (Guinea, Mali, Mauritania and Senegal)	Documentation Centre for the Senegal Basin Development Programme (REG 181)	FAO	73,500	234,500	308,000	12,800
113	Regional (Brazil and Uruguay)	Supplementary Assistance to the Development of the Merim Lagoon Basin (REG 35)	FAO	246,000	320,100 ^{t/}	566,100	36,600
114	Regional (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama)	Supplementary Assistance for Operational Research on the Eradication of the Mediterranean Fruit Fly in Central America (REG 62)	IAEA	236,000	90,900 ^{u/}	326,900	5,400
115	Regional (Bolivia, Brazil, Ecuador and Peru)	VHF Extended Range Regional Project (REG 166)	ICAO	1,383,000	1,134,400	2,517,400	33,700
116	Regional (China, Philippines, Republic of Korea and Thailand)	Regional Postal Training School, Bangkok (REG 98)	UPU	506,000	641,900	1,147,900	48,700

^{t/} An allocation of \$1,573,300 for this project was originally approved by the Special Fund's Governing Council at its eleventh session in January 1964. (See document SF/R.8/Add.46).

^{u/} An allocation of \$870,200 for this project was originally approved by the Special Fund's Governing Council at its thirteenth session in January 1965. (See document SF/R.10/Add.66).

DP/SF/R.9/ Add.	Country	Project title	(I) Participating and Executing Agency	(II)	(III)	(IV) Estimated total cost of project	(V)
				Estimate of Government participation (counterpart contribution)	Governing Council earmarking		Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col.III)
117	Regional (Indonesia, Laos, Malaysia, Philippines, Republic of Viet-Nam, Singapore and Thailand)	South East Asia Transport Survey (REG 160)	ASDB ^{v/}	\$US 213,000	\$US 1,080,300	\$US 1,293,300	\$US 78,600
118	Regional (Bulgaria, Greece, Romania, Turkey and Yugoslavia)	Survey of the Seismicity of the Balkan Region (REG 172)	UNESCO	2,250,000	668,800	2,918,800	39,200
119		(No recommendation will be issued under this symbol)					
120	Regional (South Pacific: British Solomon Islands, Cook Islands, Fiji, Gilbert and Ellice Islands, Kingdom of Tonga, Nauru, New Hebrides, Niue/Tokelau Islands and Western Samoa)	Secondary School Curriculum Development Unit, University of the South Pacific (REG 150)	UNESCO	2,038,000	1,401,200	3,439,200	148,800
121	Spain (Acting for the benefit and at the request of the International Olive Oil Council)*	Centre for the Improvement and Demonstration of Olive Production Techniques (SFA 21)	FAO	1,048,000	1,060,100	2,108,100	64,100
122	Inter-Regional (Argentina, Bulgaria, Costa Rica, Czechoslovakia, Ecuador, Iran, Iraq, Mauritius, Mexico, Poland, Singapore, Somalia, Turkey, Uganda, United Arab Republic, Uruguay and Venezuela)	Advanced Industrial Training for the Electrical and Electronic Industries (INT-REG 13)	UNIDO	138,000	275,000	413,000	w/
123	Inter-Regional (Bolivia, Cyprus, Indonesia, Iran, Iraq, Sudan, Turkey and the United Arab Republic)	Higher Training for Textile Industries (INT-REG 14)	UNIDO	342,000	179,600	521,600	w/

*/ The members of the International Olive Oil Council are: Algeria, Argentina, Belgium (in the name of Belgium and Luxembourg), Dominican Republic, France, Greece, Israel, Italy, Libya, Morocco, Portugal, Syria, Tunisia, Turkey, United Arab Republic and United Kingdom.

v/ Asian Development Bank, an Executing Agency.

w/ In view of the utilization of international expert services mainly in the host country, this obligation is not deemed applicable.

DP/SF/R.9/ Add.	Country	Project title	(I)	(II)	(III)	(IV)	(V)
			Participating and Executing Agency	Estimate of Government participation (counterpart contribution)	Governing Council earmarking	Estimated total cost of project	Estimate of local operating costs to be paid by Government(s) and included in Governing Council earmarking (Col.III)
				\$US	\$US	\$US	\$US
124	Global (Colombia, El Salvador, Guatemala, Mexico and Venezuela)	Research and Training in the Development of High Lysine Maize (GLO 1)	<u>x/</u>	<u>y/</u>	1,653,200	1,653,200	<u>y/</u>
125	Argentina	Development of the Northwest Region (ARG 39)	United Nations	610,000	427,500	1,037,500	32,800
126	Cameroon	Regional African Centre for Labour Administration, Yaounde (CMR 18)	ILO	233,000	386,300	619,300	30,900
127	Pakistan	Agricultural Extension Training Centres in East Pakistan (PAK 37)	FAO	2,958,000	963,500	3,921,500	74,400
128		(No recommendation will be issued under this symbol)					
129	Singapore	Singapore Polytechnic (SIN 13)	UNESCO	5,500,000	1,620,600	7,120,600	132,300
		TOTAL		<u>\$154,765,900</u>	<u>\$95,496,300</u>	<u>\$250,262,200</u>	<u>\$7,423,100</u>

x/ This project will be carried out by the UNDP through the International Maize and Wheat Improvement Centre (CIMMYT), Mexico, with advisory assistance of the Food and Agriculture Organization of the United Nations (FAO).

y/ In view of the global nature of this project, no counterpart contribution nor payment towards local operating costs will be made.